



CITY COUNCIL SPECIAL AND REGULAR MEETING AGENDA

Tuesday, October 15, 2013
6:00 P.M.
701 Laurel Street, Menlo Park, CA 94025
City Council Chambers

6:00 P.M. CLOSED SESSION (1st floor Council Conference Room, Administration Building)

Public Comment on these items will be taken prior to adjourning to Closed Session

CL1. Closed Session pursuant to Government Code Section §54957 to conference with labor negotiators regarding labor negotiations with the American Federation of State, County and Municipal Employees (AFSCME), Service Employees International Union (SEIU), and the Police Officers Association (POA)

Attendees: Alex McIntyre, City Manager, Starla Jerome-Robinson, Assistant City Manager, Dan Siegel, Acting City Attorney, Gina Donnelly, Human Resources Director

CL2. Closed Session pursuant to Government Code Section §54957:
Public Employee Performance Evaluation - City Manager

7:00 P.M. REGULAR SESSION

ROLL CALL – Carlton, Cline, Keith, Ohtaki, Mueller

PLEDGE OF ALLEGIANCE

REPORT FROM CLOSED SESSION

ANNOUNCEMENTS

SS. STUDY SESSION

SS1. Overview of the adoption of the 2013 California Building Standards Code and local amendments ([Staff report # 13-170](#))

A. PRESENTATIONS AND PROCLAMATIONS – None

B. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS

B1. Environmental Quality Commission quarterly report on the status of their 2-Year Work Plan

C. PUBLIC COMMENT #1 (Limited to 30 minutes)

Under “Public Comment #1”, the public may address the Council on any subject not listed on the agenda and items listed under the Consent Calendar. Each speaker may address the Council once under Public Comment for a limit of three minutes. Please clearly state your name and address or political jurisdiction in which you live. The Council cannot act on items not listed on the agenda and, therefore, the Council cannot respond to non-agenda issues brought up under Public Comment other than to provide general information.

D. CONSENT CALENDAR

- D1. Adopt a resolution to approve the Final Map for the Laurel Oaks subdivision located at 1273 and 1281 Laurel Street; accept dedication of an emergency vehicle access easement; authorize the acting City Clerk to sign the final map; and authorize the City Manager to sign the Subdivision Improvement Agreement ([Staff report # 13-166](#))
- D2. Award a contract for the Annual Citywide Storm Drain Cleaning and Video Services to ABC Service for the amount budgeted each year, and authorize the City Manager to extend the contract for up to four additional years ([Staff report # 13-167](#))
- D3. Accept and appropriate the State of California, Department of Transportation Selective Traffic Enforcement Program (STEP) grant PT1437, in the amount of \$52,584, and authorize the Police Department to execute all necessary agreements to conduct specified traffic enforcement operations ([Staff report # 13-168](#))
- D4. Adopt a resolution approving the revised investment policy for the City and the former Community Development Agency of Menlo Park ([Staff report # 13-171](#))
- D5. Accept Council minutes for the meeting of October 1, 2013 ([Attachment](#))

E. PUBLIC HEARINGS – None

F. REGULAR BUSINESS

- F1. Award a contract for median island and right-of-way landscape maintenance services and refuse collection service to Gachina Landscape Management for four years with the option to extend the contract for four additional one year terms and authorize spending up to the budgeted amount each year ([Staff report # 13-169](#))
- F2. Consider state and federal legislative items, including decisions to support or oppose any such legislation, and items listed under Written Communication or Information Item: **None**

G. CITY MANAGER'S REPORT – None

H. WRITTEN COMMUNICATION – None

I. INFORMATIONAL ITEMS

- I1. Financial review of unaudited General Fund operations as of June 30, 2013 ([Staff report # 13-172](#))

J. COUNCILMEMBER REPORTS

K. PUBLIC COMMENT #2 (Limited to 30 minutes)

Under "Public Comment #2", the public if unable to address the Council on non-agenda items during Public Comment #1, may do so at this time. Each person is limited to three minutes. Please clearly state your name and address or jurisdiction in which you live.

L. ADJOURNMENT

Agendas are posted in accordance with Government Code Section 54954.2(a) or Section 54956. Members of the public can view electronic agendas and staff reports by accessing the City website at <http://www.menlopark.org> and can receive e-mail notification of agenda and staff report postings by subscribing to the "Home Delivery" service on the City's homepage. Agendas and staff reports may also be obtained by contacting the City Clerk at (650) 330-6620. Copies of the entire packet are available at the library for viewing and copying. (Posted: 10/10/2013)

At every Regular Meeting of the City Council, in addition to the Public Comment period where the public shall have the right to address the City Council on the Consent Calendar and any matters of public interest not listed on the agenda, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the Mayor, either before or during the Council's consideration of the item.

At every Special Meeting of the City Council, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the Mayor, either before or during consideration of the item.

Any writing that is distributed to a majority of the City Council by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available for inspection at the Office of the City Clerk, Menlo Park City Hall, 701 Laurel Street, Menlo Park, CA 94025 during regular business hours. Members of the public may send communications to members of the City Council via the City Council's e-mail address at city_council@menlopark.org. These communications are public records and can be viewed by any one by clicking on the following link: <http://ccin.menlopark.org>.

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COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: October 15, 2013
Staff Report #: 13-170

Agenda Item #: SS-1

STUDY SESSION: Overview of the Adoption of the 2013 California Building Standards Code and Local Amendments

This is a study session item and does not require any formal action by the Council. The Council may wish to provide feedback and/or general direction.

BACKGROUND

The California Building Standards Code (also referred to as Title 24, Parts 1, 2, 2.5, 3, 4, 5, 6, 7, 8, 9, 10, 11, & 12 of the California Code of Regulations) is published in its entirety every three years and is applicable to all buildings that submit an application for a building permit during its effective period. The Building Standards Code incorporates all of the regulations applicable to all disciplines of the construction industry including the Building, Electrical, Mechanical, Plumbing and Fire Codes.

The California Building Standard Codes are based on model codes written by the International Code Council, the National Fire Protection Association, and the International Association of Plumbing and Mechanical Officials. The publication of code updates by these organizations triggers State consideration, amendment, and adoption of an updated set of codes to be used by jurisdictions within the state. Each triennial edition of the California Building Standards Code becomes effective 180 days after its publication date of July 1. Therefore, the 2013 Building Standards Codes go into effect on January 1, 2014 and all applications for building permit submitted after January 1, 2014 will be subject to these Codes.

ANALYSIS

Local amendments to the Building Standards Code can be approved at any time during a triennial code cycle however standard practice is to have these local amendments approved prior to and effective with the new Building Standards Code to provide for a smoother transition for the building community. This analysis focuses on proposed local amendments, changes related to sustainable building and energy efficiency requirements, and proposed local amendments to the State-adopted Fire Code being recommended by the Menlo Park Fire Protection District.

Local Amendments

The California Health and Safety Code allows local jurisdictions to modify the California Building Standards Code and adopt different or more restrictive requirements with the caveats that:

- The local modifications must be substantially equivalent to, or more stringent than, building standards published in the California Building Standards Code; and
- The local jurisdiction is required to make specific or express findings that such changes are reasonably necessary because of local geological, climatic, or topographic conditions.

A local jurisdiction must adopt the current California Building Standards Code in order to also adopt local amendments. All local amendments are applicable only to the triennial edition of the California Building Standards Code they are adopted with and will not apply to the new triennial edition of the California Building Standards Code. Thus, any local amendments a jurisdiction wishes to carry forward must be re-adopted.

Title 12, Buildings and Construction, of the City of Menlo Park Municipal Code, incorporates the Building Standards Code plus locally adopted amendments to the codes and is known as the Building Code of the City of Menlo Park. The Building Code applies to the construction of any building or structure in the city on public or private land except for structures constructed in the public right of way.

At its meeting of November 19, 2013, staff intends to bring forward an ordinance for Council consideration that would adopt all parts of the 2013 California Building Standards Code with the exception of Parts 7 and 9. Part 7 is vacant but had previously been the California Elevator Safety Construction Code. This code has been moved to a different area within the California Code of Regulations. Part 9 is the California Fire Code which is adopted and enforced by the Menlo Park Fire Protection District. The Fire District adoption process and the City's role in the adoption process is discussed in more detail later in this report.

The ordinance that will be brought before the Council will include proposed local amendments to the 2013 Building Standards Code for Council's consideration. At this time, staff anticipates that the local amendments will be consistent with those that have been historically adopted by the City. The historic amendments modify standards under which certain types of activity are exempt from building permits and all but one have been adopted for over 16 years. An exemption for play structures was introduced in the 2010 Building Standards Code, which the City amended to establish a maximum size and height after which a building permit would be required to ensure a safe structure and enforcement of Zoning Ordinance requirements. Attachment A includes a table listing the historically adopted local amendments, how they differ from the Building Standards Code and a statement of purpose for the local amendment. In addition to the local amendments listed in Attachment A, the City adopted local amendments related to

sustainable development in 2011. These local amendments are discussed in more detail below.

Sustainable Building and Energy Efficiency

In 2010, the State established mandatory sustainable building standards for the construction of all new residential and non-residential structures through the adoption of Part 11 of the Building Standards Code known as the 2010 Green Building Standards Code or Cal Green. On July 1, 2012, the State further amended Cal Green to also apply to additions and alterations of non-residential buildings. Cal Green does not establish energy efficiency standards since they are established in Part 6 of the Building Standards Code (referred to as the California Energy Code) by the California Energy Commission (CEC). Further, sections on energy efficiency in Cal Green state that the CEC will continue to adopt standards establishing minimum energy efficiencies for structures. By including this statement in Cal Green, the State provided a method for local jurisdictions to adopt energy efficiency standards that are more restrictive than those adopted by the CEC through local amendments to these sections.

Changes to Cal Green and the Energy Code for 2013

The most significant changes to the 2013 Cal Green standards are the application of the standards to residential additions and alterations as opposed to only new development, reduced threshold for the application of the standards to non-residential additions and alterations and to water-conserving plumbing fixtures. The new standards make the mandatory provisions applicable to existing residential buildings where the addition or alteration increases the building's conditioned area, volume, or size and to existing non-residential buildings with an addition of 1,000 square feet and/or to alterations with an estimated construction cost exceeding \$200,000.

The new 2013 Cal Green requirements for water-conserving plumbing fixtures reduce the allowable water usage from the standards established in 2010. As an example, the effective flush volume for water closets has changed from a maximum of 1.6 gallons per flush in 2010 to 1.28 gallons per flush and the effective flush volume for urinals has changed from a maximum of 1 gallon per flush in 2010 to 0.5 gallon in 2013.

Significant changes have also been made to the energy standards for the 2013 Energy Code that results in an approximately 25 percent increase in energy efficiency over the 2010 energy standards. Additional changes include field verification and testing of heating and cooling ducts (currently required by the City's 2011 amendments to Cal Green), new luminary efficiency levels, and 250 square feet of solar ready zone (a penetration and shade free portion of the roof to allow for the future installation of a solar energy system) on single family roofs in subdivisions of 10 or more dwelling units.

Local Amendments to Cal Green and the Energy Code

Cal Green was adopted without local amendments by the City Council on December 14, 2010 and became effective January 1, 2011. Several months after adoption, the Council decided to pursue amendments for stricter requirements than outlined in Cal Green and on August 23, 2011, the Council adopted an ordinance to amend Cal Green to require the following additional mandatory sustainable building measures, including more restrictive energy efficiency standards, as local amendments:

- All newly constructed residential and non-residential structures currently subject to the 2010 California Green Building Standards Code (Cal Green) regulations to exceed the minimum energy efficiency standards established in the 2010 California Energy Code (Energy Code) by 15 percent;
- All newly constructed residential and non-residential structures currently subject to Cal Green regulations to test heating and cooling ducts for leakage; and
- All newly constructed residential structures currently subject to Cal Green regulations to install cool roofs or use alternative methods and materials to achieve equivalent energy savings.

When a local jurisdiction amends Cal Green to include more restrictive energy efficiency standards than those established in the Energy Code, the CEC requires review and approval of the amendments prior to their enforcement. In order for the local energy standards to be approved by the Energy Commission, the jurisdiction must submit an application to the Energy Commission containing the following:

- 1) Proposed local energy standards, including a statement within the local energy standards that the jurisdiction will require buildings to be designed to consume no more energy than permitted by the Building Energy Efficiency Standards, Title 24, Part 6.
- 2) A study with supporting analysis showing how the jurisdiction determined the energy savings and the cost effectiveness of the local energy standards.
- 3) Evidence that the cost effectiveness analysis was heard and approved by the governing body at a noticed public meeting.
- 4) A letter, signed by the Chief Building Official, acknowledging that the jurisdiction makes a commitment to enforce both the State Standards and the proposed local energy standards.
- 5) Any findings, determinations, declarations or reports, including any negative declaration or environmental impact report, required pursuant to the California Environmental Quality Act.

This process was completed following the Council's 2011 action to adopt local amendments and notification of approval was received from the CEC on December 2, 2011. As stated earlier, the 2011 City adopted amendments to Cal Green will not apply to the 2013 edition of Cal Green.

2013 Cal Green Local Amendments

At this time staff is not intending to recommend any local amendments to the 2013 Cal Green. The development of a local sustainable building policy is a measure identified in the City's Climate Action Plan to reduce greenhouse gas emissions. The development of a policy is being managed by the Environmental Programs Division in partnership with the Building Division.

The Environmental Quality Commission (EQC) continues to be involved in the development of a policy as it relates to the Climate Action Plan. The EQC created a subcommittee to work on the issue, and members are currently surveying what other communities are doing in regards to sustainable building policies. The next steps involve:

1. Developing multiple policy templates to share with stakeholder groups;
2. Developing and conducting interviews with various stakeholder groups to comment on the policy templates;
3. Holding informational community meetings;
4. Narrowing down policy options based on community feedback; and
5. Presenting policy to Council in fiscal Year 2014-15.

Menlo Park Fire Protection District

As noted previously, the California Building Standards Code includes the Fire Code (Part 9). Similar to the process for development of the entire Building Standards Code, the Fire Code is based on model codes developed by the National Fire Protection Association. The State Fire Marshal then adopts those portions of the model codes specific to building standards and they become part of the Building Standards Code that the District has the authority to enforce (referenced as the 2013 California Fire Code).

The Fire District is considering local amendments to the 2013 California Fire Code. The Fire District's requirements for the adoption of local amendments to the 2013 California Fire Code are the same as the City's except, as an independent agency from the City of Menlo Park, the local amendments must first be adopted by the District Board and then ratified by the City Council for the local amendments to become enforceable within Menlo Park. If the ordinance is not ratified by the City of Menlo Park, only those parts of the 2013 California Fire Code adopted by the State Fire Marshal are enforceable.

The proposed local amendments are contained in a Fire District document titled Ordinance 36-2013 and referred to as the District's Fire Prevention Code. The local amendments include more restrictive requirements than found in the State Fire Code such as standards for the installation of automatic fire sprinklers, standards for road way widths to accommodate the Fire District's firefighting apparatus, traffic calming devices, and traffic signal control devices. Staff is in the process of completing a thorough review of the proposed local amendments for consistency to current City operations with the intent of working to streamline review processes with the Fire District.

The Fire District has provided a staff report with Ordinance 36-2013 and a table comparing the 2013 model code to language that would be added by Ordinance 36-2013 and providing the reason for the proposed change attached. The District's staff report and associated attachments are included as Attachment B. Fire District representatives will be at the Council meeting to present the proposed local amendments and answer questions.

IMPACT ON CITY RESOURCES

The adoption of the State codes and proposed local amendments will not result in any direct costs to the City.

POLICY ISSUES

The adoption of the State codes and proposed City local amendments to the Building Standards Code do not represent a change in City policy. Some of the local amendments proposed by the Fire District may result in policy changes which will be identified as review of the amendments continues.

ENVIRONMENTAL REVIEW

The adoption of the State codes and proposed local amendments is not a project that has the potential for causing a significant effect on the environment and therefore is not subject to review under the California Environmental Quality Act (CEQA).

PUBLIC NOTICE

Public notification was achieved by posting the agenda, at least 72 hours prior to the meeting, with this agenda item being listed. In addition, the City sent an email update to subscribers of the Building Division [Webpage](#). This webpage will provide up-to-date information about the project, allowing interested parties to stay informed of its progress and allow users to sign up for automatic email bulletins, notifying them when content is updated or meetings are scheduled.

ATTACHMENTS

- A. City of Menlo Park Historic Local Amendments to the California Building Standards Code
- B. Menlo Park Fire Prevention District Staff Report

Report prepared by:
Ron La France
Building Official

Arlinda Heineck
Community Development Director

City of Menlo Park Historic Local Amendments to the California Building Standards Code

State Code Requirement	Proposed Local Amendment	Amendment Explanation
<p>California Building Code (CBC) Section 105 and California Residential Code (CRC) Section R105 - Building #1</p> <p>Exemption from building permit for one-story detached accessory structures used as tool and storage sheds, playhouses and similar uses, provided the floor area does not exceed 120 square feet (11 m2).</p>	<p>Exemption from building permit for detached accessory buildings used as tool and storage or garden sheds or similar uses, provided the height does not exceed eight feet, the projected roof area does not exceed 64 square feet, and the structure complies with Section 16.68.030 Accessory buildings and/or structures of the City of Menlo Park Municipal Code</p>	<p>The CBC and CRC exempt the same structures as described in the proposed local amendment but allows 120 square feet in size with no height limitation. Until 2010, the adopted local amendment restricted the detached accessory buildings to a maximum size of 50 square feet and six feet in height to be exempt from a building permit. The 2010 local amendment increased the overall size and height to a maximum of 64 square feet and eight feet in height to allow for modest sized “modern” sheds. Additionally the amendment specifies the Zoning Ordinance section that establishes the requirements for accessory structure location on a property. The 2013 proposed local amendment is consistent with the 2010 amendment.</p>
<p>CBC Section 105 and CRC Section R105 - Building #2</p> <p>Exemption from building permits for fences not over seven feet in height.</p>	<p>Exemption from building permits for wood fences not over seven feet in height.</p>	<p>The CBC and CRC exempt fences not over seven feet in height. This amendment includes a specification for wood. The proposed 2013 local amendment is consistent with the 2010 amendment.</p>

State Code Requirement	Proposed Local Amendment	Amendment Explanation
<p>CBC Section 105- Building #4 and CRC Section R105 - Building #3</p> <p>Exemption from building permit for retaining walls that are not over four feet in height measured from the bottom of the footing to the top of the wall, unless supporting a surcharge or impounding Class I, II or IIIA liquids.</p>	<p>Exemption from building permits for retaining walls which are not over two feet high measured from the top of the footing to the top of the wall, unless supporting a surcharge or impounding Class I, II, or III liquids.</p>	<p>The CBC and CRC exempt retaining walls with the same restrictions that are not over four feet in height as measured from the bottom of the footing. This local amendment allows for deeper footings that may be required for geological conditions without requiring a reduction in wall height. The proposed 2013 local amendment is consistent with the 2010 amendment.</p>
<p>CBC Section 105 - Building #5 and CRC Section R105 - Building #4</p> <p>Exemption from building permit for water tanks supported directly on grade if the capacity does not exceed 5,000 gallons and the ratio of height to diameter or width does not exceed 2:1.</p>	<p>Exemption from building permits for detached free-standing water tanks supported directly on a concrete foundation at grade if the capacity does not exceed 500 gallons and the height above grade does not exceed six feet and the height to width ratio does not exceed 2:1.</p>	<p>The CBC and CRC exempt the same water tanks but with a maximum capacity of 5,000 gallons and where the height to width ratio does not exceed two to one. The reduction in the overall size and capacity established in this local amendment will ensure a structural design consistent with the CBC, protection of neighboring properties, and enforcement of the Zoning Ordinance. The proposed 2013 local amendment is consistent with the 2010 amendment.</p>

State Code Requirement	Proposed Local Amendment	Amendment Explanation
<p>CBC Section 105 - Building #6</p> <p>Exemption from building permit for sidewalks and driveways not more than 30 inches (762 mm) above adjacent grade, and not over any basement or <i>story</i> below and are not part of an <i>accessible route</i>.</p> <p>CRC Section R105 – Building #5</p> <p>Exemption from building permit from sidewalks and driveways</p>	<p>Exemption from building permits from platforms, walks, and driveways not more than 12 inches above grade and not over any basement or story below.</p>	<p>The CBC and CRC exempt the same platforms, walks, and driveways but to a height of 30 inches. This local amendment is consistent with previously adopted local amendments and allows for enforcement of Zoning Ordinance requirements.</p>
<p>CBC Section 105 - Building #7 and CRC Section R105 - Building #6</p> <p>Exemption from building permit for painting, papering, tiling, carpeting, cabinets, counter tops and similar finish work.</p>	<p>Exemption from building permit for painting, papering, carpeting, and similar finish work.</p>	<p>The CBC exempts the painting, papering, tiling, carpeting, cabinets, counter tops, and similar finish work. This local amendment removes the exemption for tiling, cabinets, and counter tops and is consistent with the previously adopted local amendment which removes the possibility of a “remove and replace” remodel of a kitchen, bath, or other portion of a building from occurring without that room meeting current building code requirements.</p>

State Code Requirement	Proposed Local Amendment	Amendment Explanation
<p>CBC Section 105 - Building #11 Exemption from building permits for swings and other playground equipment accessory to detached one- and two-family <i>dwellings</i>.</p> <p>CRC Section R105 - Building #8 Exemption from building permits for swings and other playground equipment</p>	<p>Exemption from building permits for swings and other playground equipment accessory to detached one- and two-family dwellings not exceeding 120 square feet as measured at the supports or nine feet in height as measured from existing natural grade to the top of the highest structural member, guard rail, or appendage.</p>	<p>The CBC and CRC exempt swings and other playground equipment accessory to detached one- and two-family dwellings without establishing a size limitation. This local amendment establishes an allowable maximum size and height after which a building permit will be required which ensures a safe structure and enforcement of Zoning Ordinance requirements. The proposed 2013 local amendment is consistent with the 2010 amendment.</p>
<p>CBC Section 105 - Building #12 Exemption from building permits for window <i>awnings</i> in Group R-3 and U occupancies supported by an <i>exterior wall</i> that do not project more than 54 inches from the exterior wall and do not require additional support.</p> <p>CRC Section R105 - Building #8 Exemption from building permits for window <i>awnings</i> supported by an <i>exterior wall</i> that do not project more than 54 inches from the exterior wall and do not require additional support.</p>	<p>Exemption from building permits for window awnings in Group R-3 and U occupancies supported by an exterior wall of occupancy when projecting not more than thirty-six (36) inches.</p>	<p>The CBC and CRC exempt awnings to a maximum projection of 54 inches. This local amendment is consistent with previously adopted local amendments.</p>

MENLO PARK FIRE PROTECTION DISTRICT

STAFF REPORT

TO: Menlo Park City Council
FROM: Menlo Park Fire Protection District
Fire Prevention Division

MEETING DATE: October 15, 2013

PREPARED BY: Ronald Keefer

APPROVED BY: Frank Fraone

ITEM:

RECOMMENDATION

1. That the City Council accepts the report as presented
2. The Menlo Park City Council will Ratify the Fire Protection District's Fire Prevention Ordinance

BACKGROUND

Menlo Park Fire Protection District serves the Cities of Menlo Park, East Palo Alto, the Town of Atherton and some unincorporated areas of Menlo Park and Redwood City. The Fire District enforces fire prevention codes and regulations, as handed down by the California State Fire Marshal. In accordance with these regulations (California Code of Regulations, Title 24, Part 9, Section 1.1.8), a Fire Protection District may establish more restrictive and reasonably necessary differences to the provisions contained in the code, provided they are supported by "findings of fact" within the fire district's jurisdiction. These findings of fact, according to law, must be based on local topography, geography, and the local climatic conditions.

DISCUSSION

Menlo Park Fire District has made several changes to the Fire Code, many based on topographical or geographical findings, and how these findings affect the delivery of our service. When the model Fire Codes are written, they are generic and usually occupancy based. Codes are not written with the assumption that a commuter railway will divide the jurisdiction in half. They are not written with the assumption that two main streets cross a freeway and account for major traffic congestion during extended commute hours. Fire District response records have shown a rise in fire loss data when the alarm occurs during commute hours, when there is heavy traffic. So therefore, much of the additional fire protection requirements include additional measures of built-in fire protection for either new buildings over 1,000 square feet or existing buildings over 1,000 square feet that undergo a remodel that exceeds 50% of their current square footage. These provisions seem reasonable and fair and are meant to protect citizens, minimize fire damage, and to protect firefighters.

The model Fire Code is also not written with the assumption that a city is located near several active earthquake faults, which can significantly affect the response of fire apparatus during and after seismic activity, not to mention sudden the high demand for community service and emergency response. The

code further does not account for seasonal rainfall which has caused creeks to overflow their banks, or dry summers with gale force winds that typically blow off the San Francisco Bay, which can turn a small accidental grass fire into something that quickly threatens buildings and structures.

In accordance with State Law, the State Fire Marshal is only allowed to adopt building standards portions of the Fire Code. A matrix table is added to each chapter of the Fire Code indicating which portions of the chapter the State Fire Marshal has adopted. It is for this reason that in addition to the portions of the Fire Code adopted by the State Fire Marshal, that the Fire District has included additional chapters that include general fire safety, emergency preparedness plans, fire apparatus roadways, and appendix items that are meant to work together with the main body of the Code.

So in summary, the Fire District has added requirements to the California Fire Code in an effort to provide additional measures of safety to the community. Some provisions are an attempt to control fires while they are small, while others allow fire fighters to more easily do their job, and to do it safely. In accordance with Title 24, Part 9, Section 1.1.8.1, findings of fact prepared by fire protection districts shall be ratified by the local city. The Menlo Park Fire Protection District asks the City Council to ratify our Fire Protection Ordinance that includes additional measures for fire protection and findings of fact based on local topographical, geographical and climatic data.

ATTACHMENT

- A. Menlo Park Fire Protection District Ordinance 36-2013
- B. Comparison of the present Fire Code, language added by Ordinance 36-2013, and a reason statement for the addition to the Code
- C. Power Point Presentation (To follow)

MENLO PARK FIRE PROTECTION DISTRICT
ORDINANCE NO. __-2013
DISTRICT FIRE PREVENTION CODE
ADOPTING THE 2012 INTERNATIONAL FIRE CODE WITH CALIFORNIA AND
LOCAL AMENDMENTS
(Version Adopted, Amended and Restated on ____ Date ____)

This Ordinance was introduced and was adopted after the holding of a public hearing pursuant to California Health and Safety Code Section 13869.7 and California Government Code Section 50022.3.

