

# ACTION MINUTES

Special Meeting  
June 18, 2012

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:35 P.M.

Present: Burt, Espinosa, Holman, Klein, Price, Scharff, Schmid arrived @ 5:40 P.M., Shepherd, Yeh arrived @ 6:15 P.M.

Absent:

## Closed Session

### 1. CONFERENCE WITH CITY ATTORNEY

Potential Litigation Relating to the Mitchell Park Library and Community Center Construction  
Government Code Section 54956.9(b)-Significant Exposure to Litigation- 1 Case  
Government Code Section 54956.9(c)-Potential Initiation of Litigation- 1 Case

### 2. CONFERENCE WITH CITY ATTORNEY

Potential Litigation Relating to State Water Project Property Tax Levy  
Government Code Section 54956.9(c) - Potential Initiation of Litigation- 1 Case

### 3. CONFERENCE WITH CITY ATTORNEY

Potential Litigation Relating to High Speed Rail  
Government Code Section 54956.9(c) - Potential Initiation of Litigation - 1 Case

The City Council reconvened from the Closed Sessions at 7:17 P.M. and Mayor Yeh announced no reportable action.

## Consent Calendar

**MOTION:** Vice Mayor Scharff moved, seconded by Council Member Price to approve Agenda Item Nos. 4-9.

4. Finance Committee Recommendation to Accept the Auditor's Office Quarterly Report as of March 31, 2012.
5. Annual Adoption of the City's Investment Policy.
6. Resolution 9258 entitled "Resolution of the Council of the City of Palo Alto Relating to Amendment to Utilities Rate Schedule E-15 (Service Connections) and Rules and Regulations 3, 4, 6, 7, 11, 26 and 27 (General Utility Service, Application for Service, Establishment of Credit, Deposits, Billing Adjustments, Fiber Optics Regulations, and Generating Facilities Interconnections)".
7. Finance Committee Recommendations Regarding Water and Wastewater Rates Policy Issues.
8. Resolution 9259 entitled "Resolution of the Council of the City of Palo Alto Determining the Proposed Calculation of the Appropriations Limit for Fiscal Year 2013".
9. Resolution 9257 entitled "Resolution of the Council of the City of Palo Alto Authorizing the City Manager to File an Application for 2012/2013 Transportation Development Act Funds in the Amount of \$43,359 for Fabian Way Enhanced Bike Lane Improvements Project".

**MOTION PASSED:** 9-0

## Action Items

10. Public Hearing- Fiscal Year 2013 Proposed Budget Review Follow-Up Items- and Proposition 218 Utility Rate Changes; Approval of an Ordinance Adopting the Fiscal Year 2013 Budget, including the Fiscal Year 2013 Capital Improvement Program, and Changes to the Municipal Fee Schedule; Adoption of 10 Resolutions to: 1) Adopt a Dark Fiber Utility Rate Increase and Amend Utility Rate Schedules; 2) Amend Gas Utility Rate Schedules for a Rate Decrease and Amend Utility Rules and Regulations; 3) Adopt a Wastewater Collection Utility Rate Increase and Amend Utility Rate Schedules (Proposition 218 Hearing); 4) Adopt a Water Utility Rate Increase and Amending Utility

Rate Schedules (Proposition 218 Hearing); 5) Amend Storm Drain Utility Rate Schedules for a Rate Increase; 6) Amend Refuse Utility Rate Schedules for a Rate Increase (Proposition 218 Hearing); 7) Amend the 2010-2011 Compensation Plan for Management and Professional and Council Appointees; 8) Amend the 2010-2011 Memorandum of Agreement for the Service Employees International Union (SEIU); 9) Amend the 2010-2014 Compensation Plan for the International Association of Fire Fighters (IAFF); and 10) Amend the 2010-2014 Compensation Plan for the Fire Chiefs' Association (FCA) (Ordinance 1<sup>st</sup> Reading 6-11-12) (Continued from June 11, 2012).

Public Hearing reopened (continued from 6/11/12) at 7:53 P.M.

Public Hearing closed at 9: 12 P.M.

City Clerk, Donna Grider advised there were 24 written wastewater rate protests received.

City Clerk, Donna Grider advised there were 40 written water rate protests received.

City Clerk, Donna Grider advised there were 35 written refuse rate protests received.

Council Member Klein advised he would not be participating in the budget items related to Stanford as his wife is a Stanford faculty member.

Mayor Yeh advised he would not be participating in the budget items related to Stanford as his wife just received her PHD from Stanford University.

Mayor Yeh and Council Member Klein left the meeting at 9:17 P.M.

