



CITY OF PALO ALTO CITY COUNCIL ACTION MINUTES

Special Meeting
December 5, 2016

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:02 P.M.

Present: Burt, DuBois, Filseth, Holman, Kniss, Scharff, Schmid, Wolbach

Absent:

Closed Session

1. CONFERENCE WITH LABOR NEGOTIATORS- CAO Compensation
Agency Negotiators: Mayor Burt, Council Member Kniss
Unrepresented Employees: City Manager, City Attorney, City Auditor, City Clerk
Authority: Government Code Section 54957.6(a).
- 1a. CONFERENCE WITH CITY ATTORNEY- EXISTING LITIGATION
Subject: City of Palo Alto v. Public Employee Relations Board (PERB) (International Association of Fire Fighters, Local 1319, real party), Cal Court of Appeal No. H041407, on appeal from PERB
Case No. SF-CE-869-M
Authority: Government Code Section 54956.9(d)(1).

CONFERENCE WITH LABOR NEGOTIATORS

City Designated Representatives: City Manager and his designees
Employee Organizations: Fire Chiefs Association, International Association of Fire Fighters (IAFF), Local 1319, Palo Alto Peace Officers' Association (PAPOA), Palo Alto Police Management Association (PAPMA)
Government Code Section 54957.6(a).

MOTION: Council Member Kniss moved, seconded by Vice Mayor Scharff to go into Closed Session.

MOTION PASSED: 8-0

Mayor Burt announced Council Member Berman's resignation from the Council in order to take on his new role as Assembly Member.

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Council went into Closed Session at 5:05 P.M.

Council returned from Closed Session at 6:53 P.M.

Mayor Burt announced no reportable action.

Special Orders of the Day

2. Four Resolutions: Resolution 9644 Entitled, "Resolution of the Council of the City of Palo Alto Honoring Joe Saccio (24 Years), Retiring From City Service;" Resolution 9645 Entitled, "Resolution of the Council of the City of Palo Alto Honoring Joe Teresi (32 Years), Retiring From City Service;" Resolution 9646 Entitled, "Resolution of the Council of the City of Palo Alto Honoring Jane Ratchye (31 Years), Retiring From City Service;" and Resolution 9647 Entitled, "Resolution of the Council of the City of Palo Alto Honoring Scott O'Neill (31 Years), Retiring From City Service."

MOTION: Council Member Schmid moved, seconded by Mayor Burt to adopt a Resolution honoring Joe Saccio.

MOTION PASSED: 8-0

MOTION: Council Member Holman moved, seconded by Vice Mayor Scharff to adopt a Resolution honoring Joe Teresi.

MOTION PASSED: 8-0

MOTION: Vice Mayor Scharff moved, seconded by Council Member Holman to adopt a Resolution honoring Jane Ratchye.

MOTION PASSED: 8-0

MOTION: Mayor Burt moved, seconded by Vice Mayor Scharff to adopt a Resolution honoring Scott O'Neill.

MOTION PASSED: 8-0

Agenda Changes, Additions and Deletions

None.

Consent Calendar

MOTION: Vice Mayor Scharff moved, seconded by Council Member DuBois to approve Agenda Item Numbers 3-7.

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3. Approval of a Budget Amendment in the Electric Fund to Complete Conversion of Overhead Electric Facilities to Underground for Capital Project EL-11010 Underground Utility District 47 Increasing the Project From \$2,346,000 to \$2,946,000; and Finding of CEQA Exemption Pursuant to Guideline Section 15302.
4. Approval of a Contract With Professional Account Management, LLC, in an Amount Not-to-Exceed \$130,000 per Year for Five Years for the Handling and Processing of Parking Violations and Approval of Budget Amendments in the General Fund.
5. Resolution 9648 Entitled, "Resolution of the Council of the City of Palo Alto Amending the Conflict of Interest Code for Designated City Officers and Employees as Required by the Political Reform Act and Regulations of the Fair Political Practices Commission and Repealing Resolution Number 9471."
6. Approval of a Contract With Peninsula Corridor Joint Powers Board in the Amount of \$76,380 for 2017 Caltrain Go Pass Program.
7. Approval of a Contract With TetraTech in an Amount Not-to-Exceed \$170,000 for a Period of Five Years for Emergency Operations Planning Support.

MOTION PASSED: 8-0

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8. Resolution 9649 Entitled, "Resolution of the Council of the City of Palo Alto Approving a Carbon Neutral Natural Gas Plan to Achieve a Carbon Neutral Gas Portfolio by Fiscal Year 2018 With no Greater Than 10¢/Therm Rate Impact and Terminating the Palo Alto Green Gas Program;" and Provide Direction to Staff Concerning Aspects of Plan Implementation.

MOTION: Council Member Wolbach moved, seconded by Vice Mayor Scharff to:

- A. Adopt a Resolution that:
 - i. Approves the Carbon Neutral Gas Plan, enabling the City to achieve a carbon-neutral gas supply portfolio starting in FY 2018 with a rate impact not to exceed 10¢/therm; and
 - ii. Terminates the PaloAltoGreen Gas program established by Resolution 9405; and

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B. Direct Staff to:

- i. Develop an implementation plan for the Carbon Neutral Gas Plan; and
- ii. Minimize cost to achieve carbon reduction within 10¢/therm rate impact cap; and
- iii. Return to Council to determine an acceptable premium, if any, to be paid for a local offset project when a certified project is identified; and
- iv. Consult with stakeholders on potential methods to fund alternatives to offsets, including methods involving voter approval.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "

- v. Within the constraints of Proposition 26, return with a set of options to reduce natural gas usage within Palo Alto including electric appliances and streamlined permitting for such appliances, and potential programs to reduce fugitive natural gas emissions both indoor and outdoor; and
- vi. Exclude purchases of natural gas offsets from landfills that receive recyclable organic materials that would be excluded from landfills under best practices."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add at the beginning of the Motion Part B.iii., "prefer local offset projects and."