WHEREAS, pursuant to Title 24 of the California Code of Regulations, also known as the California Building Standards Code (“CBSC”) and California Health and Safety Code Section 13869 *et seq.*, a fire protection district may adopt a fire prevention code by reference and may also, when reasonably necessary due to local climatic, geological or topographical conditions, establish more stringent local building standards relating to fire and panic safety than those set forth in the CBSC; and

WHEREAS, the Menlo Park Fire Protection District (the “District”) now desires to adopt by ordinance a new amended and restated District Fire Prevention Code that makes local amendments to the 2010 California Fire Code.

NOW, THEREFORE, the Board of Directors of the Menlo Park Fire Protection District ordains as follows:

Findings and Determinations Pursuant to State of California Health & Safety Code sections 1758 and 17958.5

Pursuant to Section 17958.5 and 17958.7 of the State of California Health and Safety Code, the Board of Directors of the Menlo Park Fire District finds that the above changes or modifications are needed and are reasonably necessary because of certain local climatic, geological and topographic conditions as described below.

Finding 1: Climatic

The District, on average, experiences an annual rainfall of 19.7 inches. This rainfall can be expected between October and April of each year. However, during the summer months there is little, if any measurable precipitation. During this dry period the temperatures are usually between 70 – 95 F degrees with light to gusty westerly winds. These drying winds, combined with the natural and imported vegetation which is dominant throughout the area, create a hazardous fuel condition that can cause extensive encroaching into these wooded and grass covered areas where wind-driven fires can have severe consequences. This has been demonstrated in a number of like climatic areas within the State of California and the western United States.

Because of variable weather patterns, normal rainfall cannot always be relied upon. This can result in water rationing and water allocation programs, as demonstrated in past drought patterns. Water shortages may also be expected in the future due to limited water storage capabilities and increased consumption. The District is bounded by San Francisco Bay on the east and the foothills of the Santa Cruz Coastal Range of mountains on the west. This setting allows for strong gusty winds to blow through the Fire District. These winds are a common occurrence each afternoon during summer months. Wind increases a fire's ability to spread and has been attributed to the rapid spread of both vegetation and structure fires. Automatic fire sprinkler protection as required in buildings specified in Chapter 9 of the Fire Code and the local requirements and standards of Menlo Park Fire Protection District would significantly reduce the fire's ability to spread rapidly, especially when the jurisdiction is affected by the typical wind patterns.

Finding 2: Geologic and Geographic:

A. Geographic Location. The District is located at the southeastern most part of San Mateo County.

B. Seismic Location. The District is situated on alluvial soils between San Francisco Bay and the San Andreas Fault zones. The location makes it particularly vulnerable to damage to taller and older structures caused by seismic events. The relatively young geological processes that have created the San Francisco Bay Area are still active today. Seismically, the District sits between two active earthquake faults, the San Andreas fault and the Hayward/Calaveras fault, and numerous potentially active faults. A majority of the District's land surface is in the high-to-moderate seismic hazard zones, as established by the U.S. Geological Survey.

C. Seismic and Fire Hazards: Fires following an earthquake have the potential of causing greater loss of life and damage than the earthquake itself. A significant portion of the District's residential, commercial and industrial structures are located in seismic risk zones. Should a significant seismic event occur, fire suppression resources would have to be prioritized to mitigate the greatest threat, and may not be available for every structural fire. In such an event, individual structures should be equipped to help in mitigation of the risk of damage.

Other variables could aggravate the situation: (i) the extent of damage to the water system; (ii) the extent of isolation due to bridge and/or freeway overpass collapse; (iii) the extent of roadway damage and/or amount of debris blocking the roadways; (iv) climatic conditions (hot, dry weather with high winds); (v) time of day will influence the amount of traffic on roadways and could intensify the risk to life during normal business hours; and; (vi) the availability of timely mutual aid or military assistance.

D. Waterways. The Fire District's south and east boundary lines are waterways, the south side being the San Francisquito Creek, and the east side being the San Francisco Bay. Both waterways are influenced by tides. The San Francisquito Creek is fed from Searsville Dam, located along the Jasper Ridge, and also collects water from storm drains along its drainage pathway. The creek finally empties into San Francisco Bay, and is therefore influenced by tidal activity. During periods of heavy rainfall in combination with high tides in the Bay, San Francisquito Creek has overflowed its banks, causing floods in both East Palo Alto and Menlo Park. The floods have hampered fire apparatus making a timely response to emergencies and providing needed service to the community. Proper roadway widths as defined in Chapter 5 of the Fire Code and the minimum roadway standards established by Menlo Park Fire District can provide fire apparatus with accessibility while helping to divert excess water flow during rainy seasons.

E. Transportation. The District is dissected by a major state highway (El Camino Real) and two major interstate freeways (I-280 and U.S. 101). However, the interconnecting road system is significantly less well developed. These conditions are likely to affect response times of fire suppression personnel and apparatus during periods of heavy traffic or conditions of major emergencies.

The Fire District is also spit in half by an active railway that serves commuters during daylight hours and transports freight in the evening. There are seven railroad crossings that allow fire apparatus to cross from one side of the Fire District to the other. The railroad limits the Fire District's ability to not only make a timely response to an emergency, but also hampers our ability to provide a safe number of fire fighters to the scene of an emergency to begin operations that are compliant with Cal-OSHA Safety Regulations. Again, a structure's ability to control a fire or emergency condition with fire sprinkler protection, would play a key role in reducing losses.

A single toll bridge connects the Fire District with a substantial workforce that resides in Alameda County. This single point source connection significantly adds to traffic congestion through the jurisdiction during commute hours. With alternative work schedules, commute hours may last from 5:00 am through 7:00 pm, with significant traffic backups also noted during the lunch hour.

F. Soil Conditions. The District lies near the southern end of San Francisco Bay and is built atop the alluvial deposits that surround the margins of the Bay. The alluvium was created by the flooding of the many streams emptying into San Francisco Bay depression, and from intermittent sea water inundation has occurred over the last two or three million years. The areas closest to the Bay are overlain by unconsolidated fine silty clay, known as Bay Mud which varies in thickness from a few feet to as much as 30 feet. Generally, the older more stable alluvium is to the south and the younger less stable material is to the north. Bedrock lies beneath the area at depths generally 300 feet or more. The predominant soils patterns actuate the adverse effects on structures that may be expected from major seismic events.

G. Building Design. Many of the older and taller buildings are of designs which greatly limit accessibility by District resources. This includes large narrow parcels that have been subdivided into “flag-lots” on narrow residential streets.

The infrastructure that supports these buildings is old and not in compliance with current Codes. Some water mains in residential areas deliver water supplies that do not meet fire flow requirements required by Appendix B of the Fire Code. Some fire hydrant locations in both residential and commercial do not meet distance requirements of Appendix C of the Fire Code. This will not only hamper fire suppression operations, but limits building design. When water supplies must be altered to accommodate new construction, Menlo Park Fire District Standards on Underground Water Piping and the Standard on Water Supplies attempt to work with the existing infrastructure to accommodate the needs of fire fighters.

Residential properties in the Fire District consist primarily of one-acre or smaller parcels, flag lots and single and multi-family infill developments. Common to the larger parcels is the development of additional residential or in-law type occupancies for which fire department access is difficult based on existing driveway configurations for the original single-family parcels. Flag lots, for example, typically have driveways in excess of 150 feet, with narrow access, necessitating additional requirements, which the Fire District has added to Section 501.1, by creating Standards for driveways and private roadways that includes minimum driveway widths, fire apparatus turnaround specifications, and minimum vertical clearances. Additionally, fire department response times are increased due to gated access roads, a lack of street or address illumination, and existing vegetation barriers. Section 505.1 provides minimum standards for addresses on buildings and now requires new buildings to have illuminated addressing. However, neighborhood street lighting continues to be an issue.

Proper roadway widths as required by Chapter 5 of the Fire Code, along with minimum Menlo Park Fire District Standards would allow fire apparatus to set up fire suppression operations and access both driveways, that extend greater than 150 feet, and private roadways serving minor developments.

With the aging infrastructure, many water supplies do not meet current fire flow requirements. When redevelopment occurs, compliance to Fire Code Section 507 in addition to Menlo Park Fire District Standards on Water Supplies and on Underground (Piping) Standards is required. The Water Supply Standard provides for the type and size of the approved fire hydrant, its location in relationship to “flag-lots”, and placement of “blue-dots” to indicate their placement.

Due to the close proximity to San Francisco Bay, salt content in the soil is highly corrosive. Menlo Park Fire District’s Underground Standards provides requirements for underground piping of both fire hydrant installations as well as underground piping for automatic fire sprinkler system.

Finding 3: Topographical

The District's topographic conditions are closely associated with the geological /geographical element. With the elevation changes within the District, development has followed the path of least resistance, creating a meandering pattern. This circumstance does not lend itself to a good systematic street and road layout, which would promote easy traffic flow. It has, in fact, resulted in few major cross-town thoroughfares that tend to be heavily congested, primarily during commute hours and seasonal periods of the year. This creates barriers that reduce the response time of fire equipment and other emergency services.

The topography of the District is also challenged by major development patterns. Employment areas are located adjacent to and throughout the jurisdiction. The people who work in these areas have added to the traffic congestion in the District thereby reducing the District's response time capabilities.

Inherent delays caused by these traffic patterns make it necessary to mitigate these problems with greater requirements for built-in automatic fire protection systems, noted in Section 903 of the Fire Code, along with local requirements and standards. In addition, the Fire District has added Fire Alarm maintenance requirements, specifically UL Certification noted in Section 907, to reduce false alarms and insure system reliability.

Finding 4

The climatic conditions along the Peninsula affect the acceleration, intensity and size of a fire within the jurisdiction. Times of little or no rainfall, low humidity, and high temperatures have created extremely hazardous fire conditions, particularly as they relate to roof fires and conflagrations. The winds experienced in the Fire District can have a tremendous impact upon structure fires by carrying sparks and burning brands to other structures, thus spreading the fire and causing conflagrations. In building fires, winds can literally force the fire back into the structure, creating a blow torch effect, in addition to preventing the natural and cross ventilation efforts of firefighters. In 1997, a fire at Green Oaks School in East Palo Alto resulted in a multi-million dollar loss. The fire's unusually rapid spread was attributed to wind conditions occurring at the time of the fire. Other fires within the jurisdiction's housing tracts have also experienced unusually rapid spread due to the gusty winds that occur daily off the San Francisco Bay.

Finding 5

By the use of automatic early fire detection and suppression systems, the Fire District will have the ability to curb losses of life and property attributed to the local climate's influence on fires. With the use of an early, automatic fire suppression system, major fire losses can be controlled. For example, in 1989, a flammable liquid fire occurred at Romac Environmental Services, a former chemical recycling company that

was located at the south end of the Fire District. The area suspected as the point of the fire's origin was an open-air, unsprinklered building subject to wind conditions. The fire grew rapidly. It was finally brought under control several hours after discovery, with the assistance of neighboring fire departments and resulted in a multi-million dollar loss of property, equipment and product. Two years later, after the area had been rebuilt and retrofitted with an automatic fire sprinkler system, another fire occurred at the same location. This fire was contained to a single piece of equipment and was controlled by one fire crew.

Finding 6

The geological conditions experienced within the Fire District increase the magnitude, exposure and accessibility to fire events. For example, a fire following an earthquake has the potential of causing greater loss of life and damage than the earthquake itself. Hazardous materials, particularly toxic gases, could pose the greatest threat to the largest number of people, should a significant seismic event occur. Fire protection resources would have to be prioritized to mitigate the greatest threat, and may likely be unavailable for smaller single-family dwelling or smaller business occupancy fires. Other variable conditions could include damage to the water system, freeway overpass collapse, roadways blocked by debris, and time of day, which could affect traffic patterns during or after the event.

In 1989 a 7.0 magnitude earthquake struck the San Francisco Bay Area via the San Andres Fault. For three hours following the event, firefighters from Menlo Park Fire District responded to over 100 incidents per hour. Though during this event, losses in the Fire District due to fire were minimal, however other neighboring jurisdictions were not as lucky. Had automatic fire sprinkler protection been a requirement at the time, it could have assisted firefighters in setting their priorities and assisting those citizens who needed emergency services the most.

Finding 7

Heavy traffic congestion on city streets already acts as a barrier to the timely response of fire equipment and emergency services. Continued growth, both residential and commercial from both inside and outside the Fire District will only serve to continue the traffic problem. In the event of an accident or other emergency at certain key point intersections, portions of the Fire District could be isolated or response times could be sufficiently slowed, thus increasing the risk of substantial injury and damage.

If fire apparatus is hindered in their response, automatic fire sprinkler protect will help. According to IFSTA Training Manuals, the temperature inside a structure can go from ambient to an excess of 1,000F within the first ten minutes of a fire. Delay of fire apparatus will only allow the fire to grow, thus making efforts to suppress the fire more difficult. Additionally, the ability to perform an effective rescue is diminished if fire fighters are delayed in their response. With the automatic fire sprinkler protection in

place, the fire should be held to a controllable level, allowing the ability of citizens to escape from the burning structure, as well as allowing firefighters to contain the fire in a safe manner, in its beginning stages.

Finding 8

It is due to these climatic, geographical and topographical conditions that the Fire District supports the need for structures within the jurisdiction to at least be capable of initial fire suppression capacity.

Finding 9

For the above reasons, taken individually and cumulatively, that the Board of Directors of the Menlo Park Fire Protection District finds there to be building and fire hazards particular to the jurisdiction that require the increased fire protection detailed as set forth in this Ordinance.

Section 1: Adoption by Reference

Paragraph 1- Title

This set of regulations, including provisions adopted and incorporated by reference, shall be known as the "District Fire Prevention Code" of the Menlo Park Fire Protection District ("the District") and may be cited as such. It is also referred to as "the Code" in these regulations.

Paragraph 2- Authority

The District Fire Prevention Code is adopted pursuant to the Fire Protection District Act of 1987 (California Health and Safety Code Sections 13800 *et seq.*) and in particular the following provisions of that Act:

- Section 13861(h), which empowers the District to adopt ordinances;
- Section 13861(i), which empowers the District to establish and enforce rules and regulations for the administration, operation and maintenance of the governmental services which it is authorized to provide;
- Section 13862, which empowers the District to provide certain governmental services including fire protection services;
- Section 13869, which empowers the District to adopt a fire prevention code by reference; Section 13870, which empowers the District's authorized representatives to order correction or elimination of fire and life hazards;
- Section 13871(b), which provides that failure to correct or eliminate a fire or life hazard after a duly issued order is a misdemeanor;
- Section 13872, which empowers the District's authorized representatives to issue citations for certain violations;

- Section 13873, which provides that the District's employees shall have the powers of peace officers while engaged in the prevention and suppression of fires and the preservation of life and property; and,
- Sections 13916, 13917, 13918 and 13919, which, among other things, empower the District's Board of Directors (the "Board" or "Board of Directors") to charge a fee to cover the cost of any services, which the District provides and the cost of enforcing any regulation for which a fee is charged.

Paragraph 3- Adoption by Reference of the California Fire Code, which Code Adopts by Reference the 2012 Edition of the International Fire Code With Necessary Amendments.

The California Fire Code (California Code of Regulations, Title 24, Part 9), (the "CFC") which adopts by reference the 2012 edition of the International Fire Code ("IFC") with necessary State amendments (which codes shall collectively be referred to in the District's Fire Prevention Code as "the IFC Code" or the "IFC"), is adopted by reference and incorporated into the District Fire Prevention Code in its entirety, including appendix items, except to the extent portions of the CFC may be deleted, modified or amended by Paragraph 4 of this Code. This ordinance shall take effect January 1, 2014.

Paragraph 4- Amendments, Modifications and Deletions to the CFC

The following Sections of the CFC have been amended, modified or deleted as follows:

**CHAPTER 1
SCOPE AND ADMINISTRATION
DIVISION I
CALIFORNIA ADMINISTRATION**

1.11.9 Stop Work Order. This Section is replaced with Section 111 and modified as indicated below in Section 111.4.

**DIVISION II
ADMINISTRATION**

[A] 101 General

101.1 Title. These regulations shall be known as the District Fire Prevention Code of Menlo Park Fire Protection District hereinafter referred to as "the Code." See also Paragraph 3 of this ordinance.

[A] 105 Permits

105.6.4 Carnivals and fairs. An operational permit is required to conduct a carnival or fair. Carnivals and fairs shall be in accordance with Menlo Park Fire Protection District

Standard “Requirements to Conduct Public Assemblages and Events” (See Chapter 80 of this ordinance).

[A] 105.6.13 Exhibits and trade shows. An operational permit is required to operate exhibits and trade shows. Exhibits and trade shows shall be in accordance with Menlo Park Fire Protection District Standard “Requirements to Public Assemblages and Events” (See Chapter 80 of this ordinance).

[A] 105.6 30 Open Burning.

105.6.30 Open burning. When allowed by the Bay Area Air Quality Management District, an operational permit is required for the kindling or maintaining of an open fire or a fire on any public street, alley, road, or other public or private ground. Instructions and stipulations of the permit shall be adhered to.

[A] 108 Board of Appeals

108.1 Board of appeals established. In order to hear and decide appeals of orders, decisions or determinations made by the fire code official relative to the application and interpretation of this code, there shall be and is hereby created a Board of Appeals.

Any person who is aggrieved within the meaning of this paragraph by an action of an authorized representative of the District may appeal the action to the Fire District’s Board of Directors. The appeal must be in writing, must fully describe the action sought to be appealed and must be filed with the Clerk of the District Board within 30 days of the date of the action appealed. The Board of Directors shall render all decisions and findings in writing to the appellant with a duplicate copy to the fire code official.

108.2 Limitations on authority. A person shall be deemed to be aggrieved within the meaning of this Section if the person is the applicant or the permittee or is otherwise directly affected by the action in question. An application for appeal shall be based on a claim that the intent of this code or the rules legally adopted hereunder have been incorrectly interpreted, the provisions of this code do not fully apply or an equivalent method of protection or safety is proposed. The action in question may also involve the approval or disapproval of a permit application submitted to the District, the grant or denial of a permit, or a decision concerning the interpretation, construction, operation or enforcement of the District’s Fire Prevention Code. The Board shall have no authority to waive requirements of this code.

108.3 Qualifications. The Board of Appeals shall consist of the Fire District Board of Directors. The Fire Chief shall be an ex officio member of said Board but shall have no vote on any matter before the Board.

[A] 109 Violations

109.4 Violation Penalties. Persons who shall violate a provision of a fire prevention code or a district ordinance shall be guilty of an infraction, which shall be punishable by a fine in accordance with Sections 17(d) of the currently adopted California Penal Code.

Any person who fails or refuses to correct or eliminate a fire or life hazard after written order of the District Board or its authorized representative is guilty of a misdemeanor, which shall be punishable by fine or imprisonment or both in accordance with Section 19 of the currently adopted California Penal Code. The imposition of a punishment pursuant to this paragraph shall neither excuse the violation, nor shall it authorize the violation to continue or preclude the District from taking other action to enforce compliance with a fire prevention code or district ordinance. All violations shall be corrected within a reasonable time regardless of whether a conviction is obtained. Each day that a violation continues after due notice has been served, shall be deemed a separate offense.

The District shall be entitled to recover all of its actual expenses incurred to correct violations and to obtain compliance with the District's Fire Prevention Code. If the violation has not been corrected, the District shall begin charging an hourly Code Enforcement charge for additional follow up inspections until the violation has been corrected. Code Enforcement charges shall be in accordance with the Fire District's fee schedule, account #41310.

[A] 111 Stop Work Order

111.4 Failure to comply. Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition shall be liable to a Code Enforcement charge as set forth in the Fire District's fee schedule under account #41310. See also Section 109.4 above.

[A] 113 Fees

113.6 Permit Fees to Public Agencies. Fees shall be charged to other public agencies for services provided by the District. The District Board may, by resolution, establish policies and procedures by which waivers from payment of fees may be allowed by the Board, when payment of a fee would not be in the public interest.

Exception: No fees shall be charged to another public agency for the construction of public improvements, or public facilities, or for operational permits.

**CHAPTER 2
DEFINITIONS**

202 General Definitions

[B] FLOOR AREA, GROSS. The floor area within the inside perimeter of the *exterior walls* of the building under consideration, exclusive of vent shafts and courts, without deduction for corridors, stairways, closets, the thickness of interior walls, columns or other features. The floor area of a building, or portion thereof, not provided with surrounding *exterior walls* shall be the usable area under the horizontal projection of the roof or floor above. The gross floor area shall not include shafts with no openings or

interior courts. For residential occupancies, square footage does not include an attached garage (U Occupancy) or attached carport.

Areas to be included in the square footage calculation include:

- 1- Garages or carports if under a habitable space, or covers egress per NFPA 13D 8.6.6
- 2- New attached garage
- 3- All additions
- 4- Total square footage of any room that received alterations or additions. Removing sheetrock exposing structural framing or any change to structural in a room involves the total square footage of that room.

Existing square footage may be obtained from the San Mateo County Tax Assessor's Office or may be submitted by a licensed architect.

FIRE CODE OFFICIAL. The fire code official shall mean the District's Fire Chief, employees of the District's Fire Prevention and Fire Suppression Divisions and such other representatives of the District as may be authorized by the Menlo Park Fire District Board of Directors or the Fire Chief

[A] JURISDICTION. Jurisdiction shall mean the territorial boundaries of the Menlo Park Fire Protection District. In that case "Jurisdiction" would mean, as appropriate, the County of San Mateo, the City of East Palo Alto, the City of Menlo Park and the Town of Atherton. The Fire District's map book shall be adopted by reference to indicate the territorial boundaries of the Menlo Park Fire Protection District.

Except where in the code the term "jurisdiction" is used in a context which implies the ability to exercise governmental powers, such as "the authority having jurisdiction," then in that context "jurisdiction" shall mean the particular public agency authorized to and exercising that governmental power.

LOCAL LAW ENFORCEMENT. Local law enforcement" shall mean the local police departments of the City of East Palo Alto, the City of Menlo Park, the Town of Atherton, the San Mateo County Sheriff's Department, and the California Highway Patrol.

SUBSTANTIAL ALTERATION. The renovation of any structure, which combined with any additions to the structure, affects a *gross floor area* which exceeds fifty percent of the existing floor area of the structure. This may include but is not limited to :

- a. Removal of electricity to the building or structure.
- b. Removal of water supply and /or sanitation to the building or structure
- c. Removal of exterior walls and/or roof assembly

When any structural changes are made to the building, such as walls, columns, beams or girders, floor or ceiling joists and covering, roof rafters, roof diaphragms, foundations, piles

or retaining walls or similar components, the floor area of all room affected by the changes shall be included in computing floor areas for purposes of applying this definition. This definition does not apply to the replacement and upgrading of residential roof coverings.

CHAPTER 4 EMERGENCY PLANNING AND PREPAREDNESS

401 General

401.5 Making false report. It shall be unlawful for a person to give, signal or transmit a false alarm. A false report may include signals from a fire alarm system, including signals caused during fire alarm maintenance without prior Fire District notification. Making a false report shall be liable to a charge as set forth in the Fire District fee schedule under account # 41320 False Alarm Response, Engine or account #41325 False Alarm Response, Inspector.

CHAPTER 5 FIRE SERVICE FEATURES

501.1 Scope. Fire service features for buildings, structures and premises shall comply with this Chapter, Appendix D, and Menlo Park Fire Protection District Standards on Designation and Marking of Fire Lanes, Private Roads and Driveways, Traffic Calming Devices, Underground Water Piping, Water Supplies and Fire Fighter Air Systems. (See Chapter 80 of this ordinance)

503 Fire Apparatus Access Roads

503.3 Marking. Where required by the *fire code official*, *approved* signs and markings designating fire lanes shall comply with California Vehicle Code section 22500.1. The designation shall be indicated (1) by a sign posted immediately adjacent to, and visible from, the designated place clearly stating in letters not less than one inch in height that the place is a fire lane, (2) by outlining or painting the place in red and, in contrasting color, marking the place with the words "FIRE LANE", which are clearly visible from a vehicle, or (3) by a red curb or red paint on the edge of the roadway upon which is clearly marked the words "FIRE LANE". Signs and markings shall not be obstructed, and shall be maintained in a clean and legible condition at all times and be replaced or repaired when necessary to provide adequate visibility.

503.4.1. Traffic calming devices. Traffic calming devices are prohibited unless approved by the *fire code official*. Traffic calming devices shall not be installed on designated fire apparatus response routes. When approved, traffic calming devices shall be installed in accordance with Menlo Park Fire District's "Traffic Calming Devices" Standard, which includes a map of designated response routes and installation requirements.

505 Premises Identification

505.1 Address identification. New and existing buildings shall have *approved* address numbers, building numbers or *approved* building identification placed in a position that is plainly legible and visible from the street or road fronting the property. These numbers shall contrast with their background. Address numbers shall be Arabic numbers or alphabetical letters. Numbers shall be a minimum of 4 inches (101.6 mm) high with a minimum stroke width of 0.5 inch (12.7 mm). Said numbers shall be either internally or externally illuminated (lighted) from dusk to dawn in all new construction, or with *substantial alterations* or repairs of existing structures. Where access is by means of a private road and the building cannot be viewed from the *public way*, a monument, pole or other sign or means shall be used to identify the structure. Address numbers shall be maintained.

Commercial structures 20 to 50 feet in height shall have the address a minimum of 8 inches high with lettering a minimum of 1 inch stroke wide. When the structure is more than 50 feet in height the address shall be a minimum of 12 inches high with lettering a minimum of 2.5 inch stroke wide.

505.1(a) Addressing of Multi-Tenant Buildings. When a structure has individual tenant spaces, numbers or letters shall be placed on the interior doors on all occupancies inside the building. Size of the numbers shall be a minimum of 4 inches high with lettering not less than ¼ inch stroke width on a contrasting background. Said addresses or numbers shall be posted at a height not greater than 5 feet, 6 inches above the finished floor. Directional address numbers or letters shall be provided.

505.1(b) Rear Addressing. When required by the fire code official, approved numbers or addresses shall be placed on all new and existing buildings in such a position as to be plainly visible and legible from any fire apparatus road at the back of a property. Number stroke and size shall comply with Section 505.

