

# ACTION MINUTES

Special Meeting  
March 5, 2012

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:30 P.M.

Present: Burt, Espinosa, Holman, Klein, Price arrived @ 5:38 P.M.,  
Scharff, Schmid, Shepherd

Absent: Yeh

## CLOSED SESSION

1. CONFERENCE WITH CITY ATTORNEY—POTENTIAL LITIGATION  
Significant Exposure to Litigation Pursuant to Subdivision (b) of  
Section 54956.9 (One Potential Case, as Defendant).  
Communications and Power Industries: Amortization Study
- 1A. CONFERENCE WITH LABOR NEGOTIATORS  
City Designated Representatives: City Manager and his designees  
pursuant to Merit System Rules and Regulations (James Keene,  
Pamela Antil, Dennis Burns, Lalo Perez, Joe Saccio, Sandra Blanch,  
Marcie Scott, Darrell Murray)  
Employee Organization: Palo Alto Police Officers Association (PAPOA)  
Authority: Government Code Section 54957.6(a)
- 1B. CONFERENCE WITH LABOR NEGOTIATORS  
City Designated Representatives: City Manager and his designees  
pursuant to Merit System Rules and Regulations (James Keene,  
Pamela Antil, Dennis Burns, Lalo Perez, Joe Saccio, Sandra Blanch,  
Marcie Scott, Darrell Murray, Alison Neufeld)  
Employee Organization: International Association of Fire Fighters  
(IAFF), Local 1319  
Authority: Government Code Section 54957.6(a)

The City Council reconvened from the Closed Session at 7:00 P.M. and Vice Mayor Scharff advised Agenda Item No. 1 would be continued to a date uncertain, and there was no reportable action for Agenda Item Nos. 1A and 1B.

03/05/2012

## SPECIAL ORDERS OF THE DAY

2. Resolution 9232 entitled "Resolution of the Council of the City of Palo Alto Expressing Appreciation to Kenneth M. Denson Upon His Retirement".

Council Member Espinosa read the Resolution into the record.

**MOTION:** Council Member Espinosa moved, seconded by Council Member Schmid to adopt the Resolution expressing appreciation to Kenneth M. Denson upon his retirement.

**MOTION PASSED:** 8-0 Yeh absent

3. Adopt a Village & Free the Children Community Service Project Presentation by Jordan Middle School Leadership Team.

Jordan Middle School 6<sup>th</sup> grader, Sydney Antil, and teacher Cindy Pappas gave a short overview presentation of the Leadership Team's annual service project – Adopt a Village/Feed the Children. The middle school will be organizing several community events to raise \$5000 by the end of the school year to donate to the Adopt a Village organization to assist a village in Ecuador.

## STUDY SESSION

4. Presentation from SAIC Energy, Environment & Infrastructure Regarding Utilities Department Organizational Assessment.

SAIC has been retained by the City to complete an Organizational Assessment of the Utilities Department. The work is being done by SAIC which is a Fortune 500 company with 41,000 employees in 450 offices worldwide generating \$11.1 billion in revenue in FY11. The approach they are taking to the Scope of Work includes:

1. Completing a Current Needs and Services Assessment
2. Completing an External Needs Assessment
3. Doing a Cost Assessment of the Operations
4. Analyzing Alternative Service Delivery Methods
5. Making Recommendations to the City based on this work

Recent projects where they have completed such assessments include: Brownsville Public Utilities, Texas, Lafayette Utilities Systems, Louisiana and Pasadena Water and Power, Pasadena, California. The approach they take is to look at the Utility from a systems view including starting with the current organizational structure and processes, personnel skills and

capabilities, cost requirements and structure, looking at the culture and then the strategic planning of the organization. One tool they use to do this work is a cultural assessment tool (CAT) which evaluates the current organizational culture. They also use a Workload Forecasting Tool (WFT) to provide a quantitative assessment of workload and staffing. They are currently doing the Situational Analysis work, next they will do the Alternative Service Delivery Methods work and then the Organizational Options work. The project is expected to be completed in late May early June. There will be future presentations to the City Manager, Utility Advisory Commission (UAC) and City Council.

#### CONSENT CALENDAR

**MOTION:** Council Member Burt moved, seconded by Council Member Holman to pull Agenda Item No. 5 to be heard at an undetermined Council date.