MOTION AS AMENDED RESTATED: Council Member Wolbach moved, seconded by Vice Mayor Scharff to:

A. Adopt a Resolution that:

- i. Approves the Carbon Neutral Gas Plan, enabling the City to achieve a carbon-neutral gas supply portfolio starting in FY 2018 with a rate impact not to exceed 10¢/therm; and
- ii. Terminates the PaloAltoGreen Gas program established by Resolution 9405; and

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B. Direct Staff to:

- i. Develop an implementation plan for the Carbon Neutral Gas Plan; and
- ii. Minimize cost to achieve carbon reduction within 10¢/therm rate impact cap; and
- iii. Prefer local offset projects and return to Council to determine an acceptable premium, if any, to be paid for a local offset project when a certified project is identified; and
- iv. Consult with stakeholders on potential methods to fund alternatives to offsets, including methods involving voter approval; and
- v. Within the constraints of Proposition 26, Return with a set of options to reduce natural gas usage within Palo Alto including electric appliances and streamlined permitting for such appliances, and potential programs to reduce fugitive natural gas emissions both indoor and outdoor; and
- vi. Exclude purchases of natural gas offsets from landfills that receive recyclable organic materials that would be excluded from landfills under best practices.

MOTION AS AMENDED PASSED: 8-0

9. Approval of an Agreement With the County of Santa Clara With Respect to a Tobacco Retailer Permit Program; and Discussion and Potential Adoption of an Ordinance Amending Chapter 9.14 to Restrict Smoking in Multi-Family Housing.

MOTION: Council Member Kniss moved, seconded by Vice Mayor Scharff to:

- A. Approve an Agreement with the County of Santa Clara relating to the administration and enforcement of a Tobacco Retail Permit Program in the City of Palo Alto; and
- B. Direct Staff to draft an Ordinance amending Chapter 9.14 (Smoking and Tobacco Regulations) of the Palo Alto Municipal Code to establish a Tobacco Retail Permit Program; and
- C. Adopt an Ordinance amending Chapter 9.14 (Smoking and Tobacco Regulations) of the Palo Alto Municipal Code to ban smoking in units in

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multi-unit residences and common areas, and make other minor amendments to smoking restrictions (remove bingo games as places and workplaces exempt from the City's prohibition against smoking in enclosed places).

SUBSTITUTE MOTION: Council Member Holman moved, seconded by Council Member Wolbach to:

- A. Adopt an Ordinance amending Chapter 9.14 (Smoking and Tobacco Regulations) of the Palo Alto Municipal Code to ban smoking in units in multi-unit residences and common areas, and make other minor amendments to smoking restrictions (remove bingo games as places and workplaces exempt from the City's prohibition against smoking in enclosed places); and
- B. Direct Staff to conduct outreach to tobacco retailers and return to Council with options for a Palo Alto Ordinance or adoption of the Santa Clara County Ordinance.

SUBSTITUTE MOTION FAILED: 2-6 Holman, Wolbach yes

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "direct Staff to work with Santa Clara County to remove Santa Clara County Code of Ordinances, Chapter XXIII, Section A 18-370, Subsection (f) 2 from the Palo Alto Ordinance." (New Part C)

MOTION RESTATED: Council Member Kniss moved, seconded by Vice Mayor Scharff to:

- A. Approve an Agreement with the County of Santa Clara relating to the administration and enforcement of a Tobacco Retail Permit Program in the City of Palo Alto; and
- B. Direct Staff to draft an Ordinance amending Chapter 9.14 (Smoking and Tobacco Regulations) of the Palo Alto Municipal Code to establish a Tobacco Retail Permit Program; and
- C. Direct Staff to work with Santa Clara County to remove Santa Clara County Code of Ordinances, Chapter XXIII, Section A 18-370, Subsection (f) 2 from the Palo Alto Ordinance; and
- D. Adopt an Ordinance amending Chapter 9.14 (Smoking and Tobacco Regulations) of the Palo Alto Municipal Code to ban smoking in units in multi-unit residences and common areas, and make other minor

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amendments to smoking restrictions (remove bingo games as places and workplaces exempt from the City's prohibition against smoking in enclosed places).

MOTION SEPARATED FOR THE PURPOSE OF VOTING

MOTION PARTS A-C PASSED: 6-2 Holman, Wolbach no

MOTION PART D PASSED: 8-0

Agenda Item Number 1a- CONFERENCE WITH CITY ATTORNEY... continued to December 12, 2016.

10. Colleagues' Memo Regarding East Palo Alto Water Shortage.

MOTION: Vice Mayor Scharff moved, seconded by Council Member Kniss to refer to the Finance Committee, a discussion of how the City of Palo Alto may help support East Palo Alto through a transfer or sale of a small portion of its Individual Supply Guarantee.

MOTION PASSED: 8-0

Inter-Governmental Legislative Affairs

None.

Council Member Questions, Comments and Announcements

Council Member Holman reported her attendance along with the attendance of Mayor Burt and Council Members DuBois and Wolbach at the 5th Annual Buena Vista Mobile Home Park Posada on Saturday evening. The event was well attended. She announced there will be an opportunity to tour the Squire House this Thursday from 4:00pm through 6:00pm.

Council Member Kniss reported the placement of a new art piece at the Rinconada Library. The piece, A Day in the Life of Recovery, relates to individuals who experience mental health disorders. She is working with Staff to schedule a reception for the work.

James Keene, City Manager announced that a Council Town Hall meeting will take place at Escondido School, Wednesday from 7:00pm to 9:00pm.

Adjournment: The meeting was adjourned at 11:08 P.M.