506 Key Boxes

506.1 Where required. Where access to or within a structure or an area is restricted because of secured openings or where immediate access is necessary for life-saving or fire-fighting purposes, the fire code official is authorized to require a key box to be installed in an approved location. Key boxes shall be mounted on the building near the main entrance and shall be located a minimum of 60 inches and not higher than 72 inches above the finished floor, in a location approved by the fire code official. Additional key boxes may be required at rear entrances to buildings. A decal shall be provided to the fire code official for placement. The key box shall be of an approved type and shall contain keys to gain necessary access as required by the fire code official.

506.2.1 Keys. The key(s) provided in the key box shall be a master key to all spaces including multi-tenant spaces. Additional keys shall be included for elevator control, fire alarm control panels and fire sprinkler control valve access. Except for electronic locks that release upon loss of power, electronic card keys and codes may not be utilized as a substitute for manual keys.

511 Firefighter Air Systems

511 Firefighter Air Systems. When required by the fire code official, a firefighter air system shall be installed in new buildings four or more stories in height and in existing buildings greater than 75 feet in height, not later than December 31, 2005, and any underground structures that are two or more floors below grade. Installation shall be in accordance with this ordinance and Menlo Park Fire Protection District Standard, "Firefighter Air Systems," see Chapter 80.

Exception: R-3 Occupancies.

CHAPTER 6 BUILDING SERVICES AND SYSTEMS

605.11 Solar photovoltaic power systems

605.11.1 Marking. Marking is required on interior and exterior direct-current (DC) conduit, enclosures, raceways, cable assemblies, junction boxes, combiner boxes and disconnects.

Exception: Marking is not required if a ground mounted shut-off, capable of de-energizing the photovoltaic system has been installed at a location at or near the main electric panel. A ground level shut off, specific for the photovoltaic power system shall be labeled as such.

CHAPTER 9 FIRE PROTECTION SYSTEMS

901.1 Scope. The provisions of this chapter shall specify where fire protection systems are required and shall apply to the design, installation, inspection, operation, testing and maintenance of all fire protection systems.

In addition to the requirements of Chapter 9, automatic sprinkler systems and fire alarm systems shall be installed, operated, and maintained in accordance with Menlo Park Fire Protection District Standards referenced in Chapter 80 of this ordinance. If there is a conflict between Menlo Park Fire District's local requirements and other provisions of the Code, the more restrictive requirement shall apply.

903 Automatic Sprinkler Systems

City of Menlo Park

903.2 Where required. Approved automatic sprinkler systems shall be installed in accordance with the then current edition of NFPA 13 ("Standard For the Installation of

Sprinkler Systems,” published by the National Fire Protection Association) throughout all buildings and structures in the District except as follows:

~~i. Automatic sprinkler systems shall not be required in detached, single family residences. This item is preempted by 2011 State legislation.~~

ii. Automatic sprinkler systems shall not be required in new buildings or structures if the new building or structure:

- a. Has a total floor area of 5,000 square feet or less, regardless of whether area separation walls exist; and
- b. Is less than four stories in height; and
- c. Has a height of forty feet or less measured from the point of lowest access to the building or structure by District emergency vehicles.

City of East Palo Alto, Town of Atherton, County of San Mateo Areas

903.2 Where required. Approved automatic fire sprinkler systems in new buildings and structures shall be provided in all Group A, B, E, F, S, and U Occupancies greater than 1,000 square feet and in locations described in this section.

Exception: Spaces or areas in telecommunications buildings used exclusively for telecommunications equipment, associated electrical power distribution equipment, batteries and standby engines, provided those spaces or areas are equipped throughout with an automatic smoke detection system in accordance with Section 907.2 and are separated from the remainder of the building by not less than 1-hour *fire barriers* constructed in accordance with Section 707 of the *International Building Code* or not less than 2-hour *horizontal assemblies* constructed in accordance with Section 712 of the *International Building Code*, or both.

Approved automatic fire sprinkler system in existing buildings and structures shall be provided as described in section 903.6.

Sections and Subsections of 903.2.1, 903.2.3, 903.2.4, 903.2.7 and 903.2.9, 903.2.10 of Chapter 9 of the code are deleted in their entirety.

903.2.7 Group M. Automatic fire sprinkler systems shall be provided throughout buildings containing a Group M occupancy with a fire area greater than 1,000 square feet and any Group M occupancy used for the display and sale of upholstered furniture.

903.2.7.1 High-piled storage. To remain unchanged

903.2.11 Specific building areas and hazards. In all occupancies an *automatic sprinkler system* shall be installed for building design or hazards in the locations set forth in sections 903.2.11.1 through 903.2.11.6.

903.2.11.1 Stories and basements without openings. Automatic sprinkler systems shall be installed in every building where the basement fire area exceeds 250 square feet.

Exception: For the Town of Atherton, any new building or structure having a basement shall be provided with an automatic fire sprinkler system throughout the building or structure, regardless of the building or structure's square footage.

Automatic sprinkler systems shall be installed in every story of all buildings where the floor area exceeds 1000 square feet and where the following type of exterior wall opening is not provided.

1. Openings entirely above the adjoining ground level totaling at least 20 square feet (1.86 m²) in each 50 linear feet (15 240 mm), or fraction thereof, of exterior wall in the story on at least one side.

Section 903.2.11.1.3 of Chapter 9 of the Code is deleted.

Section 903.2.11.3 of Chapter 9 of the Code is deleted.

903.3.1.2 NFPA 13R sprinkler systems. Where in the code a NFPA 13R sprinkler system is allowed, a NFPA 13 sprinkler system shall be used.

903.3.1.3 NFPA 13D sprinkler systems. *Automatic sprinkler systems* installed in one and two-family *dwelling*s, Group R-3 and R-4 congregate living facilities and *townhouses* shall be permitted to be installed throughout in accordance with NFPA 13D. Automatic sprinkler systems installed in one and two-family dwellings shall be installed throughout the occupancy in accordance with NFPA 13D and the Menlo Park Fire District Standard, "Fire Protection Systems, Installation of Residential Sprinklers." See also Chapter 80 of this ordinance.

903.3.3 Obstructed locations. Automatic sprinklers shall be installed with due regard to obstructions that will delay activation or obstruct the water distribution pattern. Automatic sprinklers shall be installed in or under covered kiosks, displays, booths, concession stands, laboratory fume hoods, bio safety cabinets that use flammable liquids in processes, or equipment that exceeds 4 feet (1219 mm) in width. Not less than a 3-foot (914 mm) clearance shall be maintained between automatic sprinklers and the top of piles of combustible fibers. Sprinklers shall be provided in all areas including combustible or noncombustible concealed spaces, 6 inches or more.

Exception: 1. Combustible or noncombustible concealed spaces if the building owner and the fire code official agree in writing that combustible or noncombustible concealed spaces, 6 inch or less are unlikely to change in the future.

2. Kitchen equipment under exhaust hoods protected with a fire-extinguishing system in accordance with Section 904.

903.3.8 Partial Systems in new buildings or structures. Unless approved in writing by the fire code official, automatic fire sprinkler systems that only protect a portion of the building shall not be allowed.

903.6 Where required in existing buildings and structures. An *automatic sprinkler system* shall be provided in existing buildings and structures where required in Chapter 11 or when improvements are conducted in accordance with this section.

903.6.1 Where required due to improvements to buildings and structures. The provisions of this section are intended to provide a reasonable degree of fire safety in existing structures by requiring installation of an automatic fire-extinguishing system.

City of Menlo Park

903.6.1.1 Where Required. Automatic sprinkler systems shall be required in existing buildings or structures when the cost or value of the improvements made to the premises as a result of one or more improvement projects exceeds 50% of the assessed valuation of the building or structure, as of the effective date of the adoption of Menlo Park Fire District Ordinance No. 11, which was passed and adopted on May 14, 1984; and in no case shall automatic sprinkler systems be required in any existing building or structure, if pursuant to Section 903.2 Subparagraph ii. above, such systems would not be required in a new building or structure of the same size and configuration as the existing building or structure in question.

City of East Palo Alto, Town of Atherton, and County of San Mateo Areas

903.6.1.1 Where Required. All existing buildings and structures, regardless of type of occupancy or area, shall be provided with an automatic fire sprinkler system when any of the following conditions occur:

- (A) Alterations or additions that exceed 50% of the existing *gross floor area* of the building. Alterations or additions shall accrue over any 10 year time period. Exception: Buildings or structures less than 1,000 square feet.
- (B) When a change in occupancy classification, as defined within the Building Code, results in an increased fire hazard or risk due to business operations and/or number of occupants permitted in the building.
- (C) When an existing occupancy constructs a basement that is 250 square feet or larger, a fire sprinkler system shall be provided throughout the basement and the rest of the building or structure.

Exception: For the Town of Atherton, when an existing occupancy constructs a basement of any size an automatic fire sprinkler system shall be provided throughout the basement and the rest of the building or structure.

All Areas of Menlo Park Fire District

903.6.1.2 Partial Systems in existing buildings and structures. Unless approved in writing by the fire code official, automatic fire sprinkler systems that only protect a portion of the building shall not be allowed.

907 Fire Alarm and Detection Systems

907.2 Where required—new buildings and structures. An *approved* fire alarm system installed in accordance with the provisions of this code, NFPA 72, and Menlo Park Fire Protection District Standards (see Chapter 80) shall be provided in new buildings and structures in accordance with Sections 907.2.1 through 907.2.23 and provide occupant notification in accordance with Section 907.5, unless other requirements are provided by another section of this code. Multiple fire alarm systems within a single protected premises shall not be permitted.

A minimum of one manual fire alarm box shall be provided in an *approved* location to initiate a fire alarm signal for fire alarm systems employing automatic fire detectors or water-flow detection devices. Where other sections of this code allow elimination of fire alarm boxes due to sprinklers, a single fire alarm box shall be installed.

Exceptions: 1. The manual fire alarm box is not required for fire alarm systems dedicated to elevator recall control and supervisory service.

2. The manual fire alarm box is not required for Group R-2 occupancies unless required by the *fire code official* to provide a means for fire watch personnel to initiate an alarm during a sprinkler system impairment event. Where provided, the manual fire alarm box shall not be located in an area that is accessible to the public.

907.7 Acceptance tests and completion. Upon completion of the installation, the fire alarm system and all fire alarm components shall be tested in accordance with NFPA 72. Fire alarms systems in commercial structures shall obtain a UL Certificate for the system prior to final inspection.

907.9 Where required in existing buildings and structures. An *approved* fire alarm system shall be provided in existing buildings and structures where required in Chapter 11. Installation of such systems shall be in accordance with NFPA 72 and Menlo Park Fire Protection District Standards (see Chapter 80). When an alteration to any existing building or structure requires an upgrade or new fire alarm system, multiple fire alarm systems within a single protected premises shall not be permitted.

**CHAPTER 57
FLAMMABLE AND COMBUSTIBLE LIQUIDS**

5704 Storage

5704.2.9.6.1 Locations where above-ground tanks are prohibited. Storage of Class I and II liquids in above-ground tanks outside of buildings is prohibited within the limits established by local law. See the Planning Department for the City of Menlo Park, Town of Atherton, City of East Palo Alto or the County of San Mateo for the zones in which such storage is prohibited.

5706 Special Operations

5706.2.4.4 Locations where above-ground tanks are prohibited. The storage of Class I and II liquids in above-ground tanks is prohibited within the limits established by law. See the Planning Department for the City of Menlo Park, Town of Atherton, City of East Palo Alto or the County of San Mateo for the zones in which such storage is prohibited.

**CHAPTER 58
FLAMMABLE CRYOGENIC FLUIDS**

5806 Flammable Cryogenic Fluids

5806.2 Limitations. Storage of flammable cryogenic fluids in stationary containers outside of buildings is prohibited within the limits established by local law. See the Planning Department for the City of Menlo Park, Town of Atherton, City of East Palo Alto or the County of San Mateo for the zones in which such storage is prohibited.

**CHAPTER 61
LIQUIFIED PETROLEUM GASES**

6104 Location of LP-Gas Containers

6104.2 Maximum capacity within established limits. Within the limits established by law restricting the storage of liquefied petroleum gas for the protection of heavily populated or congested areas, the aggregate capacity of any one installation shall not exceed a water capacity of 2,000 gallons (7570 L). See the Planning Department for the City of Menlo Park, Town of Atherton, City of East Palo Alto or the County of San Mateo for the zones in which such storage is prohibited.

**CHAPTER 80
REFERENCED STANDARDS**

The following additional local Standards are added to this Chapter:

Designation and Marking of Fire Lanes. Installation and placement of signs, markings and designating fire lanes, shall be in accordance with Menlo Park Fire Protection District Standard, “Fire Lane Requirements”. See also Appendix D and the Menlo Park Fire Protection District Standard, “Private Roads and Driveways”, for roadway specifications.

Fire Alarm and Detection Systems. Installation of fire alarm and detection systems shall be in accordance with Section 907 and the Menlo Park Fire District Standard, “Standard for the Installation of Fire Alarm and Detection Systems.”

Fire Sprinkler Systems. Installation of fire sprinkler systems shall be in accordance with Section 903 and the Menlo Park Fire District Standard, “Fire Protection Systems, Installation of Fire Sprinkler Systems”.

Fire Sprinkler Systems, Residential. Installation of residential fire sprinkler systems shall be in accordance with Section 903 and the Menlo Park Fire District Standard, “Fire Protection Systems, Installation of Residential Sprinklers”.

Firefighter Air Systems. When required by Section 512 of this ordinance, the installation of a Firefighter Air System shall be in accordance with the Menlo Park Fire District Standard, “Section 512 Firefighter Air Systems”.

Private Roads and Driveways. Installation of private roads and driveways shall be in accordance with Menlo Park Fire Protection District Standard “Private Roads and Driveways”. See also Appendix D and the Menlo Park Fire Protection District Standard, “Fire Lane Requirements”, for required signs.

Public Assemblages and Events. Carnivals, Fairs, Exhibits and Trade Shows shall be in accordance with the Menlo Park Fire Protection District Standard, “Requirements to Conduct Public Assemblages and Events”.

Traffic Calming Devices. The installation of any traffic calming device shall be in accordance with Federal, State, and County guidelines and the requirements set forth in Section 503 of the fire code and the Menlo Park Fire Protection District Standard, “Traffic Calming Devices”.

Underground Water Piping. Installation of underground water supply piping for fire suppression use shall be in accordance with the Menlo Park Fire District Standard, “Underground Standards”.

Water Supplies. Basic requirements for fire hydrants and their locations shall be in accordance with Menlo Park Fire District Standard, “Water Supplies, Fire Hydrants.”

APPENDIX A BOARD OF APPEALS

Menlo Park Fire Protection District shall omit Appendix A from the code. See Chapter 1, Section 108.

APPENDIX D FIRE APPARATUS ACCESS ROADS

D103.6 Signs. Where required by the fire code official, fire apparatus access roads shall be marked with permanent NO PARKING—FIRE LANE signs complying with Menlo Park Fire Protection District Standard, “Fire Lane Requirements”, see Chapter 80. Signs shall have a minimum dimension of 12 inches (305 mm) wide by 18 inches (45mm) high and have red letters on a white reflective background. Signs shall be posted on one or both sides of the fire apparatus road as required by Section D103.6.1 or D103.6.2.

D103.7 Traffic Signal Control Devices. When a government agency requires an Encroachment Permit at any intersection and new or existing traffic signals are involved, the traffic signals shall be provided with a traffic signal control device that is operated from the fire apparatus.

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MPFPD Ordinance		
IFC Code Section	MPFD Change (in Red)	Reason
[A] 101 General		
101.1 Title. These regulations shall be known as the <i>Fire Code</i> of [NAME OF JURISDICTION], hereinafter referred to as “this code.”	101.1 Title. These regulations shall be known as the District Fire Prevention Code of Menlo Park Fire Protection District hereinafter referred to as “the Code.” See also Paragraph 3 of this ordinance.	Section 101.1 is the Title of the Code and is required to be filled in by the jurisdiction. The referral to Paragraph 3 of the Ordinance is parallel language adopting the entire Fire Code with District amendments.
[A] 105 Permits		
[A] 105.6.30 Open burning. An operational permit is required for the kindling or maintaining of an open fire or a fire on any public street, alley, road, or other public or private ground. Instructions and stipulations of the permit shall be adhered to. Exception: Recreational fires.	105.6.30 Open burning. When allowed by the Bay Area Air Quality Management District, an operational permit is required for the kindling or maintaining of an open fire or a fire on any public street, alley, road, or other public or private ground. Instructions and stipulations of the permit shall be adhered to.	The Fire Code, being an International Code, allows open burning. In San Mateo County, open burning is required to comply with Bay Area Air Quality District Standards. By referencing the BAAQMD, it allow both Codes to work together.
[A] 108 Board of Appeals		
[A] 108.1 Board of appeals established. In order to hear and decide appeals of orders, decisions or determinations made by the fire code official relative to the application and interpretation of this code, there shall be and is hereby created a board of appeals. The board of appeals shall be appointed by the governing body and shall hold office at its pleasure. The fire code official shall be an ex officio member of said board but shall have no vote on any matter before the board. The board shall adopt rules of procedure for conducting its business, and shall render all decisions and findings in writing to the appellant with a duplicate copy to the fire code official.	108.1 Board of appeals established. In order to hear and decide appeals of orders, decisions or determinations made by the fire code official relative to the application and interpretation of this code, there shall be and is hereby created a board of appeals. Any person who is aggrieved within the meaning of this paragraph by an action of an authorized representative of the District may appeal the action to the Fire District’s Board of Directors. The appeal must be in writing, must fully describe the action sought to be appealed and must be filed with the Clerk of the District Board within 30 days of the date of the action appealed. The Board of Directors shall render all decisions and findings in writing to the appellant with a duplicate copy to the fire code official.	Menlo Park Fire District has an existing appeal process that includes the Menlo Park Fire District Board of Directors.

MPFPD Ordinance

IFC Code Section	MPFD Change (in Red)	Reason
<p>[A] 108.2 Limitations on authority. An application for appeal shall be based on a claim that the intent of this code or the rules legally adopted hereunder have been incorrectly interpreted, the provisions of this code do not fully apply, or an equivalent method of protection or safety is proposed. The board shall have no authority to waive requirements of this code.</p>	<p>108.2 Limitations on authority. A person shall be deemed to be aggrieved within the meaning of this Section if the person is the applicant or the permittee or is otherwise directly affected by the action in question. An application for appeal shall be based on a claim that the intent of this code or the rules legally adopted hereunder have been incorrectly interpreted, the provisions of this code do not fully apply or an equivalent method of protection or safety is proposed. The action in question may also involve the approval or disapproval of a permit application submitted to the District, the grant or denial of a permit, or a decision concerning the interpretation, construction, operation or enforcement of the District's Fire Prevention Code. The Board shall have no authority to waive requirements of this code.</p>	<p>Menlo Park Fire District has an existing appeal process that includes the Menlo Park Fire District Board of Directors.</p>
<p>[A] 108.3 Qualifications. The board of appeals shall consist of members who are qualified by experience and training to pass on matters pertaining to hazards of fire, explosions, hazardous conditions or <i>fire protection systems</i> , and are not employees of the jurisdiction.</p>	<p>108.3 Qualifications. The Board of Appeals shall consist of the Fire District Board of Directors. The Fire Chief shall be an ex officio member of said Board but shall have no vote on any matter before the Board.</p>	<p>Menlo Park Fire District has an existing appeal process that includes the Menlo Park Fire District Board of Directors.</p>

MPFPD Ordinance		
IFC Code Section	MPFD Change (in Red)	Reason
[A] 109 Violations		
<p>[A] 109.4 Violation penalties. Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the <i>approved construction documents</i> or directive of the <i>fire code official</i>, or of a permit or certificate used under provisions of this code, shall be guilty of a [SPECIFY OFFENSE], punishable by a fine of not more than [AMOUNT] dollars or by imprisonment not exceeding [NUMBER OF DAYS], or both such fine and imprisonment. Each day that a violation continues after due notice has been served shall be deemed a separate offense.</p>	<p>109.4 Violation Penalties. Persons who shall violate a provision of a fire prevention code or a district ordinance shall be guilty of an infraction, which shall be punishable by a fine in accordance with Sections 17(d) of the currently adopted California Penal Code. Any person who fails or refuses to correct or eliminate a fire or life hazard after written order of the District Board or its authorized representative is guilty of a misdemeanor, which shall be punishable by fine or imprisonment or both in accordance with Section 19 of the currently adopted California Penal Code. The imposition of a punishment pursuant to this paragraph shall neither excuse the violation, nor shall it authorize the violation to continue or preclude the District from taking other action to enforce compliance with a fire prevention code or district ordinance. All violations shall be corrected within a reasonable time regardless of whether a conviction is obtained. Each day that a violation continues after due notice has been served, shall be deemed a separate offense. The District shall be entitled to recover all of its actual expenses incurred to correct violations and to obtain compliance with the District's Fire Prevention Code. If the violation has not been corrected, the District shall begin charging an hourly Code Enforcement charge for additional follow up inspections until the violation has been corrected. Code Enforcement charges shall be in accordance with the Fire District's fee schedule, account #41310.</p>	<p>Section 109.4 coordinates Fire Code violations with the California Penal Code.</p>
[A] 111 Stop Work Order		
<p>A] 111.4 Failure to comply. Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable to a fine of not less than [AMOUNT] dollars or more than [AMOUNT] dollars.</p>	<p>111.4 Failure to comply. Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition shall be liable to a Code Enforcement charge as set forth in the Fire District's fee schedule under account #41310. See also Section 109.4 above.</p>	<p>Attaches a Code Enforcement fine for failing to comply with a Stop Work Order.</p>

MPFPD Ordinance		
IFC Code Section	MPFD Change (in Red)	Reason
[A] 113 Fees		
None	113.6 Permit Fees to Public Agencies. Fees shall be charged to other public agencies for services provided by the District. The District Board may, by resolution, establish policies and procedures by which waivers from payment of fees may be allowed by the Board, when payment of a fee would not be in the public interest.	Menlo Park Fire District charges fees to public agencies for public improvements. However fees may be waived by a resolution of the District's Board of Directors.
Chapter 2 Definitions		
[B] FLOOR AREA, GROSS. The floor area within the inside perimeter of the exterior walls of the building under consideration, exclusive of vent shafts and courts, without deduction for corridors, stairways, closets, the thickness of interior walls, columns or other features. The floor area of a building, or portion thereof, not provided with surrounding exterior walls shall be the usable area under the horizontal projection of the roof or floor above. The gross floor area shall not include shafts with no openings or interior courts.	[B] FLOOR AREA, GROSS. The floor area within the inside perimeter of the exterior walls of the building under consideration, exclusive of vent shafts and courts, without deduction for corridors, stairways, closets, the thickness of interior walls, columns or other features. The floor area of a building, or portion thereof, not provided with surrounding exterior walls shall be the usable area under the horizontal projection of the roof or floor above. The gross floor area shall not include shafts with no openings or interior courts. For residential occupancies, square footage does not include an attached garage (U Occupancy) or attached carport. Areas to be included in the square footage calculation include: 1- Garages or carports if under a habitable space, or covers egress per NFPA 13D 8.6.6 2- New attached garage 3- All additions 4- Total square footage of any room that received alterations or additions. Removing sheetrock exposing structural framing or any change to structural in a room involves the total square footage of that room. Existing square footage may be obtained from the San Mateo County Tax Assessor's Office or may be submitted by a licensed architect.	In section 903.6.1.1, the Fire District uses the term "gross floor area" to determine the extent of a remodel. This figure is used in conjunction with the requirement for determining the need for retrofitting fire sprinkler protection in existing buildings. The Fire District added a secondary definition to clarify what portions of the existing residential occupancy should be included in the calculation for comparison to the amount of floor area being improved.

MPFPD Ordinance

IFC Code Section	MPFD Change (in Red)	Reason
<p>[A] JURISDICTION. The governmental unit that has adopted this code under due legislative authority.</p>	<p>[A] JURISDICTION. Jurisdiction shall mean the territorial boundaries of the Menlo Park Fire Protection District. In that case “Jurisdiction” would mean, as appropriate, the County of San Mateo, the City of East Palo Alto, the City of Menlo Park and the Town of Atherton. The Fire District’s map book shall be adopted by reference to indicate the territorial boundaries of the Menlo Park Fire Protection District. Except where in the code the term "jurisdiction" is used in a context which implies the ability to exercise governmental powers, such as “the authority having jurisdiction,” then in that context "jurisdiction" shall mean the particular public agency authorized to and exercising that governmental power.</p>	<p>The term Jurisdiction has two meanings. One, indicates the boundary lines which make up the Menlo Park Fire Protection District, and Two, indicates the government agency exercising its governmental powers.</p>
<p>None</p>	<p>SUBSTANTIAL ALTERATION. The renovation of any structure, which combined with any additions to the structure, affects a <i>gross floor area</i> which exceeds fifty percent of the existing floor area of the structure, or when the building has to be vacated during the renovation or addition because the building or residence had become uninhabitable during said renovation or addition. This may include but is not limited to :</p> <ul style="list-style-type: none"> A. Removal of electricity to the building or structure. B. Removal of water supply and /or sanitation to the building or structure C. Removal of exterior walls and/or roof assembly. <p>When any structural changes are made to the building, such as walls, columns, beams or girders, floor or ceiling joists and covering, roof rafters, roof diaphragms, foundations, piles or retaining walls or similar components, the floor area of all room affected by the changes shall be included in computing floor areas for purposes of applying this definition. This definition does not apply to the replacement and upgrading of residential roof coverings.</p>	<p>The term <i>substantial alteration</i> is used in the ordinance in section 505.1 when referring to the lighted address requirement, and the of definition of a substantial alteration is used as the foundation in section 903.6.1.1 for determining when improvements occur to an existing building and it becomes reasonable to include fire sprinkler protection as a portion of the improvement.</p>

MPFPD Ordinance		
IFC Code Section	MPFD Change (in Red)	Reason
CHAPTER 4 EMERGENCY PLANNING AND PREPAREDNESS		
401.5 Making false report. A person shall not give, signal or transmit a false alarm.	401.5 Making false report. It shall be unlawful for a person to give, signal or transmit a false alarm. A false report may include signals from a fire alarm system, including signals caused during fire alarm maintenance without prior Fire District notification. Making a false report shall be liable to a charge as set forth in the Fire District fee schedule under account # 41320 False Alarm Response, Engine or account #41325 False Alarm Response, Inspector.	The Fire District ordinance added a more complete definition of a False Alarm to include false signals from fire detection equipment. In 2012, the Fire District responded to 137 fire alarm calls from faulty fire detection equipment. The intent of this section create responsibility on building owners to maintain the equipment thus avoiding false fire alarm responses. There is a monetary fine referenced for excessive false alarm responses.
CHAPTER 5 FIRE SERVICE FEATURES		
503 Fire Apparatus Access Roads		
503.3 Marking. Where required by the <i>fire code official, approved</i> signs or other <i>approved</i> notices or markings that include the words NO PARKING—FIRE LANE shall be provided for fire apparatus access roads to identify such roads or prohibit the obstruction thereof. The means by which <i>fire lanes</i> are designated shall be maintained in a clean and legible condition at all times and be replaced or repaired when necessary to provide adequate visibility.	503.3 Marking. Where required by the <i>fire code official approved</i> signs and markings designating fire lanes shall comply with California Vehicle Code section 22500.1. The designation shall be indicated (1) by a sign posted immediately adjacent to, and visible from, the designated place clearly stating in letters not less than one inch in height that the place is a fire lane, (2) by outlining or painting the place in red and, in contrasting color, marking the place with the words "FIRE LANE", which are clearly visible from a vehicle, or (3) by a red curb or red paint on the edge of the roadway upon which is clearly marked the words "FIRE LANE". Signs and markings shall not be obstructed, and shall be maintained in a clean and legible condition at all times and be replaced or repaired when necessary to provide adequate visibility.	Local law enforcement has asked that designated fire lanes are marked with both signs AND red curbs AND lettering stating "No Parking - Fire Lane." Section changed to follow language from the California Vehicle Code, per Menlo Park Police.