**MOTION PASSED:** 8-0 Yeh absent

**MOTION:** Council Member Espinosa moved, seconded by Council Member Price to approve Agenda Item Nos. 6-15.

5. ~~Adoption of a Resolution Approving the City of Palo Alto Annex to the Santa Clara County Annex to the 2010 Association of Bay Area Governments Local Hazard Mitigation Plan "Taming Natural Disasters".~~
6. Approval of Permanent Retention of North California Avenue Safe Routes to School/Traffic Calming Project.
7. Elimination and Defunding of Capital Improvement Program Project PF-12005 (Council Conference Room Renovation); Approval of Capital Improvement Program Project PE-12017 (City Hall First Floor Renovation); Adoption of a Budget Amendment Ordinance 5143 in the Amount of \$189,000; and Approval of a Contract with WMB Architects, Inc. in the Amount of \$178,717 for Design of the City Hall First Floor Renovation Project.
8. Approval of Agreement with County of Santa Clara to provide Point of Dispensing Equipment to the City of Palo Alto to Assist the City's Capacity to Deliver Medicines and Medical Supplies During Large Scale Public Health Emergencies.
9. Budget Amendment Ordinance 5144 in the Amount of \$276,083 to Fund the Purchase of a Street Sweeper; and Approval of a Purchase Order with Owen Equipment Sales in an Amount Not to Exceed \$262,936 for the Purchase of a Street Sweeper (Scheduled Vehicle and

Equipment Replacement Capital Improvement Program Project VR-11000).

10. Approval of a Contract with SCS Field Services in a Not to Exceed Amount of \$158,394 for the First Year to Provide Landfill Gas and Leachate Control Systems Maintenance, Monitoring and Reporting Services and to Exercise the Option of a Second and Third Year of the Contract.
11. Budget Amendment Ordinance 5145 in the Amount of \$100,000 to Fund the Purchase of Automotive Fuel; and Approval of Change Order No. 1 to Purchase Order #4511000918 with Western States Oil for \$100,000 Each Year for an Amount Not to Exceed \$2,976,675 Over the Three-Year Term for the Provision of Automotive Fuel.
12. Approval of a Five Year Contract With ABM Janitorial Services in a Total Not to Exceed Amount of \$3,447,346 to Provide Custodial Services at City Facilities and Approval of Amendment No. Four to Contract c07116703 with C-Way Custodian Services in the Amount of \$135,000 (Current Contractor) to Extend Their Contract by 2.5 Months to Allow the New Contractor Time to Transition Their New Services Into Place.
13. City of Palo Alto Response Letter to Association of Bay Area Governments (ABAG) Regarding One Bay Area Alternative Land Use Scenarios.
14. Approval of a Wastewater Treatment Enterprise Fund Contract with Southwest Construction & Property Management in the Total Amount of \$740,968 for the Facility Repair & Retrofit Project No. 2 at the Regional Water Quality Control Plant – Capital Improvement Program Project WQ-04011.
15. Adoption of (1) Resolution 9233 of Intent and (2) Ordinance to Amend the Contract Between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the City of Palo Alto to Implement California Government Code Section 20475: Different level of Benefits Provided for New Employees, Section 21363.1: 3.0% @ 55 Full Formula, Section 20037: Three Year Final Compensation, and Without Section 20692: Employer Paid Member Contributions for Safety Fire Employees.

**MOTION PASSED:** 8-0 Yeh absent

## ACTION ITEMS

16. Resolution 9234 Amending Section 1801 of the Merit System Rules and Regulations to Adopt a New Memorandum of Agreement (MOU) With the Palo Alto Fire Chiefs Association.

**MOTION:** Council Member Shepherd moved, seconded by Council Member Klein to adopt: 1) the Resolution amending Section 1801 of the Merit System Rules and Regulations, and 2) a new Memorandum of Agreement (MOU) With the Palo Alto Fire Chiefs Association effective March 5, 2012 through June 30, 2014.

**MOTION PASSED:** 8-0 Yeh absent

17. Finance Committee Recommendation to Adopt Two Resolutions Pertaining to the Proposed Palo Alto Clean Local Energy Accessible Now Program, Including the Purchase Prices and Agreements, and to Adopt an Ordinance Amending Two Sections of Chapter 2.30 of the Municipal Code Relating Facilitation of the Clean Local Energy Accessible Now Program.