**MOTION:** Council Member Shepherd moved, seconded by Council Member Holman to approve Staff and the Finance Committee recommendation to adopt the portions of the Police and Fire Department Budgets and CIP relating to Stanford University for the Fiscal Year 2013 and the Ordinance portions related thereto.

**MOTION PASSED:** 7-0 Klein, Yeh abstaining

Mayor Yeh and Council Member Klein returned to the meeting at 9:19 P.M.

**MOTION:** Council Member Klein moved, seconded by Council Member Shepherd to accept Staff and the Finance Committee recommendation to approve:

- A. Budget Amendment Ordinance 5159, which includes:
  - 1. **Exhibit 1:** City Manager's Fiscal Year 2013 Proposed Operating and Capital Budget, previously distributed in the April 30<sup>th</sup> Council Packet.
  - 2. **Exhibit 2:** Amendments to the City Manager's Fiscal Year 2012 Proposed Operating and Capital Budget.
  - 3. **Exhibit 3:** Revised Position Changes and Position Allocation by Department.
  - 4. **Exhibit 4:** Amendments to the Fiscal Year 2013 Proposed Municipal Fee Schedule.
- B. Resolution 9260 entitled "Resolution of the Council of the City of Palo Alto Adopting a Dark Fiber Rate Increase and Amending Utility Rate Schedules EDF-1 and EDF-2".
- C. Resolution 9261 entitled "Resolution of the Council of the City of Palo Alto Amending Gas Utility Rate Schedules G-1, G-2, G-3, G-4, G-10, G-11, and G-12, Repealing Utility Rate Schedule G-6 and Amending Utility Rules and Regulations 2 and 5".
- D. Resolution 9262 entitled "Resolution of the Council of the City of Palo Alto Adopting a Wastewater Collection Rate Increase, Amending Utility Rate Schedules S-1 and S-2 and Adopting New Utility Rate Schedules S-6 and S-7".
- E. Resolution 9263 entitled "Resolution of the Council of the City of Palo Alto Adopting a Water Rate Increase and Amending Utility Rate Schedules W-1, W-2, W-3, W-4, and W-7".
- F. Resolution 9264 entitled "Resolution of the Council of the City of Palo Alto Amending Utility Rate Schedule D-1 (Storm and Surface Water Drainage) to Increase Storm Drain Rates by 2.9 Percent Per Month Per Equivalent Residential Unit for Fiscal Year 2013".
- G. Resolution 9265 entitled "Resolution of the Council of the City of Palo Alto Amending the Utility Rate Schedule R-1 for a Refuse Rate Increase".
- H. Resolution 9266 entitled "Resolution of the Council of the City of Palo Alto Amending the 2010-2011 Compensation Plan for Management and Professional Adopted by Resolution No. 9156 to Add Two New Positions".
- I. Resolution 9267 entitled "Resolution of the Council of the City of Palo Alto Amending the 2010-2011 Memorandum of Agreement for SEIU Personnel, Adopted by Resolution No. 9088 to Add Two New Positions".

- J. Resolution 9268 entitled "Resolution of the Council of the City of Palo Alto Amending the 2010-2014 Compensation Plan for the International Association of Fire Fighters (IAFF) Adopted by Resolution No. 9204 to Properly Record the Top Step Salary for Two Existing Positions".
- K. Resolution 9269 entitled "Resolution of the Council of the City of Palo Alto Amending the 2010-2014 Compensation Plan for the Fire Chiefs' Association (FCA) Adopted by Resolution No. 9234 to Reclassify One Existing Position".

**MOTION PASSED: 9-0**

Council Member Questions, Comments and Announcements

Mayor Yeh asked about concession stands at pools within the city and if it is allowed at the parks.

Director of Community Services, Greg Betts stated that there is a snack shack at several locations within the city that are sometimes operated by sports leagues. The department is looking at having food trucks at several locations during peak times.

Council Member Burt stated that there is a good opportunity for this type of service and it had been listed in the Comprehensive Plan back in 1997-98. It is worth evaluating the small mom and pop type operations or stores again.

Mr. Betts stated the Junior Museum and Zoo recently installed two snack vending machines in the lobby that serves healthy food options.

Council Member Holman asked about the article in the Peace and Justice article regarding a recent vote by the Human Relations Commission. She asked how this should be handled.

City Manager, James Keene stated Staff would take a look at it.

Council Member Holman requested Staff bring to full Council the methodology portion of the Cost of Services study.

Mayor Yeh announced that Council would be reconvening into a Closed Session to continue discussions on Agenda Item Nos. 2-3.

The City Council convened into the Closed Sessions at 10:17 P.M.

The City Council reconvened from the Closed Sessions at 11:30 P.M. and Mayor Yeh advised no reportable action.

Adjournment: The meeting was adjourned at 11:30 P.M.