MPFPD Ordinance		
IFC Code Section	MPFD Change (in Red)	Reason
505 Premises Identification		
505.1 Address identification. New and existing buildings shall have <i>approved</i> address numbers, building numbers or <i>approved</i> building identification placed in a position that is plainly legible and visible from the street or road fronting the property. These numbers shall contrast with their background. Where required by the <i>fire code official</i> , address numbers shall be provided in additional <i>approved</i> locations to facilitate emergency response. Address numbers shall be Arabic numbers or alphabetical letters. Numbers shall be a minimum of 4 inches (101.6 mm) high with a minimum stroke width of 0.5 inch (12.7 mm). Where access is by means of a private road and the building cannot be viewed from the public way, a monument, pole or other sign or means shall be used to identify the structure. Address numbers shall be maintained.	<p>505.1 Address identification. New and existing buildings shall have <i>approved</i> address numbers, building numbers or <i>approved</i> building identification placed in a position that is plainly legible and visible from the street or road fronting the property. These numbers shall contrast with their background. Address numbers shall be Arabic numbers or alphabetical letters. Numbers shall be a minimum of 4 inches (101.6 mm) high with a minimum stroke width of 0.5 inch (12.7 mm). Said numbers shall be either internally or externally illuminated (lighted) from dusk to dawn in all new construction, or with <i>substantial alterations</i> or repairs of existing structures. Where access is by means of a private road and the building cannot be viewed from the <i>public way</i>, a monument, pole or other sign or means shall be used to identify the structure. Address numbers shall be maintained.</p> <p>Commercial structures 20 to 50 feet in height shall have the address a minimum of 8 inches high with lettering a minimum of 1 inch stroke wide. When the structure is more than 50 feet in height the address shall be a minimum of 12 inches high with lettering a minimum of 2.5 inch stroke wide.</p>	<p>The Fire District responds to many types of emergencies, including medical calls, critical home services such as flooding or natural gas leaks, and smoke or carbon monoxide alarms, just to name a few. In many areas of the Fire District, street lighting is not available, which makes finding addresses difficult, especially when seconds count. The Fire District ordinance requires new buildings and buildings undergoing a substantial alteration to include an illuminated address, so that emergency responders can more easily find the location needing help.</p> <p>The ordinance also provides minimum size requirements for address numbers on larger structures for better visibility, where the International Fire Code is silent.</p>
None	505.1(a) Addressing of Multi-Tenant Buildings. When a structure has individual tenant spaces, numbers or letters shall be placed on the interior doors on all occupancies inside the building. Size of the numbers shall be a minimum of 4 inches high with lettering not less than ¼ inch stroke width on a contrasting background. Said addresses or numbers shall be posted at a height not greater than 5 feet, 6 inches above the finished floor. Directional address numbers or letters shall be provided.	The ordinance requires individual tenant spaces to have address numbers, and provides guidance as to height and size of the numbers. The International Fire Code is silent on this issue.
None	505.1(b) Rear Addressing. When required by the fire code official, approved numbers or addresses shall be placed on all new and existing buildings in such a position as to be plainly visible and legible from any fire apparatus road at the back of a property. Number stroke and size shall comply with Section 505.	The ordinance requires rear entrances to tenant spaces to have corresponding address, so fire fighters can orientate themselves when approaching the rear of a single building that has multiple addresses. The International Fire Code is silent on this issue.

MPFPD Ordinance		
IFC Code Section	MPFD Change (in Red)	Reason
506 Key Boxes		
506.1 Where required. Where access to or within a structure or an area is restricted because of secured openings or where immediate access is necessary for life-saving or fire-fighting purposes, the <i>fire code official</i> is authorized to require a key box to be installed in an <i>approved</i> location. The key box shall be of an <i>approved</i> type listed in accordance with UL 1037, and shall contain keys to gain necessary access as required by the <i>fire code official</i> .	506.1 Where required. Where access to or within a structure or an area is restricted because of secured openings or where immediate access is necessary for life-saving or fire-fighting purposes, the fire code official is authorized to require a key box to be installed in an approved location. Key boxes shall be mounted on the building near the main entrance and shall be located a minimum of 60 inches and not higher than 72 inches above the finished floor, in a location approved by the fire code official. Additional key boxes may be required at rear entrances to buildings. A decal shall be provided to the fire code official for placement. The key box shall be of an approved type listed in accordance with UL 1037 and shall contain keys to gain necessary access as required by the fire code official.	The ordinance provides a standard location for the placement of key boxes. In the past, when the District did not specify placement of the key box, building owners would place them in hidden locations, making finding a key box a challenge to firefighters. Others would install key boxes near roof eaves, requiring firefighters to ladder the building, to obtain a key to enter the building. The International Fire Code does not specify a location for key boxes.
None	506.2.1 Keys. The key(s) provided in the key box shall be a master key to all spaces including multi-tenant spaces. Additional keys shall be included for elevator control, fire alarm control panels and fire sprinkler control valve access. Except for electronic locks that release upon loss of power, electronic card keys and codes may not be utilized as a substitute for manual keys.	Keys required in the key box should include a master key to the location, elevator control key, fire alarm access key, and a fire sprinkler control key. The International Fire Code does not specify what keys should be placed in a key box.
511 Firefighter Air Systems		
None	511 Firefighter Air Systems. When required by the fire code official, a firefighter air system shall be installed in new buildings four or more stories in height and in existing buildings greater than 75 feet in height, not later than December 31, 2005, and any underground structures that are two or more floors below grade. Installation shall be in accordance with this ordinance and Menlo Park Fire Protection District Standard, "Firefighter Air Systems," see Chapter 80. Exception: R-3 Occupancies.	Currently, a firefighter's air bottle lasts about 20 (plus) minutes before it needs to be refilled. With a Firefighter Air System installed in a multi story building, firefighters can refill their air supply from the interior of the building, without having to leave the fire area. Without such a system, an air bottle would need to be refill from an air-refill truck located on the street. This requirement allows for a more efficient use of the firefighters time on the fire scene.

MPFPD Ordinance		
IFC Code Section	MPFD Change (in Red)	Reason
<p>903.2 Where required. <i>Approved automatic sprinkler systems</i> in new buildings and structures shall be provided in the locations described in Sections 903.2.1 through 903.2.12.</p>	<p>903.2 Where required. Approved automatic fire sprinkler systems in new buildings and structures shall be provided in all Group A, B, E, F, S, and U Occupancies greater than 1,000 square feet and in locations described in this section.</p> <p>Approved automatic fire sprinkler system in existing buildings and structures shall be provided as described in section 903.6.</p>	<p>Automatic fire sprinkler protection is required in new buildings and structures that are greater than 1,000 square feet. Note that some occupancy classes are not included, such as Hazardous Occupancies, which have a zero square footage sprinkler requirement. This is more restrictive than the ordinance, so the code section relating to Group H Occupancies was NOT omitted.</p>
	<p>Sections and Subsections of 903.2.1, 903.2.3, 903.2.4, 903.2.7 and 903.2.9, 903.2.10 of Chapter 9 of the code are deleted in their entirety.</p>	<p>These subsections refer to Group A, B, E, F, and S Occupancies where the fire sprinkler threshold is greater than 1,000 square feet, and would conflict with the ordinance.</p>
<p>903.2.7 Group M. An <i>automatic sprinkler system</i> shall be provided throughout buildings containing a Group M occupancy where one of the following conditions exists:</p> <ol style="list-style-type: none"> 1. A Group M <i>fire area</i> exceeds 12,000 square feet (1115 m²). 2. A Group M <i>fire area</i> is located more than three stories above grade plane. 3. The combined area of all Group M <i>fire areas</i> on all floors, including any mezzanines, exceeds 24,000 square feet (2230 m²). 4. A Group M occupancy used for the display and sale of upholstered furniture or mattresses exceeds 5,000 square feet (464 m²). 	<p>903.2.7 Group M. Automatic fire sprinkler systems shall be provided throughout buildings containing a Group M occupancy with a fire area greater than 1,000 square feet and any Group M occupancy used for the display and sale of upholstered furniture.</p> <p>903.2.7.1 High-piled storage. To remain unchanged</p>	<p>The ordinance requires new M occupancies to have automatic fire sprinklers when the square footage exceeds 1,000 square feet.</p> <p>Section 903.2.7.1 requires Group M Occupancies with high piled storage to follow the fire sprinkler requirements of Chapter 32 on High Piled Combustible Storage.</p>
<p>903.2.11 Specific buildings areas and hazards. In all occupancies other than Group U, an <i>automatic sprinkler system</i> shall be installed for building design or hazards in the locations set forth in Sections 903.2.11.1 through 903.2.11.6.</p>	<p>903.2.11 Specific building areas and hazards. In all occupancies an <i>automatic sprinkler system</i> shall be installed for building design or hazards in the locations set forth in sections 903.2.11.1 through 903.2.11.6.</p>	<p>The ordinance deleted the reference to omit Group U occupancies from fire sprinkler protection. The Fire District has a history of vehicle fires that have started in the garages of residential occupancies.</p>

MPFPD Ordinance

IFC Code Section	MPFD Change (in Red)	Reason
<p>903.2.11.1 Stories without openings. An <i>automatic sprinkler system</i> shall be installed throughout all stories, including <i>basements</i> , of all buildings where the floor area exceeds 1,500 square feet (139.4 m2) and where there is not provided at least one of the following types of <i>exterior wall</i> openings:</p> <p>1. Openings below grade that lead directly to ground level by an exterior <i>stairway</i> complying with Section 1009 or an outside ramp complying with Section 1010. Openings shall be located in each 50 linear feet (15 240 mm), or fraction thereof, of <i>exterior wall</i> in the story on at least one side. The required openings shall be distributed such that the lineal distance between adjacent openings does not exceed 50 feet (15 240 mm).</p>	<p>903.2.11.1 Stories and basements without openings. Automatic sprinkler systems shall be installed in every building where the basement fire area exceeds 250 square feet.</p> <p>Exception: For the Town of Atherton, any new building or structure having a basement shall be provided with an automatic fire sprinkler system throughout the building or structure, regardless of the building or structure’s square footage.</p> <p>Automatic sprinkler systems shall be installed in every story of all buildings where the floor area exceeds 1000 square feet and where the following type of exterior wall opening is not provided.</p> <p>1. Openings entirely above the adjoining ground level totaling at least 20 square feet (1.86 m²) in each 50 linear feet (15 240 mm), or fraction thereof, of exterior wall in the story on at least one side.</p>	<p>Adjustments in this section require automatic fire sprinkler protection in basements of occupancies. The threshold begins at square footage exceeding 250 square feet, except for the Town of Atherton which has no threshold square footage.</p> <p>Basement fires bring a different tactic to fire suppression operations. Entry is obscured by thick smoke. Opening doors to basement create a rush of hot gases typically exceeding 900F. A fire in a basement can cause the floor to giveaway under firefighters as they enter the structure to attempt extinguishment.</p>
<p>903.2.11.1.3 Basements. Where any portion of a <i>basement</i> is located more than 75 feet (22 860 mm) from openings required by Section 903.2.11.1, or where walls, partitions or other obstructions are installed that restrict the application of water from hose streams, the <i>basement</i> shall be equipped throughout with an <i>approved automatic sprinkler system</i> .</p>	<p>Section 903.2.11.1.3 of Chapter 9 of the Code is deleted.</p>	<p>Conflicts with the 250 square foot requirement for basements.</p>
<p>903.2.11.3 Buildings 55 feet or more in height. An <i>automatic sprinkler system</i> shall be installed throughout buildings with a floor level having an <i>occupant load</i> of 30 or more that is located 55 feet (16 764 mm) or more above the lowest level of fire department vehicle access.</p> <p>Exceptions: 1. Airport control towers. 2. Open parking structures. 3. Occupancies in Group F-2.</p>	<p>Section 903.2.11.3 of Chapter 9 of the Code is deleted.</p>	<p>Conflicts with the 1,000 square feet threshold requirement.</p>
<p>903.3.1.2 NFPA 13R sprinkler systems. <i>Automatic sprinkler systems</i> in Group R occupancies up to and including four stories in height shall be permitted to be installed throughout in accordance with NFPA 13R.</p>	<p>903.3.1.2 NFPA 13R sprinkler systems. Where in the code a NFPA 13R sprinkler system is allowed, a NFPA 13 sprinkler system shall be used.</p>	<p>NFPA 13R sprinkler systems are used in multi-family dwellings (apartments). They allow un-sprinklered spaces and installation practices inconsistent with similar size occupancies. This change forces a full fire sprinkler system, which is consistent with similar size buildings.</p>

MPFPD Ordinance

IFC Code Section	MPFD Change (in Red)	Reason
<p>903.3.3 Obstructed locations. Automatic sprinklers shall be installed with due regard to obstructions that will delay activation or obstruct the water distribution pattern. Automatic sprinklers shall be installed in or under covered kiosks, displays, booths, concession stands or equipment that exceeds 4 feet (1219 mm) in width. Not less than a 3- foot (914 mm) clearance shall be maintained between automatic sprinklers and the top of piles of combustible fibers.</p> <p>Exception: Kitchen equipment under exhaust hoods protected with a fire-extinguishing system in accordance with Section 904.</p>	<p>903.3.3 Obstructed locations. Automatic sprinklers shall be installed with due regard to obstructions that will delay activation or obstruct the water distribution pattern. Automatic sprinklers shall be installed in or under covered kiosks, displays, booths, concession stands, laboratory fume hoods, bio safety cabinets that use flammable liquids in processes, or equipment that exceeds 4 feet (1219 mm) in width. Not less than a 3-foot (914 mm) clearance shall be maintained between automatic sprinklers and the top of piles of combustible fibers. Sprinklers shall be provided in all areas including combustible or noncombustible concealed spaces, 6 inches or more.</p> <p>Exception: 1. Sprinkler protection for concealed spaced 6 inches or more may be omitted if the building owner and the fire code official agree in writing that the use of the space is unlikely to change in the future.</p> <p>2. Kitchen equipment under exhaust hoods protected with a fire-extinguishing system in accordance with Section 904.</p>	<p>The Fire District requires fire sprinkler protection in obstructed locations that are 6 inches or more in height or width. These spaces are typically used to run electrical wiring, and have been collection points for combustible debris. Fires in these concealed spaces have the ability to overcome automatic fire sprinkler protection. By providing fire sprinkler protection in these spaces, early fire detection is established and the fire is controlled.</p> <p>Industrial areas of the District cater to Research and Development Laboratories. Due to fire histories in these labs, the Fire District requires fire sprinkler protection inside lab fume hoods, and in biosafety cabinets that use flammable liquids in processes.</p> <p>By including an exception, for sprinklering the 6 inch concealed space, the ordinance allows for flexibility depending on the occupancy and the use of the space.</p>
None	<p>903.3.8 Partial Systems in new buildings or structures. Unless approved in writing by the fire code official, automatic fire sprinkler systems that only protect a portion of the building shall not be allowed.</p>	<p>The Fire District added a section to the ordinance that requires a full fire sprinkler system in a building, and to not allow for a partial system. When firefighters respond to a fire in a sprinklered building, it is assumed that the all portions of the building have fire sprinkler protection. If the fire's origin happened to be in an unsprinklered portion of a sprinklered building, the fire's heat can overcome the sprinklered portion of the building.</p>
<p>903.6 Where required in existing buildings and structures. An <i>automatic sprinkler system</i> shall be provided in existing buildings and structures where required in Chapter 11.</p>	<p>903.6 Where required in existing buildings and structures. An <i>automatic sprinkler system</i> shall be provided in existing buildings and structures where required in Chapter 11 or when improvements are conducted in accordance with this section.</p>	<p>As noted below, fire sprinkler protection will be required in existing buildings when specific improvements occur.</p>

MPFPD Ordinance

IFC Code Section	MPFD Change (in Red)	Reason
None	<p>903.6.1 Where required due to improvements to buildings and structures. The provisions of this section are intended to provide a reasonable degree of fire safety in existing structures by requiring installation of an automatic fire-extinguishing system.</p>	<p>The Fire Code does not specify weather or not an existing building that under goes improvements should include automatic fire sprinkler protection. The Fire District has specified in this section, what it believes to be reasonable requirements to add fire sprinkler protection when buildings are improved or occupancies are changed to become hazardous.</p>
None	<p>903.6.1.1 Where Required. All existing buildings and structures, regardless of type of occupancy or area, shall be provided with an automatic fire sprinkler system when any of the following conditions occur:</p> <p>(A) Alterations or additions to any building with gross floor area of 1,000 square feet or larger, when the Alterations or additions that exceed 50% of the existing <i>gross floor area</i> of the building. Alterations or additions shall accrue over any 10 year time period. Exception: Buildings or structures less than 1,000 square feet.</p> <p>(B) When a change in occupancy classification, as defined within the Building Code, results in an increased fire hazard or risk due to business operations and/or number of occupants permitted in the building.</p> <p>(C) When an existing occupancy constructs a basement that is 250 square feet or larger, a fire sprinkler system shall be provided throughout the basement and the rest of the building or structure. Exception: For the Town of Atherton, when an existing occupancy constructs a basement of any size an automatic fire sprinkler system shall be provided throughout the basement and the rest of the building or structure.</p>	<p>Fire sprinkler protection is required to an existing building when:</p> <p>A. Any 1,000 square foot or larger building conducts improvements that exceeds 50% of the existing square footage.</p> <p>B. When the use of the occupancy increases the fire hazard, such as a business office changing to a research lab.</p> <p>C. When any occupancy adds a basement that is 250 square feet or larger, except in the Town of Atherton where any basement would require fire sprinkler protection.</p>
None	<p>903.6.1.2 Partial Systems in existing buildings and structures. Unless approved in writing by the fire code official, automatic fire sprinkler systems that only protect a portion of the building shall not be allowed. Exception: A partial fire sprinkler system may be allowed when different tenant spaces in the same building are occupied, and the installation of a fire sprinkler system may disrupt business. In this case, the fire code official and the building owner shall agree in writing to a delay in completing the installation of the fire sprinkler system, provided there is a reasonable time of completion.</p>	<p>The Fire District understands that adding a fire sprinkler system all at once to a multi-tenanted building may disrupt business. Therefore, on a case-by-case bases, the Fire District will allow a partial fire sprinkler system, provided there is a mutually agreed upon "dead-line" in writing between the building owner and the Fire District, as to the fully completed system.</p>

MPFPD Ordinance		
IFC Code Section	MPFD Change (in Red)	Reason
907.7 Acceptance tests and completion. Upon completion of the installation, the fire alarm system and all fire alarm components shall be tested in accordance with NFPA 72.	907.7 Acceptance tests and completion. Upon completion of the installation, the fire alarm system and all fire alarm components shall be tested in accordance with NFPA 72. Fire alarms systems in commercial structures shall obtain a UL Certificate for the system prior to final inspection.	In the early 1980's UL established a program for certification of fire alarm systems. NFPA 72 Standards were used as the requirements for the certification. The certificate is a declaration by the alarm company responsible for the installation that the system as described on the certificate form has been installed and will be maintained in accordance with the NFPA Standard.
907.9 Where required in existing buildings and structures. An <i>approved</i> fire alarm system shall be provided in existing buildings and structures where required in Chapter 11.	907.9 Where required in existing buildings and structures. An <i>approved</i> fire alarm system shall be provided in existing buildings and structures where required in Chapter 11. When an alteration to any existing building or structure requires an upgrade or new fire alarm system, multiple fire alarm systems within a single protected premises shall not be permitted.	If a fire occurs in a single space of a multi-tenanted building, occupants of the other spaces should also be notified of the fire and evacuated. However, NFPA 72 allows individual tenants to install their own fire alarm system, thus NOT notifying other tenants of a fire. To correct this problem, the Fire District will begin requiring a single fire alarm system for multi-tenanted spaces. This requirement will apply only when any alteration occurs at an existing building, or if the fire alarm system requires upgraded devices.
CHAPTER 57 FLAMMABLE AND COMBUSTIBLE LIQUIDS		
5704 Storage		
5704.2.9.6.1 Locations where above-ground tanks are prohibited. Storage of Class I and II liquids in above-ground tanks outside of buildings is prohibited within the limits established by law as the limits of districts in which such storage is prohibited (see Section 3 of the Sample Legislation for Adoption of the <i>International Fire Code</i> on page xxi).	5704.2.9.6.1 Locations where above-ground tanks are prohibited. Storage of Class I and II liquids in above-ground tanks outside of buildings is prohibited within the limits established by local law. See the Planning Department for the City of Menlo Park, Town of Atherton, City of East Palo Alto or the County of San Mateo for the zones in which such storage is prohibited.	This section of the Code was intentionally left blank by the ICC to allow local governments to decide locations for placement of aboveground tanks for flammable (gasoline) and combustible (diesel) liquids.
5706 Special Operations		
5706.2.4.4 Locations where above-ground tanks are prohibited. The storage of Class I and II liquids in above-ground tanks is prohibited within the limits established by law as the limits of districts in which such storage is prohibited (see Section 3 of the Sample Legislation for Adoption of the <i>International Fire Code</i> on page xxi).	5706.2.4.4 Locations where above-ground tanks are prohibited. The storage of Class I and II liquids in above-ground tanks is prohibited within the limits established by law. See the Planning Department for the City of Menlo Park, Town of Atherton, City of East Palo Alto or the County of San Mateo for the zones in which such storage is prohibited.	This section of the Code was intentionally left blank by the ICC to allow local governments to decide locations for placement of aboveground tanks for flammable (gasoline) and combustible (diesel) liquids. Special Operations includes, among other things, aboveground tanks on construction sites.

MPFPD Ordinance		
IFC Code Section	MPFD Change (in Red)	Reason
CHAPTER 58 FLAMMABLE CRYOGENIC FLUIDS		
5806 Flammable Cryogenic Fluids		
5806.2 Limitations. Storage of flammable <i>cryogenic fluids</i> in stationary containers outside of buildings is prohibited within the limits established by law as the limits of districts in which such storage is prohibited (see Section 3 of the Sample Legislation for Adoption of the <i>International Fire Code</i> on page xxi).	5806.2 Limitations. Storage of flammable cryogenic fluids in stationary containers outside of buildings is prohibited within the limits established by local law. See the Planning Department for the City of Menlo Park, Town of Atherton, City of East Palo Alto or the County of San Mateo for the zones in which such storage is prohibited.	This section of the Code was intentionally left blank by the ICC to allow local governments to decide what locations within the City they would allow tanks with Flammable Cryogenic Fluids. This would include tanks with liquid Hydrogen or Liquefied Natural Gas, which are becoming popular vehicle fuels.
CHAPTER 61 LIQUIFIED PETROLEUM GASES		
6104 Location of LP-Gas Containers		
6104.2 Maximum capacity within established limits. Within the limits established by law restricting the storage of liquefied petroleum gas for the protection of heavily populated or congested areas, the aggregate capacity of any one installation shall not exceed a water capacity of 2,000 gallons (7570 L) (see Section 3 of the Sample Legislation for Adoption of the <i>International Fire Code</i> on page xxi).	6104.2 Maximum capacity within established limits. Within the limits established by law restricting the storage of liquefied petroleum gas for the protection of heavily populated or congested areas, the aggregate capacity of any one installation shall not exceed a water capacity of 2,000 gallons (7570 L). See the Planning Department for the City of Menlo Park, Town of Atherton, City of East Palo Alto or the County of San Mateo for the zones in which such storage is prohibited.	This section of the Code was intentionally left blank by the ICC to allow local governments to decide locations where they will allow aboveground tanks of Liquefied Petroleum Gas (LPG).
Appendix D		
None	D103.7 Traffic Signal Control Devices. When a government agency requires an Encroachment Permit at any intersection and new or existing traffic signals are involved, the traffic signals shall be provided with a traffic signal control device that is operated from the fire apparatus.	When traffic signals are involved in the improvements to a roadway intersection, the Fire District would like to provide input as to the installation of traffic signal control devices. These devices allow approaching fire apparatus to change traffic light to "green", allowing for a safer and timely emergency response.



PUBLIC WORKS DEPARTMENT

Council Meeting Date: October 15, 2013
Staff Report #: 13-166

Agenda Item #: D-1

CONSENT CALENDAR:

Adopt a Resolution to Approve the Final Map for the Laurel Oaks Subdivision Located at 1273 and 1281 Laurel Street; Accept Dedication of an Emergency Vehicle Access Easement; Authorize the Acting City Clerk to Sign the Final Map; and Authorize the City Manager to Sign the Subdivision Improvement Agreement

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution (Attachment A) to approve the Final Map for the Laurel Oaks Subdivision located at 1273 and 1281 Laurel Street; accept the Dedication of an Emergency Vehicle Access Easement; authorize the Acting City Clerk to sign the Final Map; and authorize the City Manager to sign the Subdivision Improvement Agreement.

BACKGROUND

On May 7, 2013, the City Council approved a tentative map for the property at 1273 and 1281 Laurel Street to create six residential condominium units on two legal lots.