**MOTION:** Council Member Burt moved, seconded by Council Member Shepherd to adopt: 1) the Resolution 9235:

- a. Approving a standard form power purchase agreement for purchase of local renewable energy;
  - b. Approving an Interconnection Agreement for the interconnection of non-net-metered generators;
  - c. Approving the program eligibility rules and program prices;
  - d. Authorizing the City Manager or designee to pay an additional 0.45 cents per kilowatt-hour (¢/kWh) incentive for solar generators participating in the program;
  - e. Authorizing the City Manager or designee to sign one or more contracts for a maximum output of 5 megawatts (MW) of solar energy; and
  - f. Adopting changes to the previously approved Policies and Design Guidelines;
2. Resolution 9236 approving changes to Utilities Rule and Regulation 27 (Generator Interconnection); and
3. Ordinance amending Sections 2.30.340 and 2.30.360 of Chapter 2.30 of Title 2 the Palo Alto Municipal Code (Contracts and Purchasing Procedures) to incorporate provisions that would facilitate a "feed-in tariff" program.

**MOTION PASSED:** 8-0 Yeh absent

18. Public Hearing: To Consider An Appeal Of An Architectural Review Approval And A Record Of Land Use Action (1) Approving A Mitigated Negative Declaration, And (2) Upholding The Director's Architectural Review Approval Of A Three Story Development Consisting Of 84 Rental Residential Units In 104,971 Square Feet Within The Upper Floors, 50,467 S.F. Ground Floor Research And Development Area, Subterranean And Surface Parking Facilities, And Offsite Improvements, With Two Concessions Under State Housing Density Bonus Law (SB1818) On A 2.5 Acre Parcel At 195 Page Mill Road And 2865 Park Boulevard. Note: Tentative Map application for condominiums has been withdrawn. \* Quasi Judicial (PLNG) Applicant requests this item be continued.

**MOTION:** Council Member Shepherd moved, seconded by Council Member Holman to continue this item to April 16, 2012, at the applicant's request.

**SUBSTITTUTE MOTION:** Council Member Burt moved, seconded by Council Member Schmid to request the applicant to state in writing that they are prepared to move forward and not seek a further continuance for a public hearing. Staff will agendize the item after receiving written statement.

**SUBSTITUTE MOTION PASSED:** 8-0 Yeh absent

19. Request for City Council Authorization to Fund Preliminary Design Review and Environmental Studies of 27 University Avenue.

Council Member Klein advised he would not participate in this item due to his wife being on staff at Stanford University.

**MOTION:** Council Member Shepherd moved, seconded by Council Member Price to authorize \$250,000 from the Intermodal Transit Funds (set aside in the Stanford Medical Center Development Agreement) for the preliminary design review and initial environment review of 27 University Avenue.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to insert after the parenthesis in the original Motion "to be used to develop pedestrian, bicycle and transit connections, as well as, public space design and preliminary design review and initial environmental review of 27 University Avenue and surrounding areas."

**MOTION AS AMENDED PASSED:** 8-0 Yeh absent

## COUNCIL MEMBER QUESTIONS, COMMENTS, AND ANNOUNCEMENTS

Council Member Price reported on attending the Santa Clara Valley Transportation Agency Board Meeting on March 1, 2012, where the discussion focused on the BART extension.

Council Member Holman asked the status of the parking working group and when it is coming to Council.

City Manager, James Keene stated the parking working group is meeting regularly and working with the Professorville neighborhood and the downtown representatives are also meeting regularly. Staff had set June as the deadline for recommendations to come to Council.

Council Member Price asked Staff to bring additional updates on Caltrain and High Speed Rail issues particularly regarding legislation.

Mr. Keene advised Staff would follow-up on this.

Council Member Shepherd asked if Downtown North is part of the Parking Working Group.

Vice Mayor Scharff stated Downtown North is not part of the group.

Mr. Keene stated there is clear acknowledgement that any solution to one area could bleed over into other areas. All areas have to be considered in the solution.

Council Member Holman asked why Downtown North was not included.

Mr. Keene stated he would discuss this with Staff.

ADJOURNMENT: The meeting was adjourned at 10:27 P.M.