This project consists of six residential condominium units and common areas on two adjacent parcels with three units on each parcel. The area for each parcel is approximately 0.30 acres.

ANALYSIS

Final Map

The applicant, Laurel Oaks, L.P., has submitted a Final Map for the proposed subdivision. The Final Map (Attachment B) is in substantial compliance with the tentative map approved by the City Council on May 7, 2013, and all conditions required for approval of the Final Map have been met. The conditions of approval for the Final Map as taken from the approved planning permit are as follows:

Condition #7i: Prior to recordation of the Final Map, the existing structures shall be demolished after obtaining a demolition permit.

The applicant will obtain a demolition permit and demolish the existing structures prior to recordation of the Final Map.

Condition #7j: Concurrent with the application for a Final Map, the applicant shall submit Covenants, Conditions and Restrictions (CC&R's) for the approval of the City Engineer and the City Attorney. The Final Map and the CC&R's shall be recorded concurrently.

The applicant has submitted the CC&R's and Condominium Plans for the review and approval of the City Engineer and City Attorney. The Final Map and the CC&R's and Condominium Plans will be recorded concurrently.

Condition #7k: Concurrent with the application submittal for the Final Map, the applicant shall submit a Grading and Drainage Plan, including an Erosion and Sedimentation Control Plan, for review and approval of the City Engineer. The Grading and Drainage Plan shall be prepared based on the City's Grading and Drainage Plan Guidelines and Checklist and the Project Applicant Checklist for the National Pollution Discharge Elimination System (NPDES) Permit Requirements. The Grading and Drainage Plan shall be approved prior to issuance of a grading and/or building permit.

The Grading and Drainage Plan, including an Erosion and Sedimentation Control Plan, has been reviewed and approved by the City Engineer.

Condition #7l: Prior to recordation of the Final Map, the applicant shall install new improvements as shown on the project plans per City standards along the entire property frontage subject to the review and approval of the Engineering Division. The applicant shall obtain an encroachment permit, from the Engineering Division, prior to commencing any work within the right-of-way. If determined appropriate and subject to the approval of the Engineering Division, the applicant may provide a bond for the completion of the work subsequent to the recordation of the Final Map.

The project plans have been approved by the Engineering Division. The applicant has entered into a Subdivision Improvement Agreement with the City and provided a bond for the completion of the work subsequent to the recordation of the Final Map. The Subdivision Improvement Agreement is a contract between the applicant and the City that guarantees the construction of all public street improvements and requires a completion bond as a financial guarantee that all work will be completed. The Subdivision Improvement Agreement and Bonds are shown in Attachment C.

Condition #7m: Prior to recordation of the Final Map, the applicant shall pay any applicable recreation fees (in lieu of dedication) per the direction of the City Engineer in compliance with Section 15.16.020 of the Subdivision Ordinance. The estimated recreation in-lieu fee is \$128,000 (based on \$32,000 per net new unit).

The applicant will pay \$128,000 recreation-in-lieu fee prior to recordation of the Final Map.

The applicant has met the conditions required for approval of the Final Map.

IMPACT ON CITY RESOURCES

The staff time costs associated with review of the project is fully recoverable through fees collected from the applicant.

POLICY ISSUES

There are no specific policy issues with this action.

ENVIRONMENTAL REVIEW

The project is categorically exempt under Class 32 (Section 15332, "In-Fill Development Projects") of the current California Environmental Quality Act (CEQA) Guidelines.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Resolution
- B. Final Map
- C. Subdivision Improvement Agreement and Bonds

Report prepared by:
Roger Storz
Senior Civil Engineer

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RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK TO APPROVE THE FINAL MAP FOR LAUREL OAKS SUBDIVISION LOCATED AT 1273 AND 1281 LAUREL STREET; ACCEPT AN EMERGENCY VEHICLE ACCESS EASEMENT; AUTHORIZE THE ACTING CITY CLERK TO SIGN THE FINAL MAP; AND AUTHORIZE THE CITY MANAGER TO SIGN THE SUBDIVISION IMPROVEMENT AGREEMENT

WHEREAS, the Final Map for Laurel Oaks Subdivision located at 1273 and 1281 Laurel Street shows the dedication of an Emergency Vehicle Access Easement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Menlo Park that the City Council does hereby approve the Final Map for the Laurel Oaks Subdivision at 1273 and 1281 Laurel Street; and

BE IT FURTHER RESOLVED that said Council hereby accepts the Emergency Vehicle Access Easement as shown on the Final Map; and

BE IT FURTHER RESOLVED that said Council authorizes the City Clerk to sign the Final Map and authorizes the City Manager to sign the Subdivision Improvement Agreement.

I, Pamela Aguilar, Acting City Clerk of Menlo Park, do hereby certify that the above and foregoing Council Resolution was duly and regularly passed and adopted at a meeting by said Council on this fifteenth day of October, 2013, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this fifteenth day of October, 2013.

Pamela Aguilar
Acting City Clerk

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OWNER'S STATEMENT

WE HEREBY STATE THAT WE ARE THE OWNERS OF, OR HAVE SOME RIGHT, TITLE OR INTEREST IN AND TO THE REAL PROPERTY INCLUDED WITHIN THE SUBDIVISION SHOWN UPON THIS MAP, AND WE ARE THE ONLY PERSONS WHOSE CONSENT IS NECESSARY TO PASS CLEAR TITLE TO SAID PROPERTY, AND WE HEREBY CONSENT TO THE MAKING AND FILING OF SAID MAP AND SUBDIVISION AS SHOWN WITHIN THE DISTINCTIVE BORDERLINE.

WE HEREBY DEDICATE FOR PUBLIC USE AN EMERGENCY VEHICLE ACCESS EASEMENT (E.V.A.E.) AS SHOWN ON THIS MAP. SAID E.V.A.E. SHALL BE KEPT FREE AND CLEAR OF BUILDINGS AND STRUCTURES, EXCEPT ALL LAWFUL UNSUPPORTED ROOF OVERHANGS.

WE HEREBY RESERVE THE FOLLOWING PRIVATE EASEMENTS AS SHOWN ON THIS MAP, WHICH ARE NOT OFFERED FOR DEDICATION TO THE PUBLIC:

A PRIVATE UTILITY EASEMENT (P.U.E.) OVER A PORTION OF LOT "A" FOR THE BENEFIT OF LOT "B".

A PRIVATE UTILITY EASEMENT (P.U.E.) OVER A PORTION OF LOT "B" FOR THE BENEFIT OF LOT "A".

A PRIVATE INGRESS/EGRESS EASEMENT (P.I.E.E.) OVER A PORTION OF LOT "A" FOR THE BENEFIT OF LOT "B".

A PRIVATE INGRESS/EGRESS EASEMENT (P.I.E.E.) OVER A PORTION OF LOT "B" FOR THE BENEFIT OF LOT "A".

A PRIVATE STORM DRAINAGE EASEMENT (P.S.D.E.) OVER A PORTION OF LOT "A" FOR THE BENEFIT OF LOT "B".

A PRIVATE STORM DRAINAGE EASEMENT (P.S.D.E.) OVER A PORTION OF LOT "B" FOR THE BENEFIT OF LOT "A".

OWNER: LAUREL OAKS, L.P., A CALIFORNIA LIMITED PARTNERSHIP

BY: FORREST MOZART, AUTHORIZED SIGNING AGENT _____ DATE _____

OWNER'S ACKNOWLEDGMENT

STATE OF CALIFORNIA }
COUNTY OF SAN MATEO }

ON _____ BEFORE ME, _____
PERSONALLY APPEARED _____

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL

SIGNATURE _____

TRUSTEE'S STATEMENT

THE UNDERSIGNED CORPORATION, AS TRUSTEE UNDER THE DEED OF TRUST RECORDED AUGUST 22, 2012, IN INSTRUMENT NO. 2012-119219, OF OFFICIAL RECORDS OF SAN MATEO COUNTY, CALIFORNIA, DOES HEREBY JOIN IN AND CONSENT TO THE FOREGOING OWNER'S STATEMENT.

COMERICA BANK

BY: _____

PRINT NAME: _____

TITLE: _____

TRUSTEE'S ACKNOWLEDGMENT

STATE OF CALIFORNIA)
COUNTY OF _____)

ON _____, BEFORE ME, _____, PERSONALLY APPEARED _____, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND.

SIGNATURE OF NOTARY: _____

PRINT NAME OF NOTARY: _____

MY COMMISSION NUMBER: _____

MY COMMISSION EXPIRES: _____

COUNTY OF PRINCIPAL PLACE OF BUSINESS: _____

CITY ENGINEER'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP AND HAVE FOUND THAT THE SUBDIVISION SHOWN HEREON IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP AND ANY APPROVED ALTERATIONS THEREOF; THAT THE MAP CONFORMS TO CHAPTER 2 OF THE SUBDIVISION MAP ACT; AND THAT THE MAP COMPLIES WITH LOCAL ORDINANCES APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP.

DATE: _____

FERNANDO G. BRAVO, R.C.E. 64366
CITY ENGINEER
CITY OF MENLO PARK

CITY SURVEYOR'S STATEMENT

I, MICHAEL J. MIDDLETON, CITY SURVEYOR FOR THE CITY OF MENLO PARK, DO HEREBY STATE THAT I HAVE EXAMINED THIS MAP AND I AM SATISFIED THAT THE SURVEY DATA SHOWN THEREON IS TECHNICALLY CORRECT.

DATE: _____

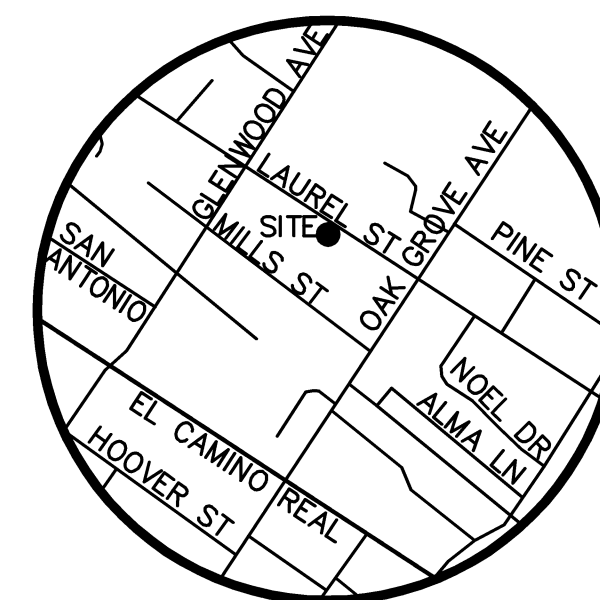
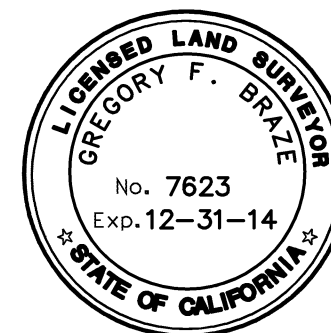
MICHAEL J. MIDDLETON, R.C.E. 29485
CITY SURVEYOR, CITY OF MENLO PARK

SURVEYOR'S STATEMENT

I HEREBY STATE THAT THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN ACCORDANCE WITH THE REQUIREMENTS OF THE "SUBDIVISION MAP ACT" AND LOCAL ORDINANCES AT THE REQUEST OF FORREST MOZART ON JUNE 18, 2012. I HEREBY STATE THAT THIS TRACT MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP. I HEREBY STATE THAT THE SURVEY IS TRUE AND COMPLETE AS SHOWN AND THAT ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED AND SET MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

DATE: _____

GREGORY F. BRAZE L.S. 7623



VICINITY MAP
NO SCALE

SOILS REPORT

A SOILS REPORT FOR THIS PROJECT WAS PREPARED BY TRC IN JUNE 2013.

COUNTY RECORDER'S STATEMENT

FILED THIS _____ DAY OF _____, 2013 AT _____ M, IN BOOK _____ OF MAPS, AT PAGES _____, AT THE REQUEST OF FIRST AMERICAN TITLE COMPANY.

FILE NO.: _____ FEE: \$ _____

MARK CHURCH, SAN MATEO COUNTY RECORDER

BY: _____
DEPUTY RECORDER

CITY CLERK'S STATEMENT

I, PAMELA AGUILAR, ACTING CITY CLERK AND EX-OFFICIO CLERK OF THE CITY COUNCIL OF MENLO PARK, STATE OF CALIFORNIA, HEREBY CERTIFY THAT SAID COUNCIL BY RESOLUTION ADOPTED AT A REGULAR MEETING ON THE _____ DAY OF _____, 2013, DID DULY APPROVE THE WITHIN MAP AND SUBDIVISION AND DID ACCEPT ON BEHALF OF THE PUBLIC, ALL EASEMENTS AS OFFERED FOR DEDICATION FOR PUBLIC USE.

DATE: _____

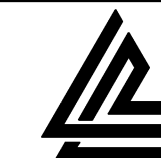
PAMELA AGUILAR
ACTING CITY CLERK AND EX-OFFICIO CLERK OF THE
CITY COUNCIL OF THE CITY OF MENLO PARK, CALIFORNIA

LAUREL OAKS

FOR CONDOMINIUM PURPOSES
1273 & 1281 LAUREL STREET

BEING A SUBDIVISION OF A PORTION OF THE LANDS OF LAUREL OAKS, L.P. AS DESCRIBED IN DEED DOC. NO. 2012-044789 RECORDED APRIL 3, 2012, SAN MATEO COUNTY RECORDS. CONSISTING OF TWO (2) SHEETS

MENLO PARK SAN MATEO COUNTY CALIFORNIA
AUGUST 2013



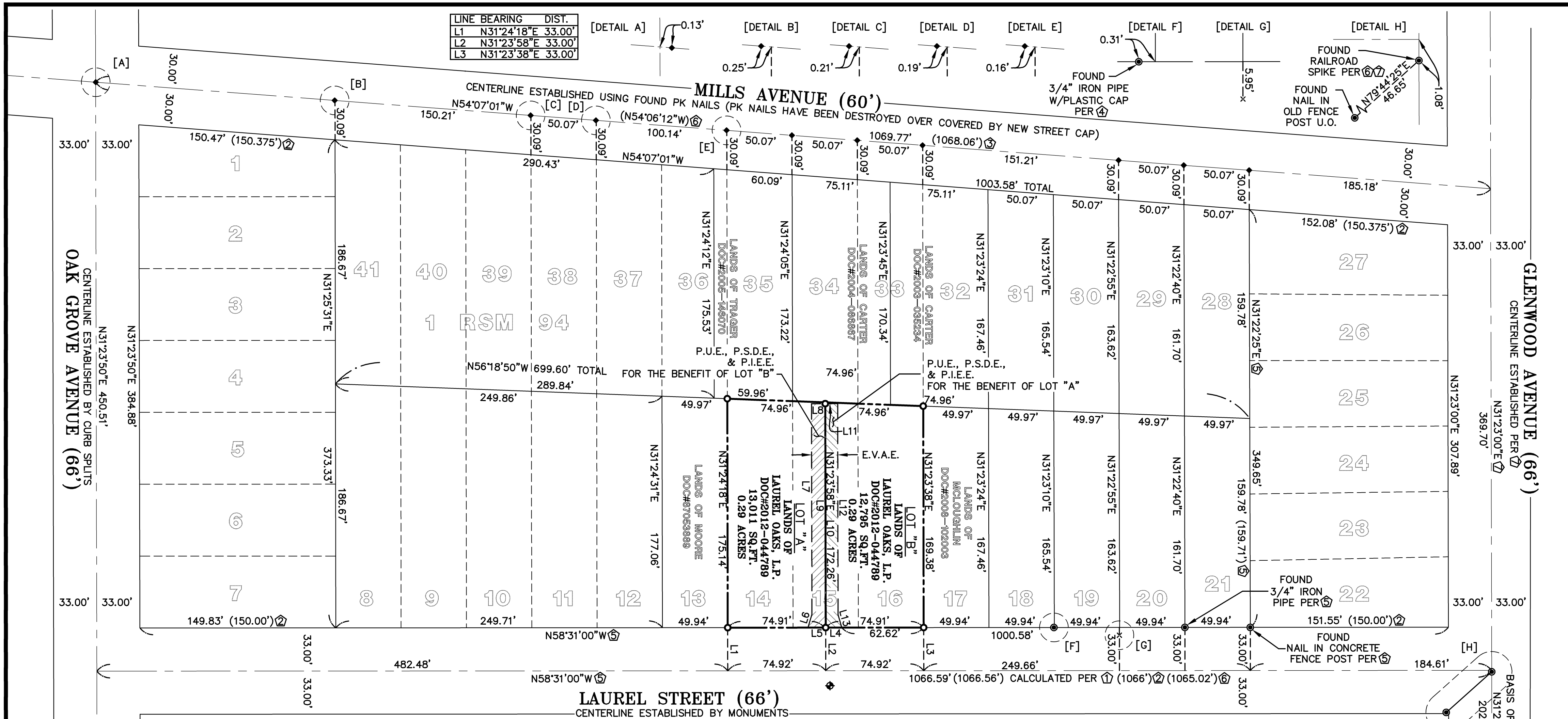
LEA & BRAZE ENGINEERING, INC.

CIVIL ENGINEERS • LAND SURVEYORS

2495 INDUSTRIAL PARKWAY WEST
HAYWARD, CALIFORNIA 94545
(510) 887-4086

JOB NO. 2120288

SHEET 1 OF 2



BENCHMARK

BENCHMARK UU110
DISK SET IN MASSIVE STRUCTURE
LOCATED IN MENLO PARK 0.1 MILE SOUTHWEST OF
THE SOUTHERN PACIFIC COMPANY RAILROAD
STATION, AT THE INTERSECTION OF SANTA CRUZ
AVENUE AND EL CAMINO REAL AT THE ELLIOT
BUILDING, IN THE TOP PROJECTION OF THE
GRANITE BLOCK FOUNDATION, BETWEEN TWO
GRANITE COLUMNS, 15.9 FEET SOUTHEAST OF THE
SOUTHWEST CURB OF THE AVENUE, 12.5 FEET
NORTHEAST OF THE NORTHEAST CURB OF THE
HIGHWAY, 0.3 FEET SOUTHWEST OF THE
SOUTHWEST BRICK WALL AND 2.0 FEET ABOVE THE
SIDEWALK ELEVATION = 71.13'

BASIS OF BEARINGS

THE BEARING N31°23'00"E OF THE MONUMENTED
CENTERLINE OF GLENWOOD AVENUE AS SHOWN
ON THAT CERTAIN RECORD OF SURVEY FILED IN
VOLUME 20 OF LLS MAPS AT PAGE 84, SAN
MATEO COUNTY RECORDS WAS USED AS THE
BASIS OF ALL BEARINGS SHOWN UPON THIS MAP.

REFERENCES

- 1 "PLAT OF THE LANDS OF THE MELO PARK VILLA ASSOCIATION" 2 RSM 40
- 2 MAP OF "EDGAR MILLS TRACT" 1 RSM 94
- 3 RECORD OF SURVEY 7 LLS 43
- 4 PARCEL MAP 50 PM 74
- 5 PARCEL MAP 59 PM 74
- 6 PARCEL MAP 65 PM 46
- 7 RECORD OF SURVEY 20 LLS 84

LEGEND

- FOUND MONUMENT AS NOTED
- ◆ FOUND PK NAIL, U.O.
- ✦ FOUND CUT CROSS, U.O.
- SET 3/4" I.P. W/PLASTIC TAG LS 7623
- P.U.E. PRIVATE UTILITY EASEMENT
- P.I.E.E. PRIVATE INGRESS / EGRESS EASEMENT
- P.S.D.E. PRIVATE STORM DRAIN EASEMENT
- E.V.A.E. EMERGENCY VEHICLE ACCESS EASEMENT
- U.O. ORIGIN UNKNOWN
- [A], [B], ETC. SEE DETAIL

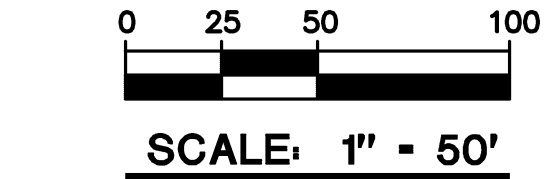
- BOUNDARY LINE
- INTERIOR LINE
- PROPERTY LINE
- CENTERLINE
- OLD LOT LINE PER 1
- EASEMENT LINE

SITE-BENCHMARK

SURVEY CONTROL SET MAG NAIL AND SHINER ELEVATION = 59.29'

NOTES:

- A. LOTS "A" & "B" TO BE DEVELOPED WITH THREE (3) CONDOMINIUM UNITS EACH AND COMMON AREAS.
- B. ORIGINAL LOTS PER REFERENCE 2 WERE PROTRACTED AND DID NOT TAKE INTO ACCOUNT THE RECORD LENGTH PER REFERENCE 1. IMPROVEMENTS DO NOT AGREE WITH ESTABLISHED CENTERLINE OF GLENWOOD AVENUE PER 2. BLOCK RESOLUTION AGREES WITH FENCE LINE OCCUPATION.
- C. DETAILS NOT TO SCALE.
- D. EXISTING LOTS 1 THROUGH 41 ARE FROM 1 RSM 94.
- E. 20.00' P.U.E., P.S.D.E., E.V.A.E., AND P.I.E.E. EASEMENT:
-TOTAL AREA IN EASEMENT: 3,455 SQ. FT. / 0.08 AC.
-AREA OF EASEMENT ON LOT A: 1,816 SQ. FT. / 0.04 AC.
-AREA OF EASEMENT ON LOT B: 1,639 SQ. FT. / 0.04 AC.



DATA FOR PRIVATE EASEMENT ON LOT A

LINE	BEARING	DIST.
L5	S58°31'00"E	13.53'
L6	S48°13'14"W	10.45'
L7	S31°23'50"W	161.28'
L8	N58°36'10"W	10.52'
L9	N31°23'58"E	171.30'

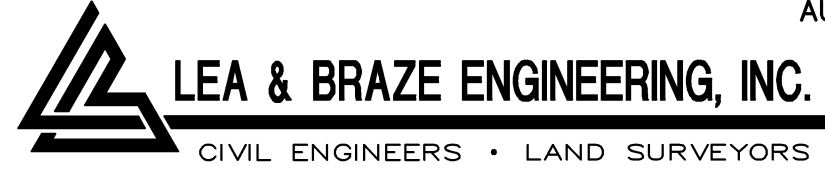
DATA FOR PRIVATE EASEMENT ON LOT B

LINE	BEARING	DIST.
L4	S58°31'00"E	12.30'
L10	S31°23'58"W	171.30'
L11	N58°36'10"W	9.48'
L12	N31°23'50"E	161.28'
L13	N15°47'03"E	10.43'

LAUREL OAKS
FOR CONDOMINIUM PURPOSES
1273 & 1281 LAUREL STREET

BEING A SUBDIVISION OF A PORTION OF THE LANDS OF LAUREL OAKS, L.P. AS DESCRIBED IN DEED DOC. NO. 2012-044789 RECORDED APRIL 3, 2012, SAN MATEO COUNTY RECORDS. CONSISTING OF TWO (2) SHEETS

MENLO PARK SAN MATEO COUNTY CALIFORNIA
SCALE 1"=50' AUGUST 2013



2495 INDUSTRIAL PARKWAY WEST
HAYWARD, CALIFORNIA 94545
(510) 887-4086

JOB NO. 2120288

SHEET 2 OF 2

AGREEMENT FOR COMPLETION OF DEVELOPMENT IMPROVEMENTS

THIS AGREEMENT FOR COMPLETION OF DEVELOPMENT IMPROVEMENTS (this "Agreement"), made and entered into, in duplicate, this _____ day of _____, 2013, by and between LAUREL OAKS, L.P., a California Limited Partnership, hereinafter referred to as "Applicant" and CITY OF MENLO PARK, a municipal corporation, situated in the County of San Mateo, State of California, hereinafter referred to as "City".

WITNESSETH:

WHEREAS, on May 7, 2013, the City conditionally approved Applicant's request for a 6 unit condominium subdivision project at the location shown on Exhibit A attached hereto and made a part hereof entitled, "Project Location Map"; and

WHEREAS, a condition of said approval was the installation of development improvements as shown in the approved project plans.

NOW, THEREFORE, IT IS AGREED as follows:

1. Applicant agrees to furnish at his/her own expense all the labor, material, equipment and inspection services necessary to complete, within twelve (12) months from the date of this agreement, all Development Improvements as set forth and described in the Plans and Specifications prepared for said improvements, in compliance with City Standards and to the satisfaction of the City Engineer.

2. Applicant further agrees to install where required a domestic water supply and fire protection system, and a sanitary sewage system, in compliance with the regulations and requirements of the respective utility or agency.

3. Applicant further agrees, while engaged in the work provided for in this Agreement, to place and maintain suitable safeguards sufficient to prevent injury to any persons and to indemnify, defend and save harmless the City, its officers, representatives, and employees from and against any and all claims for loss, injury or damage (the "claims") resulting from the prosecution of said work except to the extent the Claim arises out of the negligence or willful misconduct of the City. Applicant agrees to maintain comprehensive commercial general liability and property damage insurance naming the City, its officers, agents, and employees as additional insured in a combined single limit of \$1,000,000 for the death and injury of any persons in any one occurrence; and for property damage in any one occurrence. A certificate of said insurance policy shall be filed with the City.

4. Applicant further agrees, contemporaneously with the execution of this Agreement, to file with the City a faithful performance surety bond or other guarantee as reasonably approved by the City, in a sum equal to the City Engineer's estimated value of the total cost of said improvements, including engineering and contingencies as set forth on Exhibit B attached hereto and made a part herein, entitled "Engineer's Cost Estimate". Said surety bond shall require the faithful performance of the terms and conditions of this Agreement; and shall be in a form satisfactory to the City Attorney.

5. Applicant further agrees to correct all defects in design, workmanship and material actually appearing during the warranty period, which period shall be one (1) year after the date of acceptance of the Development Improvements by the City Council, and to maintain said performance bond for the warranty period or to file with the City, prior to consideration of acceptance, a surety bond for the warranty period in a sum equal to at least fifty percent (50%) of said Engineer's Cost Estimate.

6. Applicant further agrees that when defects in design, workmanship, and materials actually appear during the warranty period and have been corrected (the "corrections"), the warranty period and surety bond shall automatically be extended for an additional year with respect to the Corrections only, to guarantee that such defects have been effectively corrected.

7. Applicant further agrees that should it fail to construct or complete the construction of any or all of said Development Improvements as herein provided, the City may complete or cause to be completed said Development Improvements and Applicant agrees to reimburse the City for any and all services such as labor and materials used, for completing said work, and the bonds herein mentions shall be security therefor.

8. City reserves the right, without the prior consent of Applicant, Applicant's surety, or any subsequent purchaser of property underlying or adjacent to said Development Improvements to:

- (a) Extend the period of time during which Applicant shall be required to construct all or any part of said Development Improvements;
- (b) Eliminate any Development improvements no longer deemed necessary, and to transfer or re-convey to Applicant any interest in real property no longer needed therefor;
- (c) Exonerate or release Applicant's surety from all or any portion of its bond;
- (d) Accept a substitute surety bond (personal or corporate) in exchange for or in lieu of the surety bond originally deposited by Applicant herein.

9. If the City is compelled to file litigation to enforce the terms and provisions of this Agreement or to collect on the bond, the prevailing party in such litigation shall be entitled to recover its reasonable attorney's fees and costs, whether such litigation is resolved by settlement or judgment

IN WITNESS WHEREOF, Applicant and City have executed these presents by their respective officers, thereunto duly authorized the day and year first herein about written.

APPLICANT:

LAUREL OAKS, L.P., a California Limited Partnership

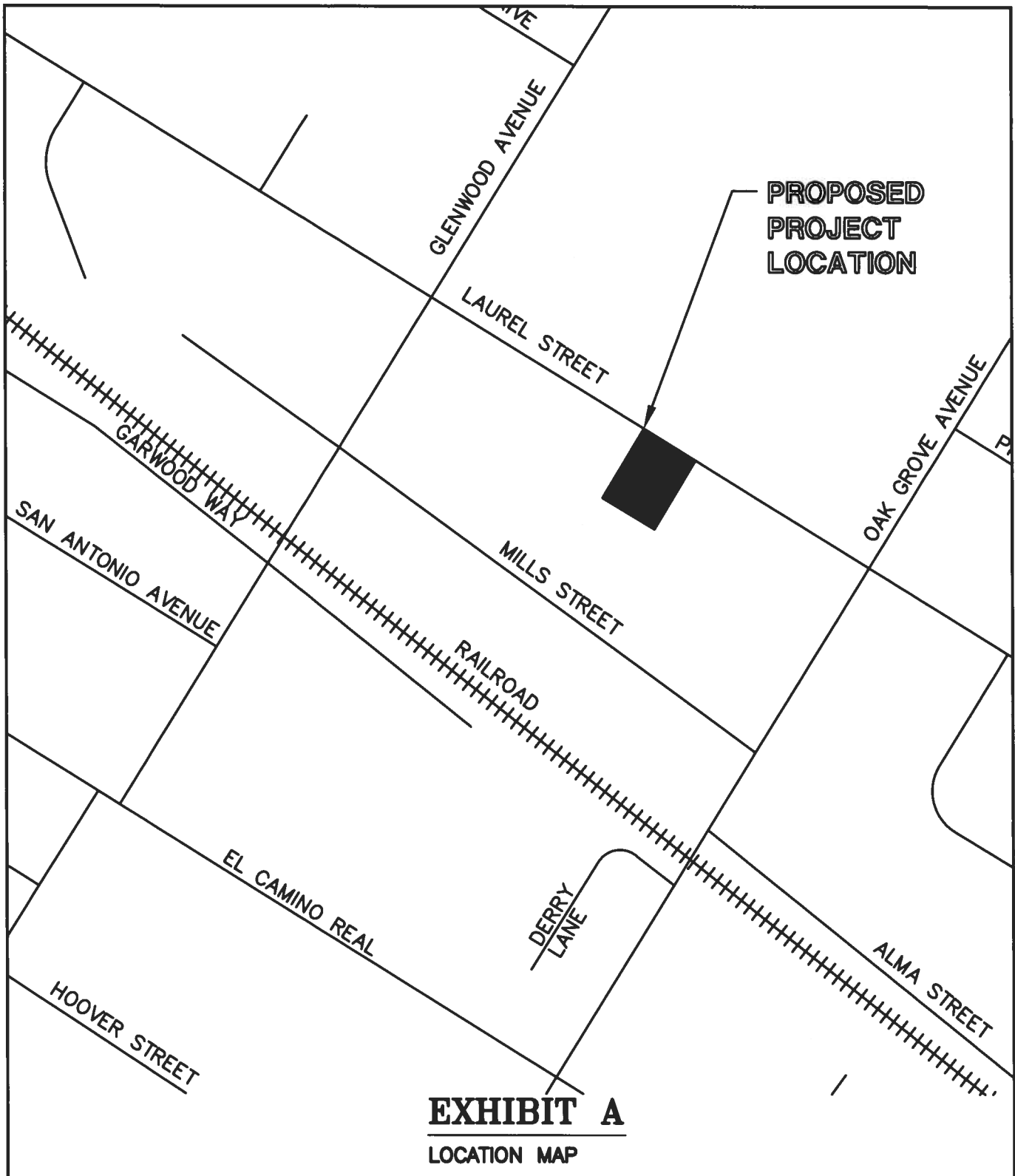
By: _____
Forrest Mozart
Authorized Signing Agent

CITY:

CITY OF MENLO PARK, a Municipal Corporation

By: _____
Alex D. McIntyre
City Manager

EXHIBIT A
PROJECT LOCATION MAP



LEA & BRAZE ENGINEERING, INC.

CIVIL ENGINEERS · LAND SURVEYORS

BAY AREA REGION
2495 INDUSTRIAL PKWY WEST
HAYWARD, CALIFORNIA 94545

(P) (510) 887-4086
(F) (510) 887-3019

SACRAMENTO REGION
3017 DOUGLAS BLVD, # 300
ROSEVILLE, CA 95661

(P) (916)966-1338
(F) (916)797-7363

WWW.LEABRAZE.COM

1273/1281 LAUREL ST.
MENLO PARK, CA
SAN MATEO COUNTY

JOB NO 2120337

NO SCALE

EXHIBIT B
ENGINEER'S COST ESTIMATE

Exhibit B
ENGINEER'S ESTIMATE OFF-SITE

Laurel Oaks Subdivision
1273 & 1281 Laurel Street
Menlo Park, CA
August 30, 2013
REV. 9/13/2013

DESCRIPTION	QUANTITY	UNITS	COST	TOTAL
Concrete Driveway	322	SF	\$ 15.00	\$ 4,830.00
Concrete Sidewalk	600	SF	\$ 12.00	\$ 7,200.00
Sanitary Sewer Line (4" PVC SDR-26)	258	LF	\$ 35.00	\$ 9,030.00
Striping	600	LF	\$ 1.00	\$ 600.00
Pavement Marker	6	EA	\$ 5.00	\$ 30.00
Slurry Seal	6,102	SF	\$ 2.00	\$ 12,204.00
Curb and Gutter	120	LF	\$ 50.00	\$ 6,000.00
Joint Trench	82	LF	\$ 10.00	\$ 820.00
Water Meter	6	EA	\$ 1,500.00	\$ 9,000.00
Water Line	444	LF	\$ 30.00	\$ 13,320.00

SUBTOTAL \$ 63,034.00

15% CONTINGENCIES \$ 9,455.10

TOTAL \$ 72,489.10

ESTIMATE AMOUNT \$ 72,490.00



Note: Estimate does not include Gas, Electric, Water, Telephone or Cable connection fees, County fees.

Bond No. _____

Premium _____

FAITHFUL PERFORMANCE BOND

WHEREAS, the CITY OF MENLO PARK, a municipal corporation of the State of California ("City"), and **LAUREL OAKS, L.P., a California Limited Partnership**, as principal ("Principal") have entered into an agreement entitled **AGREEMENT FOR COMPLETION OF DEVELOPMENT IMPROVEMENTS**, incorporated herein by reference and referred to as the "Contract," which requires Principal to install and complete certain designated public improvements; and,

WHEREAS, under the terms of the Contract and prior to commencing any work under the Contract, Principal is required to furnish a bond to City for faithful performance of the Contract.

NOW, THEREFORE, we the Principal and _____, a corporation duly authorized and admitted to transact business and issue surety bonds in the State of California ("Surety"), are held firmly bound unto the City in the sum of **Seventy Two Thousand Four Hundred and Ninety Dollars (\$72,490.00)**, for the payment of which sum well and truly to be made, we the Principal and Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally.

The condition of this obligation is such that, if the Principal, Principal's heirs, executors, administrators, successors, or assigns shall in all things stand to and abide by, and well and truly keep and perform all covenants, conditions, and agreements required to be kept and performed by Principal in the Contract and any changes, additions, or alterations made thereto, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meanings, and shall indemnify and save harmless City, its officers, employees, and

agents, as therein provided, then this obligation shall be null and void; otherwise, it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the sum specified above, there shall be included all costs, expenses, and fees, including attorney's fees, reasonably incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or to the work to be performed thereunder or to the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration, or addition.

IN WITNESS WHEREOF, this instrument has been duly executed by authorized representatives of the Principal and Surety. SIGNED AND SEALED on _____, 2013.

PRINCIPAL:

SURETY:

**LAUREL OAKS, L.P., a California
Limited Partnership**

(Principal name)

(Seal)

(Surety name)

BY: _____
(Signature)

(Print name and title)

BY: _____
(Signature)

(Print name and title)

Principal address and telephone:

Surety address and telephone:

Affix Corporate Seals
Attach Notary Acknowledgments for All Signatures
Attach Power-of-Authority if executed by Attorney-in-Fact

Bond No. _____
Premium _____

DEFECTIVE MATERIALS AND WORKMANSHIP (WARRANTY) BOND

WHEREAS, the CITY OF MENLO PARK, a municipal corporation of the State of California ("City") and **LAUREL OAKS, L.P., A California Limited Partnership**, as principal ("Principal") have entered into an agreement entitled **AGREEMENT FOR COMPLETION OF DEVELOPMENT IMPROVEMENTS**, incorporated herein by reference and referred to as the "Contract," which requires Principal to install and complete certain designated public improvements; and,

WHEREAS, under the terms of the Contract, Principal is required to furnish a bond to City to make good and protect the City against the results of any work or labor done or materials or equipment furnished which are defective or not in accordance with the terms of the Contract having been used or incorporated in any part of the work so contracted for, which shall have appeared or been discovered, within the period of one (1) year from and after the completion and final acceptance of the work done under the Contract.

NOW, THEREFORE, we the Principal and _____, a corporation duly authorized and admitted to transact business and issue surety bonds in the State of California ("Surety"), are held firmly bound unto the City in the sum of **Thirty Six Thousand Two Hundred and Forty Five (\$36,245.00)**, for the payment of which sum well and truly to be made, we the Principal and Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally.

The condition of this obligation is such that, if the Principal shall well and truly make good and protect the City against the results of any work or labor done or materials or equipment furnished which are defective or not in accordance with the terms of the Contract having been used or incorporated in any part of the work performed under the Contract, which shall have appeared or been discovered within

said one-year period from and after completion of all work under the Contract and final acceptance by City of said work, then this obligation shall be null and void; otherwise, it shall be and remain in full force and effect.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any change, extension of time, alteration or addition.

IN WITNESS WHEREOF, this instrument has been duly executed by authorized representatives of the Principal and Surety. SIGNED AND SEALED on _____, 2013.

PRINCIPAL:

SURETY:

**LAUREL OAKS, L.P., a California
Limited Partnership**

(Principal name)

(Seal)

(Surety name)

BY: _____
(Signature)

(Print name and title)

BY: _____
(Signature)

(Print name and title)

Principal address and telephone:

Surety address and telephone:

Affix Corporate Seals
Attach Notary Acknowledgments for All Signatures
Attach Power-of-Authority if executed by Attorney-in-Fact

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PUBLIC WORKS DEPARTMENT

**Council Meeting Date: October 15, 2013
Staff Report #: 13-167**

Agenda Item #: D-2

CONSENT CALENDAR: **Award a Contract for the Annual Citywide Storm Drain Cleaning and Video Services to ABC Service for the Amount Budgeted Each Year, and Authorize the City Manager to Extend the Contract for up to Four Additional Years**

RECOMMENDATION

Staff recommends that the City Council award a construction contract for the Annual Citywide Storm Drain Cleaning and Video Services to ABC Service for the amount budgeted each year, and authorize the City Manager to extend the contract for up to four additional years.

BACKGROUND

A requirement of the City's current National Pollutant Discharge Elimination System (NPDES) permit is that all storm drain inlets are inspected once per year and cleaned if required. City maintenance crews have been performing the cleaning during the fall months prior to the rainy season. However, due to resource limitations, maintenance crews have not been able to inspect and clean all storm drain inlets. In addition, the City does not have in-house video capability to complete the storm drain inspections.

The City has been contracting for storm drain cleaning and video services for the last five years and the contract expires on November 17, 2013.

ANALYSIS

On September 26, 2013, two bids were submitted and opened for the Annual Citywide Storm Drain Cleaning and Video Services. One of the proposals was incomplete because the contractor did not provide the information requested, and submitted a bid schedule which was not on the required bid document form. The proposal by the other vendor was submitted by ABC Service and it was complete. ABC Service has performed the same work for the City over the last five years and staff has been satisfied with their work.

IMPACT ON CITY RESOURCES

The amount of work to be performed each year would be determined based on the budget for Storm Drain Cleaning approved by the Council. The cost of this service is in the operating budget and the current 2013-14 budget for Storm Drain Cleaning is \$50,000. Staff anticipates the budget in the following years to be approximately \$50,000 per year.

POLICY ISSUES

The services to be provided are consistent with current City policy.

ENVIRONMENTAL REVIEW

Cleaning services do not constitute a project under the California Environmental Quality Act and environmental review is not required.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

None

Report prepared by:
Ruben Niño
Assistant Public Works Director



POLICE DEPARTMENT

Council Meeting Date: October 15, 2013
Staff Report #: 13-168

Agenda Item #: D-3

CONSENT CALENDAR: **Accept and Appropriate the State of California, Department of Transportation Selective Traffic Enforcement Program (STEP) Grant PT1437, in the amount of \$52,584, and Authorize Police Department to Execute All Necessary Agreements to Conduct Specified Traffic Enforcement Operations**

RECOMMENDATION

Staff recommends that the City Council accept and appropriate the State of California, Department of Transportation “Selective Traffic Enforcement Program” (STEP) Grant PT1437, in the amount of \$52,584, and authorize the Police Department to execute all necessary agreements to conduct specified traffic enforcement operations.

BACKGROUND

On September 25, 2013, the Menlo Park Police Department received approval for a \$52,584 STEP grant from the California Office of Traffic Safety. This grant will provide funding for specified equipment and will also fund personnel costs for several traffic safety related operations. The Police Department received a similar grant during the FY 12/13 time period.

ANALYSIS

In an ongoing effort to combat traffic collision rates in the City of Menlo Park, the Police Department has applied for and been awarded a \$52,584 Selective Traffic Enforcement Program (STEP) grant. This grant will be operational during the 13-14 Federal fiscal year (October 1, 2013-September 30, 2014). This year’s grant funding is higher than the previous year and will allow the Police Department to conduct several more targeted enforcement operations, as well as continue to replace and augment aging traffic enforcement devices without affecting the General Fund.

This year’s grant will provide funding for the Police Department to conduct several traffic safety operations targeting: DUI drivers, distracted drivers, speeding, intersection violations, and bicycle and pedestrian safety violations. This grant funding supports the Police Department’s efforts to reduce collisions within the City of Menlo Park and

improve safety. The grant will enhance the Police Department's response to continuing traffic problems within the City, decrease accidents and save lives. The grant will also fund the purchase of four new Preliminary Alcohol Screening (PAS) devices used by officers during DUI investigations, along with seven speed measuring devices.

IMPACT ON CITY RESOURCES

There will be no impact to City resources since the grant will fully fund the overtime required for the proposed operations and cover the equipment purchases.

POLICY ISSUES

This grant funding supports the Police Department's efforts to reduce collisions within the City of Menlo Park and improve safety. The grant will enhance the Police Department's response to Budget Program 104 (Traffic and School Safety) and the budget goals set for FY 13-14.

ENVIRONMENTAL REVIEW

Not applicable.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Approval Letter from California Office of Traffic Safety

Report prepared by:
Dave Bertini
Police Commander

STATE OF CALIFORNIA

OFFICE OF TRAFFIC SAFETY

2208 KAUSEN DRIVE, SUITE 300
ELK GROVE, CA 95758
www.ots.ca.gov
(916) 509-3030
(800) 735-2929 (TT/TDD-Referral)
(916) 509-3055 (FAX)

ATTACHMENT A
EDMUND G. BROWN JR., GOVERNOR



September 25, 2013

Grant No. PT1437

Dave Bertini, Commander
Menlo Park Police Department
701 Laurel Street
Menlo Park, CA 94025

Dear Commander Bertini:

The Office of Traffic Safety (OTS) has approved your traffic safety grant as part of the California Traffic Safety Program.

Costs incurred must be in accordance with your grant agreement, and recorded in your accounting system. No other costs can be allowed without OTS approval. Costs incurred prior to the starting date or subsequent to the closing date of this grant are not reimbursable.

Within the first quarter of your grant period, your Coordinator will provide you with information about operational and fiscal requirements, as well as tools to manage your new grant.

Please refer to the above grant number in all your communications with this office. If you have any questions, please contact Mark Talan, Regional Coordinator, at (916) 509-3029 or e-mail at mark.talan@ots.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Russia Chavis".

RUSSIA CHAVIS
Acting Director

MT:lkd

Enclosures

cc: Robert Jonsen
Uma Chokkalingam
Fiscal

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ADMINISTRATIVE SERVICES DEPARTMENT

Council Meeting Date: October 15, 2013
Staff Report #: 13-171

Agenda Item #: D-4

CONSENT CALENDAR: **Adopt a Resolution Approving the Revised Investment Policy for the City and the Former Community Development Agency of Menlo Park**

RECOMMENDATION

Staff recommends the City Council adopt a resolution approving the revised investment policy for the City and the former Community Development Agency of Menlo Park.

BACKGROUND

The investment of funds by a California local agency, including the types of securities in which an agency may invest, is governed by the California Government Code. The law requires that the legislative body of each agency adopt an investment policy, which may add further limitations than those established by the State. In addition, an agency's investment policy must be reviewed annually, and any changes must be adopted at a public meeting. The City of Menlo Park has had such a policy in place since 1990. The investment policy was last reviewed and updated by the City Council on September 18, 2012.

Annual adoption of the City's investment policy provides an opportunity to regularly review the policy to ensure its consistency with the overall objectives of safety, liquidity, and yield, as well as its relevance to current law and economic trends. Early in each fiscal year, the City's investment advisor (Cutwater Asset Management) reviews the policy to ensure it is kept up to date and in compliance with applicable State statutes. Cutwater also makes recommendations for strategic changes to the investment policy to position the City's portfolio to maximize yield while maintaining safety and liquidity.

Over the past several years as the financial and credit markets have undergone a massive reshaping, particularly in relation to how risk is assessed on various types of investment vehicles and amongst numerous issuers, the City's investment policy has been modified to reflect these changes in the investment environment. Some of the highlights of these changes include establishing and refining percentage limitations to avoid an over-concentration in securities from a specific issuer or business sector (2009-10); adding municipal bonds as an allowable investment in an attempt to provide greater opportunity for portfolio diversification (2010-11); updating the policy to reflect

the downgrade of United States' Treasury debt from AAA to AA+ (2011-12); and making minor changes to diversification limits on eligible securities (2012-13).

The annual review is also a good time to clarify certain terms, remove ambiguity in the policy language, and better reflect changes in current market trading technologies.

ANALYSIS

Changes to the investment policy recommended at this time consist largely of modifying policy language to be more consistent throughout the document and better aligning policy components with State Code. Specifically, the changes include:

- Page 4 - Removing language related to the percentage of permitted portfolio weight for medium term notes, as that is already covered in the consolidated "Investment Diversification" section of the policy.
- Page 4 – Adding language to clarify that municipal and state obligations authorize debt of any state at the state level, as well as debt at the local level for any agency in California. This revised language aligns with the State Code.
- Page 4 – Dropping the rating for municipal obligations from AA to "A" to broaden the number of eligible debt issuers for the City's portfolio.
- Page 6 – Increasing the percentage of permitted portfolio weight for municipal bonds to maintain consistency with what is permitted under State Code.
- Page 6 – Lowering the percentage of permitted portfolio weight for mortgage-backed securities to bring that diversification guideline into compliance with State Code.
- Throughout investment policy – Adding a modifier (e.g., making an A rating an "A" rating) to many of the ratings in the policy. This modifier clarifies that investments are permitted, for example, in A- rated securities, not just A and A+, and is intended to effectively communicate the true minimum credit rating that is authorized.

The City's investment portfolio returned 0.52% in 2012-13, which reflects the continued lack of return on highly-safe investments. It is not expected that investment yields will increase materially in the near future, and as such, staff expects the City to continue to see minimal returns on its investment portfolio. With that said, staff will continue to work with Cutwater to refine its investment strategy to improve its return without compromising its top investment objectives of safety and liquidity.

IMPACT ON CITY RESOURCES

Adoption of the City's investment policy with the recommended changes would not result in any impact on City resources.

POLICY ISSUES

The investment policy provides guidelines for investing City and former Agency funds in accordance with State of California Government Code Section 53601 et seq. Annual adoption of the policy enables periodic review and revision of the policy. The proposed action is to adopt a revised investment policy. The proposed revisions are reflected in the red-lined policy, which is attached to this report.

ENVIRONMENTAL REVIEW

Environmental review is not required.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Current investment policy with revisions
- B. Resolution (Exhibit A – Proposed investment policy)

Report prepared by:

Drew Corbett

Finance Director

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City of Menlo Park

Investment Policy

The City of Menlo Park (the “City”), incorporated in 1927, is located between San Francisco and Oakland on the North, and San Jose on the South. The City is governed by a City Council (the “Council”) of five members elected at-large.

The Council has adopted this Investment Policy (the “Policy”) in order to establish the investment scope, objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments and transactions, diversification requirements, risk tolerance, and safekeeping and custodial procedures for the investment of the unexpended funds of the City. All such investments will be made in accordance with the Policy and with applicable sections of the California Government Code.

This Policy was endorsed and adopted by the City Council of the City of Menlo Park on _____, 2013. It replaces any previous investment policy or investment procedures of the City.

SCOPE

The provisions of this Policy shall apply to all financial assets of the City and the Community Development Agency of Menlo Park as accounted for in the City’s Comprehensive Annual Financial Report, with the exception of bond proceeds, which shall be governed by the provisions of the related bond indentures or resolutions.

All cash shall be pooled for investment purposes. The investment income derived from the pooled investment account shall be allocated to the contributing funds based upon the proportion of the respective average balances relative to the total pooled balance in the investment portfolio. Investment income shall be distributed to the individual funds on a monthly basis.

OBJECTIVES

The City’s funds shall be invested in accordance with all applicable municipal codes and resolutions, California statutes, and Federal regulations, and in a manner designed to accomplish the following objectives, which are listed in priority order:

1. Preservation of capital and protection of investment principal.
2. Maintenance of sufficient liquidity to meet anticipated cash flows.
3. Attainment of a market value rate of return.
4. Diversification to avoid incurring unreasonable market risks.

DELEGATION OF AUTHORITY

The management responsibility for the City's investment program is delegated annually by the Council to the Chief Financial Officer (the "CFO") pursuant to California Government Code Section 53607. The City's Director of Finance serves as the CFO. In the absence of the CFO, the Financial Services Manager is authorized to conduct investment transactions. The CFO may delegate the authority to conduct investment transactions and to manage the operation of the investment portfolio to other specifically authorized staff members. The CFO shall maintain a list of persons authorized to transact securities business for the City. No person may engage in an investment transaction except as expressly provided under the terms of this Policy.

The CFO shall develop written administrative procedures and internal controls, consistent with this Policy, for the operation of the City's investment program. Such procedures shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the City.

The City may engage the support services of outside investment advisors in regard to its investment program, so long as it can be clearly demonstrated that these services produce a net financial advantage or necessary financial protection of the City's financial resources.

PRUDENCE

The standard of prudence to be used for managing the City's investments shall be California Government Code Section 53600.3, the prudent investor standard which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that no investment is totally without risk and that the investment activities of the City are a matter of public record. Accordingly, the City recognizes that occasional measured losses may occur in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the City.

The CFO and authorized investment personnel acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that the deviations from expectations are reported in a timely fashion to the Council and appropriate action is taken to control adverse developments.

ETHICS AND CONFLICTS OF INTEREST

Elected officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or could impair or create the appearance of an impairment of their ability to make impartial investment decisions. Employees and investment officials shall disclose to the City Manager any business interests they have in financial institutions that conduct business with the City and they shall subordinate their personal investment transactions to those of the City. In addition, the City Manager, the Assistant City Manager and the Finance Director shall file a Statement of Economic Interests each year pursuant to California Government Code Section 87203 and regulations of the Fair Political Practices Commission.

AUTHORIZED SECURITIES AND TRANSACTIONS

All investments and deposits of the City shall be made in accordance with California Government Code Sections 16429.1, 53600-53609 and 53630-53686, except that, pursuant to California Government Code Section 5903(e), proceeds of bonds and any moneys set aside or pledged to secure payment of the bonds may be invested in securities or obligations described in the ordinance, resolution, indenture, agreement, or other instrument providing for the issuance of the bonds.

Any revisions or extensions of these code sections will be assumed to be part of this Policy immediately upon being enacted. However, in the event that amendments to these sections conflict with this Policy or past City investment practices, the City may delay adherence to the new requirements when it is deemed in the best interest of the City to do so. In such instances, after consultation with the City's attorney, the CFO will present a recommended course of action to the Council for approval.

The City has further restricted the eligible types of securities and transactions as follows:

1. United States Treasury bills, notes, bonds, or strips with a final maturity not exceeding five years from the date of trade settlement.
2. Federal Agency debentures, federal agency mortgage-backed securities, and mortgage-backed securities issued by the Government National Mortgage Association (GNMA) with a final maturity not exceeding five years from the date of trade settlement.
3. Federal Instrumentality (government sponsored enterprise) debentures, discount notes, callable securities, step-up securities, and mortgage-backed securities issued by Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC) with a final maturity not exceeding five years from the date of trade settlement. Subordinated debt may not be purchased.

4. Medium-Term Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Medium-term notes shall have a final maturity not exceeding five years from the date of trade settlement and shall be rated at least “A” or the equivalent by a nationally recognized statistical ratings organization (NRSRO), at the time of purchase.
5. Negotiable Certificates of Deposit with a maturity not exceeding five years from the date of trade settlement, in state or nationally chartered banks or savings banks that are insured by the FDIC, subject to the limitations of California Government Code Section 53638. Certificates of Deposits may be purchased only from financial institutions that meet the credit criteria set forth in the section of this Investment Policy, “Selection of Banks and Savings Banks.” Depending on their maturity, Negotiable Certificates of Deposit shall have a short-term rating of at least A-1+ or the equivalent by a NRSRO at the time of purchase.
6. Non-negotiable Certificates of Deposit and savings deposits with a maturity not exceeding five years from the date of trade settlement, in FDIC insured state or nationally chartered banks or savings banks that qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5. Deposits exceeding the FDIC insured amount shall be secured pursuant to California Government Code Section 53652.
7. Municipal and State Obligations:
 - A. Municipal bonds with a final maturity not exceeding five years from the date of trade settlement. Such bonds include registered treasury notes or bonds of any of the 50 United States and bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the states. Such obligations must be rated at least “A”, or the equivalent, by a NRSRO at the time of purchase.
 - B. In addition, bonds, notes, warrants, or other evidences of indebtedness of any local agency in California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Such obligations must be rated at least “A”, or the equivalent, by a NRSRO at the time of purchase.
8. Prime Commercial Paper with a maturity not exceeding 270 days from the date of trade settlement with the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either sub-paragraph A. or sub-paragraph B. below:
 - A. The entity shall (1) be organized and operating in the United States as a general corporation, (2) have total assets in excess of \$500 million, and (3)

have debt other than commercial paper, if any, that is rated at least "A" or the equivalent or higher by a NRSRO.

B. The entity shall (1) be organized within the United States as a special purpose corporation, trust, or limited liability company, (2) have program-wide credit enhancements, including, but not limited to, over collateralization, letters of credit or surety bond, and (3) have commercial paper that is rated at least "A-1" or the equivalent or higher by a NRSRO.

9. Eligible Banker's Acceptances with a maturity not exceeding 180 days from the date of trade settlement, issued by a national bank with combined capital and surplus of at least \$250 million, whose deposits are insured by the FDIC, and whose senior long-term debt is rated at least "A" or the equivalent by a NRSRO at the time of purchase.
10. Repurchase Agreements with a final termination date not exceeding 30 days collateralized by the U.S. Treasury obligations, Federal Agency securities, or Federal Instrumentality securities listed in items #1 through #3 above, with the maturity of the collateral not exceeding five years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the City's approved Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the funds borrowed. Collateral shall be held in the City's custodian bank, as safekeeping agent, and the market value of the collateral securities shall be marked-to-the-market daily.

Repurchase Agreements shall be entered into only with banks and with broker/dealers who are recognized as Primary Dealers with the Federal Reserve Bank of New York, or with firms that have a primary dealer within their holding company structure. Repurchase agreement counterparties shall execute a City approved Master Repurchase Agreement with the City. The CFO shall maintain a copy of the City's approved Master Repurchase Agreement along with a list of the banks and broker/dealers who have executed same.

11. State of California's Local Agency Investment Fund (LAIF), pursuant to California Government Code Section 16429.1.
12. Money Market Funds registered under the Investment Company Act of 1940 which (1) are "no-load" (meaning no commission or fee shall be charged on purchases or sales of shares); (2) have a constant daily net asset value per share of \$1.00; (3) invest only in the securities and obligations authorized in this Policy and (4) have a rating of at least "AAA" or the equivalent by at least two NRSROs.

Securities that have been downgraded to a level that is below the minimum ratings described herein may be sold or held at the City's discretion. The portfolio will be brought back into compliance with Investment Policy guidelines as soon as is practical.

It is the intent of the City that the foregoing list of authorized securities and transactions be strictly interpreted. Any deviation from this list must be preapproved by resolution of the City Council.

INVESTMENT DIVERSIFICATION

The City shall diversify its investments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. Nevertheless, the asset allocation in the investment portfolio should be flexible depending upon the outlook for the economy, the securities markets, and the City's anticipated cash flow needs.

Securities shall not exceed the following maximum limits as a percentage of the total portfolio:

Type of Security	Maximum Percentage of the Total Portfolio
U.S. Treasury Obligations	100%
Federal Agency Securities†	100%†
Federal Instrumentality Securities†	100%†
Repurchase Agreements	100%
Local Government Investment Pools	100%
Aggregate amount of Certificates of Deposit, Negotiable and Non-Negotiable*	25%
Aggregate amount of Prime Commercial Paper*	25%
Aggregate amount of Money Market Funds*	20%
Aggregate amount of Municipal Bonds*	30%
Aggregate amount of Eligible Banker's Acceptances*	15%
Aggregate amount of Medium-Term Notes*	30%

† No more than 20% of the City's total portfolio shall be invested in GNMA, FNMA, or FHLMC mortgage-backed securities.

*No more than 5% of the City's total portfolio shall be invested in any one issuer/financial institution and/or its affiliates.

PORTFOLIO MATURITIES AND LIQUIDITY

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The City will not invest in securities maturing more than five years from the date of trade settlement unless the Council has, by resolution, granted authority to make such an investment at least three months prior to the date of

investment. The sole maturity distribution range shall be from zero to five years from the date of trade settlement.

SELECTION OF BROKER/DEALERS

The CFO shall maintain a list of broker/dealers approved for investment purposes, and it shall be the policy of the City to purchase securities only from those authorized firms. To be eligible, a firm must be recognized as a Primary Dealer by the Federal Reserve Bank of New York, or have a primary dealer within its holding company structure and must be licensed by the State of California as a broker/dealer as defined in Section 25004 of the California Corporations Code.

Each authorized broker/dealer shall be required to submit and annually update a City approved Broker/Dealer Information Request form which includes the firm's most recent financial statements. The CFO shall maintain a list of the broker/dealers that have been approved by the City, along with each firm's most recent broker/dealer Information Request form.

The City may purchase commercial paper from direct issuers even though they are not on the approved broker/dealer list as long as they meet the criteria outlined in Item 8 of the Authorized Securities and Transactions section of this Policy.

COMPETITIVE TRANSACTIONS

Each investment transaction shall be competitively transacted with authorized broker/dealers. At least three broker/dealers shall be contacted for each transaction and their bid and offering prices shall be recorded.

If the City is offered a security for which there is no other readily available competitive offering, then the CFO will document quotations for comparable or alternative securities.

SELECTION OF BANKS AND SAVINGS BANKS

The CFO shall maintain a list of authorized banks and savings banks that are approved to provide banking services for the City. To be eligible to provide banking services, a financial institution shall qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5 and must be a member of the FDIC. The City shall utilize Thomson Reuters Bank Insight ratings to perform credit analyses on banks seeking authorization. The analysis shall include a composite rating and individual ratings of liquidity, asset quality, profitability and capital adequacy. Annually, the CFO shall review the most recent credit rating analysis reports performed for each approved bank. Banks that in the judgment of the CFO no longer offer adequate safety to the City shall be removed from the City's list of authorized banks. Banks failing to meet the criteria outlined above, or

in the judgment of the CFO no longer offer adequate safety to the City, will be removed from the list. The CFO shall maintain a file of the most recent credit rating analysis reports performed for each approved bank. Credit analysis shall be performed on a semi-annual basis.

SAFEKEEPING AND CUSTODY

The CFO shall select one or more financial institutions to provide safekeeping and custodial services for the City, in accordance with the provisions of Section 53608 of the California Government Code. Custodian banks will be selected on the basis of their ability to provide services for the City's account and the competitive pricing of their safekeeping related services. The CFO shall maintain a file of the credit rating analysis reports performed semi-annually for each approved financial institution. A Safekeeping Agreement approved by the City shall be executed with each custodian bank prior to utilizing that bank's safekeeping services.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. All securities shall be perfected in the name of the City. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices.

All investment securities purchased by the City will be delivered by book entry and will be held in third-party safekeeping by a City approved custodian bank, its correspondent bank or its Depository Trust Company (DTC) participant account.

PORTFOLIO PERFORMANCE

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance of the City's investments shall be compared to the average yield on the U.S. Treasury security that most closely corresponds to the portfolio's actual weighted average effective maturity. When comparing the performance of the City's portfolio, its rate of return will be computed net of all fees and expenses.

PORTFOLIO REVIEW AND REPORTING

Credit criteria and maximum percentages listed in this section refer to the credit of the issuing organization and/or maturity at the time the security is purchased. The City may, from time to time, be invested in a security whose rating is downgraded below the minimum ratings set forth in this Policy. In the event a rating drops below the minimum allowed rating category for that given investment type, the Finance Director shall notify the City Manager

and/or Designee and recommend a plan of action. Appropriate documentation of such a review, along with the recommended action and final decision shall be retained for audit.

Quarterly, the CFO shall submit to the Council a report of the investment earnings and performance results of the City's investment portfolio. The report shall include the following information:

1. Investment type, issuer, date of maturity, par value and dollar amount invested in all securities, and investments and monies held by the City;
2. A description of the funds, investments and programs;
3. A market value as of the date of the report (or the most recent valuation as to assets not valued monthly) and the source of the valuation;
4. A statement of compliance with this Investment Policy or an explanation for non-compliance; and
5. A statement of the ability to meet expenditure requirements for six months, as well as an explanation of why money will not be available if that is the case.

POLICY REVIEW

This Investment Policy shall be adopted by resolution of the City Council annually. It shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity, yield and diversification and its relevance to current law and economic trends. Any amendments to the Policy shall be reviewed by the City's Finance/Audit Committee prior to being forwarded to the City Council for approval.

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RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO
PARK ADOPTING EXHIBIT A AS THE REVISED INVESTMENT POLICY
FOR THE CITY AND COMMUNITY DEVELOPMENT AGENCY TO
BECOME EFFECTIVE IMMEDIATELY**

The City of Menlo Park, acting by and through its City Council, having considered and been fully advised in the matter and good cause appearing therefore.

BE IT AND IT IS HEREBY RESOLVED by the City Council of the City of Menlo Park that the City Council does hereby adopt Exhibit A as the revised investment policy for the City and former Community Development Agency to become effective immediately.

I, Pamela Aguilar, Acting City Clerk of Menlo Park, do hereby certify that the above and foregoing Council Resolution was duly and regularly passed and adopted at a meeting by said Council on the fifteenth day of October 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this fifteenth day of October, 2013.

Pamela Aguilar
Acting City Clerk

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City of Menlo Park

Investment Policy

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2. Federal Agency debentures, federal agency mortgage-backed securities, and mortgage-backed securities issued by the Government National Mortgage Association (GNMA) with a final maturity not exceeding five years from the date of trade settlement.
3. Federal Instrumentality (government sponsored enterprise) debentures, discount notes, callable securities, step-up securities, and mortgage-backed securities issued by Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC) with a final maturity not exceeding five years from the date of trade settlement. Subordinated debt may not be purchased.

4. Medium-Term Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Medium-term notes shall have a final maturity not exceeding five years from the date of trade settlement and shall be rated at least “A” or the equivalent by a nationally recognized statistical ratings organization (NRSRO), at the time of purchase.
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6. Non-negotiable Certificates of Deposit and savings deposits with a maturity not exceeding five years from the date of trade settlement, in FDIC insured state or nationally chartered banks or savings banks that qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5. Deposits exceeding the FDIC insured amount shall be secured pursuant to California Government Code Section 53652.
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 - A. Municipal bonds with a final maturity not exceeding five years from the date of trade settlement. Such bonds include registered treasury notes or bonds of any of the 50 United States and bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the states. Such obligations must be rated at least “A”, or the equivalent, by a NRSRO at the time of purchase.
 - B. In addition, bonds, notes, warrants, or other evidences of indebtedness of any local agency in California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Such obligations must be rated at least “A”, or the equivalent, by a NRSRO at the time of purchase.
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 - A. The entity shall (1) be organized and operating in the United States as a general corporation, (2) have total assets in excess of \$500 million, and (3)

have debt other than commercial paper, if any, that is rated at least "A" or the equivalent or higher by a NRSRO.

B. The entity shall (1) be organized within the United States as a special purpose corporation, trust, or limited liability company, (2) have program-wide credit enhancements, including, but not limited to, over collateralization, letters of credit or surety bond, and (3) have commercial paper that is rated at least "A-1" or the equivalent or higher by a NRSRO.

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10. Repurchase Agreements with a final termination date not exceeding 30 days collateralized by the U.S. Treasury obligations, Federal Agency securities, or Federal Instrumentality securities listed in items #1 through #3 above, with the maturity of the collateral not exceeding five years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the City's approved Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the funds borrowed. Collateral shall be held in the City's custodian bank, as safekeeping agent, and the market value of the collateral securities shall be marked-to-the-market daily.

Repurchase Agreements shall be entered into only with banks and with broker/dealers who are recognized as Primary Dealers with the Federal Reserve Bank of New York, or with firms that have a primary dealer within their holding company structure. Repurchase agreement counterparties shall execute a City approved Master Repurchase Agreement with the City. The CFO shall maintain a copy of the City's approved Master Repurchase Agreement along with a list of the banks and broker/dealers who have executed same.

11. State of California's Local Agency Investment Fund (LAIF), pursuant to California Government Code Section 16429.1.
12. Money Market Funds registered under the Investment Company Act of 1940 which (1) are "no-load" (meaning no commission or fee shall be charged on purchases or sales of shares); (2) have a constant daily net asset value per share of \$1.00; (3) invest only in the securities and obligations authorized in this Policy and (4) have a rating of at least "AAA" or the equivalent by at least two NRSROs.

Securities that have been downgraded to a level that is below the minimum ratings described herein may be sold or held at the City's discretion. The portfolio will be brought back into compliance with Investment Policy guidelines as soon as is practical.

It is the intent of the City that the foregoing list of authorized securities and transactions be strictly interpreted. Any deviation from this list must be preapproved by resolution of the City Council.

INVESTMENT DIVERSIFICATION

The City shall diversify its investments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. Nevertheless, the asset allocation in the investment portfolio should be flexible depending upon the outlook for the economy, the securities markets, and the City's anticipated cash flow needs.

Securities shall not exceed the following maximum limits as a percentage of the total portfolio:

Type of Security	Maximum Percentage of the Total Portfolio
U.S. Treasury Obligations	100%
Federal Agency Securities†	100%†
Federal Instrumentality Securities†	100%†
Repurchase Agreements	100%
Local Government Investment Pools	100%
Aggregate amount of Certificates of Deposit, Negotiable and Non-Negotiable*	25%
Aggregate amount of Prime Commercial Paper*	25%
Aggregate amount of Money Market Funds*	20%
Aggregate amount of Municipal Bonds*	30%
Aggregate amount of Eligible Banker's Acceptances*	15%
Aggregate amount of Medium-Term Notes*	30%

† No more than 20% of the City's total portfolio shall be invested in GNMA, FNMA, or FHLMC mortgage-backed securities.

*No more than 5% of the City's total portfolio shall be invested in any one issuer/financial institution and/or its affiliates.

PORTFOLIO MATURITIES AND LIQUIDITY

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The City will not invest in securities maturing more than five years from the date of trade settlement unless the Council has, by resolution, granted authority to make such an investment at least three months prior to the date of

investment. The sole maturity distribution range shall be from zero to five years from the date of trade settlement.

SELECTION OF BROKER/DEALERS

The CFO shall maintain a list of broker/dealers approved for investment purposes, and it shall be the policy of the City to purchase securities only from those authorized firms. To be eligible, a firm must be recognized as a Primary Dealer by the Federal Reserve Bank of New York, or have a primary dealer within its holding company structure and must be licensed by the State of California as a broker/dealer as defined in Section 25004 of the California Corporations Code.

Each authorized broker/dealer shall be required to submit and annually update a City approved Broker/Dealer Information Request form which includes the firm's most recent financial statements. The CFO shall maintain a list of the broker/dealers that have been approved by the City, along with each firm's most recent broker/dealer Information Request form.

The City may purchase commercial paper from direct issuers even though they are not on the approved broker/dealer list as long as they meet the criteria outlined in Item 8 of the Authorized Securities and Transactions section of this Policy.

COMPETITIVE TRANSACTIONS

Each investment transaction shall be competitively transacted with authorized broker/dealers. At least three broker/dealers shall be contacted for each transaction and their bid and offering prices shall be recorded.

If the City is offered a security for which there is no other readily available competitive offering, then the CFO will document quotations for comparable or alternative securities.

SELECTION OF BANKS AND SAVINGS BANKS

The CFO shall maintain a list of authorized banks and savings banks that are approved to provide banking services for the City. To be eligible to provide banking services, a financial institution shall qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5 and must be a member of the FDIC. The City shall utilize Thomson Reuters Bank Insight ratings to perform credit analyses on banks seeking authorization. The analysis shall include a composite rating and individual ratings of liquidity, asset quality, profitability and capital adequacy. Annually, the CFO shall review the most recent credit rating analysis reports performed for each approved bank. Banks that in the judgment of the CFO no longer offer adequate safety to the City shall be removed from the City's list of authorized banks. Banks failing to meet the criteria outlined above, or

in the judgment of the CFO no longer offer adequate safety to the City, will be removed from the list. The CFO shall maintain a file of the most recent credit rating analysis reports performed for each approved bank. Credit analysis shall be performed on a semi-annual basis.

SAFEKEEPING AND CUSTODY

The CFO shall select one or more financial institutions to provide safekeeping and custodial services for the City, in accordance with the provisions of Section 53608 of the California Government Code. Custodian banks will be selected on the basis of their ability to provide services for the City's account and the competitive pricing of their safekeeping related services. The CFO shall maintain a file of the credit rating analysis reports performed semi-annually for each approved financial institution. A Safekeeping Agreement approved by the City shall be executed with each custodian bank prior to utilizing that bank's safekeeping services.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. All securities shall be perfected in the name of the City. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices.

All investment securities purchased by the City will be delivered by book entry and will be held in third-party safekeeping by a City approved custodian bank, its correspondent bank or its Depository Trust Company (DTC) participant account.

PORTFOLIO PERFORMANCE

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance of the City's investments shall be compared to the average yield on the U.S. Treasury security that most closely corresponds to the portfolio's actual weighted average effective maturity. When comparing the performance of the City's portfolio, its rate of return will be computed net of all fees and expenses.

PORTFOLIO REVIEW AND REPORTING

Credit criteria and maximum percentages listed in this section refer to the credit of the issuing organization and/or maturity at the time the security is purchased. The City may, from time to time, be invested in a security whose rating is downgraded below the minimum ratings set forth in this Policy. In the event a rating drops below the minimum allowed rating category for that given investment type, the Finance Director shall notify the City Manager

and/or Designee and recommend a plan of action. Appropriate documentation of such a review, along with the recommended action and final decision shall be retained for audit.

Quarterly, the CFO shall submit to the Council a report of the investment earnings and performance results of the City's investment portfolio. The report shall include the following information:

1. Investment type, issuer, date of maturity, par value and dollar amount invested in all securities, and investments and monies held by the City;
2. A description of the funds, investments and programs;
3. A market value as of the date of the report (or the most recent valuation as to assets not valued monthly) and the source of the valuation;
4. A statement of compliance with this Investment Policy or an explanation for non-compliance; and
5. A statement of the ability to meet expenditure requirements for six months, as well as an explanation of why money will not be available if that is the case.

POLICY REVIEW

This Investment Policy shall be adopted by resolution of the City Council annually. It shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity, yield and diversification and its relevance to current law and economic trends. Any amendments to the Policy shall be reviewed by the City's Finance/Audit Committee prior to being forwarded to the City Council for approval.

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**CITY COUNCIL
SPECIAL AND REGULAR MEETING
DRAFT MINUTES**

**Tuesday, October 1, 2013
5:30 P.M.
701 Laurel Street, Menlo Park, CA 94025
City Council Chambers**

5:30 P.M. CLOSED SESSION

Mayor Ohtaki called the Closed Session to order at 5:45 p.m. with all members present.

- CL1.** Closed Session pursuant to Government Code Section §54957 to conference with labor negotiators regarding labor negotiations with the American Federation of State, County and Municipal Employees (AFSCME)

Attendees: Alex McIntyre, City Manager, Starla Jerome-Robinson, Assistant City Manager, Bill McClure, City Attorney, Gina Donnelly, Human Resources Director, Drew Corbett, Finance Director and Charles Sakai, Labor Attorney

Written public comment was submitted by Nawied Amin, who was not present. ([handout](#))

The Council adjourned to the Regular Session in the Council Chambers.

7:00 P.M. REGULAR SESSION

Mayor Ohtaki called the meeting at order at 7:10 p.m. with all members present.

The Menlo Park 4-H youth group led the pledge of allegiance. Mayor Ohtaki presented the group with a proclamation in honor of the 4-H Centennial.

REPORT FROM CLOSED SESSION

There is no reportable action from the Closed Session held earlier.

ANNOUNCEMENTS

The City is currently recruiting applicants for vacancies on the Bicycle, Housing, Library, Parks and Recreation and Transportation Commissions. Applications are available through the Commissions webpage or the City Clerk's office.

A. PRESENTATIONS AND PROCLAMATIONS

- A1.** Presentation by Senator Jerry Hill regarding legislative updates on the State budget, education funding, High Speed Rail and other topics

A2. Review Community Engagement Principles
Staff presentation by Cherise Brandell, Community Services Director

Mayor Pro Tem Mueller exited the Council chambers due to a conflict of interest regarding the subject of the following speaker's public comments.

Public Comment:

- Elizabeth Houck expressed concerns regarding the community engagement process in connection to the Specific Plan and the need for more transparency and involvement

Mayor Pro Tem Mueller returned to the dias.

B. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS - None

C. PUBLIC COMMENT #1

- Elizabeth Houck spoke regarding the Sharon Heights Country Club wells project

Councilmember Keith exited the Council chambers during the following four public comments due to the proximity of her residence to the subject of the speakers' comments.

- Todd Brahana spoke regarding the O'Connor School and against allowing vehicular access through on Oak Court
- Lora Christen spoke regarding to the O'Connor School and maintaining bike and pedestrian safety
- Virginia Richards spoke regarding O'Connor School and maintaining the character of the neighborhood
- Noel Berghout spoke regarding the O'Connor School and cut through traffic on Oak Court ([Petition/Handout](#))

Councilmember Keith returned to the dias.

- Adina Levin spoke regarding the need to update technology for Council meetings to allow easier access and viewing through mobile devices

D. CONSENT CALENDAR

D1. Approve the City's response to the Grand Jury report "San Mateo County Special Districts: Who is Really in Charge of the Taxpayers Money? The Mosquito District Embezzlement: Is it the Tip of the Iceberg?" and Authorize the Mayor to Sign and Send the letter in Response ([Staff report #13-162](#))

D2. Accept minutes for the Council meeting of September 24, 2013 ([Attachment](#))

ACTION: Motion/second (Keith/Cline) to approve the Consent Calendar passes unanimously.

E. PUBLIC HEARINGS – None

F. REGULAR BUSINESS

F1. Approve the Request for Proposal for the El Camino Real Lane Reconfiguration and Ravenswood Avenue Right Turn Lane Study ([Staff report #13-163](#))
Staff presentation by Jesse Quirion, Transportation Manager ([Presentation](#))

Public Comment:

- Adina Levin spoke regarding bike lanes on El Camino Real and the City of Palo Alto's policy regarding traffic circulation on El Camino Real, Alma, Sand Hill Road

In response to the request of Councilmember Cline, staff will discuss preparing a letter to the City of Palo Alto regarding traffic circulation to be approved by the Mayor/Council.

ACTION: Motion/second (Keith/Carlton) to approve the Request for Proposal for the El Camino Real Lane Reconfiguration and Ravenswood Avenue Right Turn Lane Study with the friendly amendment to remove the word “possibly” adverse from the fourth bullet and to include consideration of access to underground parking. Mayor Ohtaki offered the additional amendments to add the issue of traffic circulation on Alma, El Camino Real and Sand Hill Road to the problem statement and to remove peak time. The amended motion passes unanimously.

F2. Consideration of the formation of a Small Business Commission ([Staff report #13-164](#))
Staff presentation by Jim Cogan, Economic Development Manager ([Presentation](#))

Mayor Pro Tem Mueller introduced the item.

Public Comment:

- Fran Dehn, Chamber of Commerce, spoke regarding the permitting process and other factors prohibiting businesses from coming to and growing in Menlo Park

ACTION: Motion by Mayor Pro Tem Mueller to direct staff to explore the formation of a Small Business Commission and bring more information back to Council at a future study session.

ACTION: Councilmember Carlton offered the following amendment that the issue of business and economic development and streamlining the permitting and planning processes be included in the study session which will also consider development of a business commission or committee.

ACTION: After Council discussion, Mayor Pro Tem Mueller accepted the amendment, Councilmember Cline seconded the amended motion. The motion passes unanimously.

F3. Consider state and federal legislative items, including decisions to support or oppose any such legislation, and items listed under Written Communication or Information Item: **None**

G. CITY MANAGER’S REPORT – None

H. WRITTEN COMMUNICATION – None

I. INFORMATIONAL ITEMS

I1. November 2013 Council Meeting schedule ([Staff report #13-165](#))

J. COUNCILMEMBER REPORTS - None

K. PUBLIC COMMENT #2
There was no public comment.

L. ADJOURNMENT at 10:01p.m.

Pamela Aguilar
Acting City Clerk

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PUBLIC WORKS DEPARTMENT



Council Meeting Date: October 15, 2013
Staff Report #: 13-169

Agenda Item #: F-1

REGULAR BUSINESS: Award a Contract for Median Island and Right-of-Way Landscape Maintenance Services and Refuse Collection Service to Gachina Landscape Management for Four Years With the Option to Extend the Contract for Four Additional One Year Terms and Authorize Spending up to the Budgeted Amount Each Year

RECOMMENDATION

Staff recommends that the City Council award a contract for median island and right-of-way landscape maintenance services and refuse collection service to Gachina Landscape Management for four years with the option to extend the contract for four additional one-year terms and authorize spending up to the budgeted amount each year.

BACKGROUND

On March 15, 2011, staff presented budget savings strategies to the City Council. During this time, the budget forecast for future years showed expenditures exceeding revenues for the next ten years and the necessity to potentially utilize general fund reserves.

One of the budget strategies presented was to consider whether cost savings could be achieved by contracting out median island and right-of-way landscape maintenance services. Council requested staff to develop and issue a Request for Proposal (RFP) to qualified landscape maintenance companies to determine if cost savings could be achieved as long as the level of service remained the same.

During this same time, staff resources were diverted to focus on the possible acquisition of Flood Park from San Mateo County. The preparation of the RFP was placed on hold until Flood Park was resolved. At present, the Flood Park situation has been resolved and the County has provided adequate funding for the park.

On February 12, 2013, staff presented the RFP to the City Council who approved and directed staff to send out the RFP to obtain proposals.

ANALYSIS

Staff sent the RFP to over 20 landscape contractors. A mandatory pre-proposal meeting was held in which 12 contractors attended. Proposals were due on April 16, 2013 and a total of four (4) proposals were received.

The proposals were evaluated on a “best value evaluation” (Attachment A). Criteria used in evaluating the contractor’s abilities included: cost, ability to provide service, previous performance and references, quality of service, responsiveness, and unspecified value-added offerings by the contractor.

The proposals were reviewed by a team consisting of Public Works staff. Based upon the review of the proposals, Gachina Landscape Management is recommended due to the quality and completeness of their proposals, experience and qualifications, demonstration of understanding the scope of services requested and best value to the City.

In order to evaluate the quality of work of Gachina Landscape Management, staff visited two local cities that currently contract with them. Staff noticed that there was a significant difference in the quality of work being provided amongst the two cities. In one of the cities, there was a considerable amount of weeds in the medians and right-of-way. Staff met with Gachina Landscape Management representatives to discuss the difference in quality of work. They indicated that they were hired by that City a year ago and the medians and right-of-way were considerably worse prior to when they started and they are still working on improving the quality of the medians. They also mentioned that since their business is located in Menlo Park, they understand the expectation and high standard Menlo Park values in their landscaping and they will meet that standard. The varying quality of work is a concern to the City, therefore, Staff will need to monitor the work closely to assure that the City’s standards are met as described in the RFP. Although staff has concerns with the quality of work, their overall proposal was superior to the other three proposals.

Median Island and Right-of-Way Cost

The 2012-13 budget for the City to provide median island and right-of-way landscape maintenance services which includes the Vintage Oaks and Downtown areas is \$324,600. This includes salary, benefits, training, equipment, materials, and supplies. This cost does not include utilities (\$130,800) and administrative staff time (\$48,600) which will continue to be charged to this program in managing the contract.

The \$324,600 consists of \$170,600 from the General Fund, \$82,800 from the Downtown Parking Permit Fund, \$17,200 from Vintage Oaks Landscape Fund and \$54,000 from the Garbage Service Fund. The maintenance of the landscaping around Vintage Oaks has been contracted out since the City took over maintenance of the perimeter landscaping and the subdivision was completed. Approximately five years ago, the City Council approved funding \$54,000 from the Garbage Service Fund to fund

a portion of the park staff time when collecting garbage along the median and rights-of-way.

If the City Council decides to contract out Median Island and Right-of-Way Landscape Maintenance Services, the cost of two (2) FTE and .75 FTE seasonal and operating expenses is \$289,600. This is the cost to compare against the contract proposal. The \$289,600 is \$35,000 less than the 2012-13 budget of \$324,600 due to not being able to eliminate a portion (in this case .35 FTE) of a position. Therefore the .35 FTE would be moved to other services in the parks section. Out of the \$289,600, \$135,600 is from the general fund. The table below compares the City's cost versus Gachina Landscape Management's cost to provide Median Island and Right-of-Way Landscape Maintenance Services.

FUNDING	City Cost 2012-13	Gachina Cost
	\$ 289,600	\$ 195,688
General Fund	\$ 135,600	\$ 98,036
Downtown Parking Fund	\$ 82,800	\$ 55,788
Vintage Oaks Fund	\$ 17,200	\$ 3,864
Garbage Fund	\$ 54,000	\$ 38,000

Staff has proportioned Gachina's costs for the General Fund and the Garbage Fund based upon the City cost for 2012-13. The RFP included the Downtown and Vintage Oaks Funds broken out in the proposal.

Staffing

Over the last year, the Maintenance Division of Public Works has had job position openings through attrition. Instead of recruiting these positions externally, the positions have been filled with internal staff. Through this process, the City has been able to place two parks employees into other positions within the Maintenance Division of Public Works and has resulted in the vacancy of two park maintenance positions. Staff has kept these positions vacant in order to avoid layoffs if the City Council decides to contract out the Median Island and Right-of-Way Landscape Maintenance Services.

The Parks Division has been down two full-time staff members and the hiring of seasonal employees has been delayed this year due to the City preparing for compliance with the new Patient Protection and Affordable Care Act. Staff is recommending that the fiscal year 2013-14 budget not be reduced due to the savings in contracting out until fiscal year 2014-15. This will allow staff to catch up with delayed work due to being understaffed.

Refuse Collection City Park/Facilities Cost

Staff included in the RFP the cost of providing refuse collection at City parks/facilities. In January 2011, the City contracted with Recology to service waste and recycling. In the previous contract with Allied Waste, waste and recycling pickup in parks and City facilities was included at no cost to the City, however, this service was not included in the new contract with Recology. In order for Recology to service waste and recycling at parks and City facilities and not incur additional costs, the waste and recycling bins must be located within five feet of the street or driveway. Recology provided a service quote to provide waste and recycling pickup in City parks and facilities (similar to the level of service previously received from Allied) at a cost of over \$300,000 annually. In the 2012-13 budget, staff included an additional \$30,000 in the operating budget for City parks and facilities with the intent to use seasonal employees to assist staff with this extra work.

The funding provided has not been sufficient due to increased use of City parks prompting additional staff time to complete services. This has reduced the service in other areas of Park maintenance. In addition, the waste that is collected can be heavy at times and there is a concern about possible safety issues. Staff included this service in the RFP to receive costs for this service and has obtained a cost from Gachina Landscape Management to provide this service as shown in the table below:

	2013-14	2014-15	2015-16	2016-17	Total
Refuse Collection Annual Cost	\$29,128	\$29,128	\$30,036	\$30,036	\$118,328

Staff recommends that the City contract with Gachina Landscape Management to provide refuse collection in parks and City facilities.

Schedule

Since the City first contemplated contracting out Median Island and Right-of-Way Landscape Maintenance Services, staff has kept Local 521 SEIU informed throughout the process. On July 1, 2013, the City provided a letter to Local 521 SEIU informing them of our intent to consider contracting out Median Island and Right-of-Way Landscape Maintenance Services. The City received an information request related to this matter on August 29th, to which the City responded on September 5th. At the request of Local 521 SEIU, the City and Local 521 SEIU met on September 23, 2013, for the purposes of meeting and conferring regarding the contracting out of Median Island and Right-of-Way Landscape Maintenance Services. On September 24th, the City notified Local 521 SEIU of the estimated date for this item to be presented to the City Council for consideration. Staff will continue to keep Local 521 SEIU informed of the City Council's direction and next steps. Staff anticipates that Gachina Landscape Management would begin work in early January 2014.

IMPACT ON CITY RESOURCES

The table below compares Gachina Landscape Management’s four year proposal versus the City’s costs of Median Island and Right-of-Way Landscape Maintenance Services. The savings this year will not be fully realized due to the start date of the contract. In addition, staff will allocate additional funds as a contingency for unforeseen conditions.

	2013-14	2014-15	2015-16	2015-16	Total
Contract	\$195,688	\$181,612	\$187,108	\$187,108	\$751,516
City	\$289,600	\$289,600	\$289,600	\$289,600	\$1,158,400
Estimated Savings	\$ 93,912	\$107,988	\$102,492	\$102,492	\$406,884

For FY 2013-14 the RFP requires Gachina Landscape Management to go through a startup process in which they are required to bring the median islands and right-of-way landscapes up to the standard of the RFP and make any repairs to the irrigation system. This results in contract costs being higher in FY 2013-14 than in the next three years. Staff is also concerned with the amount of time it will take the Parks Supervisor to manage the contract. Depending on the quality of work performed by the contractor, the Parks Supervisor may have to spend more time supervising the contract than the parks crew. Staff will carefully monitor the work Gachina Landscape Management performs to assure a quality and timely performance.

Funds for the medians and right-of-way services are allocated in the Parks Maintenance budget due to savings in not filling positions. Staff has included \$30,000 in the parks operating budget for refuse collection. Future year’s services will also be budgeted in the parks maintenance budget.

POLICY ISSUES

This proposed action would eliminate two full time equivalent positions and is consistent with City policy. The City currently contracts out other City Maintenance services.

ENVIRONMENTAL REVIEW

Environmental review is not required for this action.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

A. Summary of RFP Evaluations

Report prepared by:

Ruben Niño

Assistant Director of Public Works

SUMMARY OF RFP EVALUATION

The RFP required that each contractor provide a statement of their technical ability and experience, ability to provide service, value added, cost of service and compliance with insurance requirements.

Cost

The Table below shows the cost submitted by each contractor over the four year period.

Median/Right-of-Way					
	2013-14	2014-15	2015-16	2016-17	TOTAL
Gachina Landscape Management*	\$152,672	\$152,672	\$156,412	\$160,204	\$ 621,960
RMT Landscape Contractor	\$491,921	\$301,055	\$301,055	\$301,055	\$1,395,086
New Image	\$750,874	\$750,874	\$750,874	\$750,874	\$3,003,496
Echo Landscape	\$356,104	\$249,885	\$259,370	\$255,855	\$1,121,214
Trash/ Recycling Bins					
	2013-14	2014-15	2015-16	2016-17	TOTAL
Gachina Landscape Management	\$24,192	\$24,192	\$24,830	\$25,476	\$ 98,690
RMT Landscape Contractor	\$58,040	\$58,040	\$58,040	\$58,040	\$232,160
New Image	\$75,712	\$75,712	\$75,712	\$75,712	\$302,848
Echo Landscape	\$63,440	\$63,440	\$63,440	\$63,440	\$253,760

*The staff report shows a greater cost of service, since the original proposal was revised. Once staff completed the review of all the proposals and determined that Gachina's overall packet was the best value, staff met with Gachina to make sure that they understood the scope of work and determine if any items were overlooked in their response. Based upon that discussion, Gachina increased their cost to reflect meetings the City had and assumptions that were clarified in the RFP.

Ability to Provide Service/ Previous Service / Responsiveness to RFP

Echo Landscaping is located in Castro Valley. Echo did not identify the staff who would be assigned to Menlo Park or the size of the firm. They did not identify the equipment or any training they provide. Echo has been in business for 13 years and has current contracts with four Cities in the Bay Area for which they maintain parks and medians.

RMT Landscape Contractors Inc. is located in Oakland. They have been in business over 36 years and have 55 employees. Their experience includes three public agencies. RMT identified one (1) supervisor and two (2) crews with each crew consisting of three laborers. This amounts to seven (7) full time employees that they have proposed which is significant. No resumes with work experience of employees were provided. RMT identified that each crew would be equipped with a truck, trailer, 2 blowers, weed eaters, power hedge trimmer and misc. They list one (1) subcontractor who will be their certified pest control advisor. They did not identify any training or educational programs.

New Image Landscape Company is located in Fremont. They were incorporated in 1996 and have satellite yards in Salinas, Livermore, Benicia and Sacramento. New Image has five existing contracts with other Cities in the bay area. New Image did not identify the staff or the number of personnel who would be working for the City. At the Fremont yard new Image has 12 trucks, 6 trailers and 8 other pieces of equipment. They did not list any of the work as being subcontracted out.

Gachina Landscape Management is located in Menlo Park off O'Brien Drive. They have been in business since 1988. They have 315 employees and 158 fully equipped maintenance trucks which is significant for filling in when employees get sick or are on vacation. They have an emergency process in place in order to respond to calls 24/7 and within one hour. In addition, they have 2,500 pieces of equipment and staff who maintain the equipment. They have current contracts with three cities and two private companies in which they provide similar work. They will provide three full time employees plus three additional technical partime staff that will assist as needed. Resumes of the managers, supervisor, lead worker and laborers were provided with experience and certifications and how long they have worked for Gachina. Gachina has an ongoing training and education program. They indicate that they provide medical, retirement, vacation and paid holiday benefits. They listed subcontracting out for backflow testing and pressure washing the downtown. They provided a weekly, monthly and annual schedule of how they plan to schedule the work.

Summary

Gachina Landscape Management's proposal addressed all the requirements of the RFP. They provided a complete submittal with details addressing all the questions and information that staff needed to answer questions that the RFP required. In addition their cost proposal was significantly lower then the other proposals. They are located in Menlo Park and the largest company which provides flexibility when employees are sick or on vacation. Staff visited two Cities that Gachina Landscape Management is currently providing landscape services for. There was a big discrepancy in the quality of work between these two cities. In one of the Cities they provide park maintenance service. The work was good, and City staff confirmed that they have been doing a good job. Staff visited four of the parks they maintain, including both passive and active parks.

The Parks were consistently maintained at a good level. Staff determined from this City that the work needs to be monitored requiring more time for oversight than was originally anticipated.

In the second City, Gachina Landscape Management provides right-of-way and median maintenance services. Staff drove down the major streets in this City and was disappointed in the amount of weeds in some of the medians and overgrowth being as high as three feet. On each of the streets reviewed there was an unacceptable level of weeds. Staff met with representatives of Gachina Landscape Management to discuss this concern. They indicated that they started this contract a year ago and the medians and right-of-way were considerably worse prior to when they started. They are still working on improving the quality of the right-of-way and medians. They also mentioned that since their business is located in Menlo Park, they understand the expectation and high standard Menlo Park values in their landscaping and they will meet that standard.

Once staff determined that Gachina Landscape Management overall proposal was far superior to the other three proposals staff decided to only visit sites being maintained by Gachina Landscape Management.

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ADMINISTRATIVE SERVICES DEPARTMENT

Council Meeting Date: October 15, 2013
Staff Report #: 13-172

Agenda Item #: I-1

INFORMATIONAL ITEM: Financial Review of Unaudited General Fund Operations as of June 30, 2013

RECOMMENDATION

This is an informational item and does not require Council action.

BACKGROUND

The purpose of this report is to provide a review of unaudited financial results of General Fund operations for FY 12-13. Because of the complexities of compiling comprehensive annual financial statements in compliance with applicable governmental accounting standards, the annual financial audit, which is currently underway, will not be completed until November, and the City's Comprehensive Annual Financial Report (CAFR) will not be delivered to Council until December. However, in an effort to provide more timely financial information, this report offers an overview of General Fund performance in comparison to the adjusted budget from FY 12-13. While it is possible that the audit may result in some additional changes to the information presented in this report, it is not expected that these changes would cause a material change in the City's financial position.

ANALYSIS

Overview

The table on the following page shows the City's unaudited General Fund revenue and expenditure budget-to-actual performance in FY 12-13, as well as a comparison to the audited figures from FY 11-12. The 12-13 Adjusted Budget column displays the budget inclusive of all of the modifications to budgetary appropriations made throughout the fiscal year, the majority of which came in the form of mid-year adjustments.

Once all revenues, expenditures, comprehensive planning fund activities, and CAFR adjustments are considered, the General Fund finished FY 12-13 with an operating surplus of \$880,000. With that said, the FY 13-14 Adopted Budget assumed that the General Fund would finish FY 12-13 with an operating surplus of nearly \$700,000 and an ending reserve fund balance of \$22.2 million. As such, based on the unaudited results, the General Fund finished FY 12-13 approximately \$184,000 better than what

was already assumed in the FY 13-14 Adopted Budget. Further, at its September 24th meeting, Council appropriated nearly \$108,000 of this amount to cover the majority of the purchase price of the automated license plate readers and surveillance cameras (staff report #13-159), leaving an effective surplus of \$76,000 over what was expected.

City of Menlo Park General Fund Summary							
	2011-12 Actual	2012-13 Adjusted Budget	2012-13 Preliminary Actual	2012-13 Preliminary Variance	% Budget Variance	Increase/ (Decrease) from Prior Year	% Change from Prior Year
Property Taxes	13,239,856	13,853,000	15,731,889	1,878,889	13.56%	2,492,033	18.82%
Sales Tax	5,938,310	6,280,000	6,043,870	(236,130)	-3.76%	105,560	1.78%
Transient Occupancy Tax	2,939,475	3,326,000	3,468,256	142,256	4.28%	528,781	17.99%
Utility Users Tax	1,080,436	1,165,500	1,095,256	(70,244)	-6.03%	14,820	1.37%
Franchise Fees	1,758,705	1,873,500	1,765,216	(108,284)	-5.78%	6,511	0.37%
Licenses & Permits	3,685,556	4,326,465	4,447,630	121,165	2.80%	762,074	20.68%
Intergovernmental	1,158,010	838,130	866,287	28,157	3.36%	(291,723)	-25.19%
Fines	1,067,328	991,400	998,259	6,859	0.69%	(69,069)	-6.47%
Interest and Rent Income	761,326	752,018	568,051	(183,967)	-24.46%	(193,275)	-25.39%
Charges for Services	6,743,126	7,080,246	7,088,160	7,914	0.11%	345,034	5.12%
Transfers & Other	606,175	420,123	1,178,628	758,505	180.54%	572,453	94.44%
Total Revenue	38,978,303	40,906,382	43,251,502	2,345,120	5.73%	4,273,199	10.96%
Public Safety	13,975,240	14,462,753	13,809,282	653,471	4.52%	(165,958)	-1.19%
Public Works	4,482,386	5,535,334	5,100,811	434,523	7.85%	618,425	13.80%
Community Services	6,310,930	7,079,105	6,810,374	268,731	3.80%	499,444	7.91%
Library Department	1,871,632	2,042,466	2,011,144	31,322	1.53%	139,512	7.45%
Community Development	3,383,567	3,197,248	2,774,032	423,216	13.24%	(609,535)	-18.01%
Administrative Services	4,616,946	5,898,280	5,315,023	583,257	9.89%	698,077	15.12%
Operating Transfers Out	2,377,800	5,164,328	5,164,328	0	0.00%	2,786,528	117.19%
Total Expenditures	37,018,501	43,379,514	40,984,994	2,394,520	5.52%	3,966,493	10.71%
Net Operating Surplus/(Deficit)	1,959,802	(2,473,132)	2,266,508				
Comprehensive Planning Fund Activity	(67,740)	(1,088,566)	(1,172,569)				
Operating (decrease)/increase of General Fund Balance	1,892,062	(3,561,698)	1,093,939				
CAFR Adjustments	0	0	(214,287)				
Net (decrease)/increase of General Fund Balance	1,892,062	(3,561,698)	879,652				

Revenues

Revenues continued to climb in FY 12-13, finishing 11% above audited FY 11-12 revenues and nearly 6% above the adjusted budget amount. The largest year-over-year gains were for property tax, transient occupancy tax, and licenses and permits. Each of these gains, as well as updates on all major General Fund revenue sources, is discussed below.

Property Tax:

Total property tax revenues were up nearly 19%, or \$2.5 million, over FY 11-12; however, the majority of that increase (\$1.8 million) was one-time revenue related to the dissolution of the former Community Development Agency. The other \$700,000 of the year-over-year increase is attributable to rising assessed values and the turnover of

properties, which reflects the high demand for real estate in Menlo Park. The nearly 14% variance between FY 12-13 actuals and the FY 12-13 adjusted budget is primarily due to the one-time revenue previously discussed.

Sales Tax:

Total sales tax revenues were only up 1.8% over FY 11-12; however, that increase does not reflect actual activity, as the State's "Triple Flip" transaction skews the data. Considering point-of-sale transactions in Menlo Park and funds received from the County and State pools, sales tax revenues were up nearly 6% over FY 11-12, and this is a better indicator of actual transaction activity. Revenues were below adjusted budget estimates by nearly 4%; however, this is entirely related to the State's Triple Flip funding mechanism and is not a reflection of actual activity.

Transient Occupancy Tax (TOT):

TOT revenues were up 18%, or over \$500,000, over the prior fiscal year. This significant increase is due to two primary factors, the increase in the TOT rate from 10% to 12% and increasing occupancy rates. The revenue total of nearly \$3.5 million also exceeded adjusted budget estimates by over 4%.

Utility Users Tax (UUT) and Franchise Fees:

Revenues from these sources were up slightly over the previous fiscal year; however, total remittances were down nearly \$180,000 in comparison to what was projected in the adjusted budget. The majority of this is due to both the electricity-related UUT and franchise fees not meeting expectations. These revenues were less than anticipated due to some modifications that commercial sites have made for energy conservation. Revenue projections for the FY 13-14 budget reflect more modest expectations for these revenue sources to better align with actual remittances.

Licenses and Permits:

Licensing and permitting revenues were up nearly 21%, or \$760,000, over the previous year, and they exceeded adjusted budget estimates by nearly 3%. The significant year-over-year increase is the result of Facebook's \$800,000 payment for its sales tax in lieu fee.

Intergovernmental:

Intergovernmental revenue declined over 25% from FY 11-12; however, the total revenue received was above the amount estimated in the adjusted budget by over 3%. The primary reason for the year-over-year revenue decline was the expiration of the San Carlos dispatch contract.

Fines:

This category of revenues covers traffic and parking fines. FY 12-13 revenues were down 6.5% from the previous fiscal year but met estimates made for the adjusted budget. Revenues were down year-over-year primarily because the red light cameras on El Camino Real were not operational for a portion of the year due to work being done on that roadway. Current year revenue estimates were increased significantly to

consider the full utilization of the Redflex program and a greater overall emphasis on traffic violations, which includes the deployment of two motorcycle traffic officers.

Interest and Rent Income:

Overall, this revenue category was down approximately 25% from the previous year and from the adjusted budget estimate. The primary reason for this is that governmental accounting standards (GASB No. 31) require us to revalue our investment portfolio annually and either book an unrealized gain or loss to reflect the difference between the portfolio's value on June 30th and the value at which the individual investments were purchased. It is important to note that this is just a "paper loss" and does not negatively affect this City's cash position. The City typically holds investments to maturity, and when it does this, it earns actual interest income while it holds the investments and then receives its principal back at maturity.

Charges for Services:

This revenue category was up 5%, or nearly \$350,000, over FY 11-12 and met adjusted budget estimates. This increase was predominantly due to higher utilization of Community Services Department programs and facility rentals. This trend is expected to continue, as the current budget reflects the expectation that City-wide service charges will be up another 10% in FY 13-14.

Transfers and Other:

This category was up significantly over the previous fiscal year and in comparison to the adjusted budget due to the sale of the 50 Terminal Avenue property to the Beechwood School. Proceeds from this sale totaled nearly \$767,000.

Expenditures

Total General Fund expenditures were 11%, or nearly \$4 million, higher in FY 12-13 than they were in FY 11-12; however, \$2.7 million of this amount was a one-time transfer to the Capital Improvement Projects Fund. Excluding that significant one-time transfer, General Fund expenditures were up 3.4%, or nearly \$1.3 million. The largest year-over-year increases were in Public Works, Community Services, and Administrative Services. These increases were due to a variety of factors, including vacant positions being filled; higher costs for maintenance-related items such as utilities and gasoline; enhanced utilization of contract services, particularly in Public Works; and greater demand for Community Services programs, which also generated additional revenue.

In comparison to the adjusted budget, General Fund expenditures finished nearly \$2.4 million lower than budgeted. This is the result of expenditure savings in each of the departments, about 40% of which was in the form of compensation savings and another 25% came from savings in the "Services" category of expenditures. The remaining 35% was spread across the other expenditure categories.

It is important to note, however, that approximately \$400,000 of the \$2.4 million represents funds that were unspent in FY 12-13 but are expected to be spent in the current fiscal year. As such, these funds remain encumbered, and the current year budget will be adjusted to reflect these encumbrances. These encumbrances, as well as other recommended adjustments to FY 13-14 General Fund revenue and expenditure budgets, will be evaluated and brought back to Council as a part of the mid-year report. This report will include an updated General Fund revenue and expenditure summary that compares the adopted budget to the proposed adjusted budget.

Comprehensive Planning Projects Fund

Nearly \$1.2 million was expended from the Comprehensive Planning Projects Fund in FY 12-13, and since this fund is fully supported by the General Fund, its financial results are rolled into this report. Since its inception in FY 10-11, almost all expenditures from this fund have been for the Housing Element Update project, which was recently completed. In total, approximately \$1.2 million was expended on that project, including \$1.1 million in FY 12-13. The other project funded by the Comprehensive Planning Projects Fund was the Willow Business Area Zoning Ordinance Amendment project, which cost approximately \$42,000.

With the completion of the Housing Element Update, the Comprehensive Planning Projects Fund has been closed out as of June 30, 2013. Any future projects related to comprehensive planning efforts will be funded out of the Capital Improvement Projects Fund, including the current General Plan Update project.

CAFR Adjustments

This line item reflects a required adjustment to the General Fund to correct for an internal accounting error that went undetected for a number of years. Employee benefits costs are paid from an internal services fund, the Payroll Revolving Fund, which is funded by contributions from employees and the City. City contributions come from charges to departments as a part of the cost of compensation. For a number of years now, certain benefit-related expenditures were paid out of the fund; however, corresponding charges to the departments were not posted to the City's financial system. Effectively, this meant the departments were not being appropriately charged for the cost of employee compensation, and the Payroll Revolving Fund ended up being overdrawn. This resulted in the departments having greater operational savings than they really should have, which inflated the General Fund's reserve balance. This error was recently discovered, and this adjustment corrects for it.

Next Steps

The fiscal year FY 12-13 audit is currently underway. The audit entails a detailed transactional review and a confirmation of financial processes and internal controls. At the end of the auditor's review, any necessary audit adjustments will be made. The financial statements and all disclosures will be compiled for a CAFR that is compliant

with all applicable governmental accounting and reporting standards. Additionally, a comprehensive analysis of all the City's funds will be concurrently performed by staff. This analysis will be incorporated into the CAFR's Management Discussion and Analysis (MD&A) section. The CAFR is scheduled to be presented to Council in December.

IMPACT ON CITY RESOURCES

There is no impact on City resources.

POLICY ISSUES

This is the sixth year that the City has released preliminary and unaudited financial information to the public, and it is important to note that audit adjustments could modify the annual results of fiscal operations. However, because timely unaudited financial information can be beneficial for certain types of decision-making purposes, an examination of unaudited results has merit. A complete analysis of all the City's funds will incorporate any needed audit adjustments and be presented with the Comprehensive Annual Financial Report in December.

ENVIRONMENTAL REVIEW

Environmental review is not required.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

None

Report prepared by:
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Finance Director