

# CITY OF PALO ALTO CITY COUNCIL ACTION MINUTES

Regular Meeting August 17, 2015

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:07 P.M.

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

Absent: Scharff

#### Study Session

 Update on Integrated Parking Strategy for Downtown: Parking Management, Parking Supply and Transportation Demand Management.

#### Special Orders of the Day

- 2. Proclamation Recognizing "Palo Alto Perry" as the Unofficial Goodwill Ambassador of the City of Palo Alto.
- 3. Selection of Applicants to Interview on August 26, 2015 for the Utilities Advisory Commission.

**MOTION:** Council Member Berman moved, seconded by Council Member DuBois to interview all applicants for the Utilities Advisory Commission.

**MOTION PASSED:** 7-1 Kniss no, Scharff absent

#### Agenda Changes, Additions and Deletions

**MOTION:** Vice Mayor Schmid moved, seconded by Mayor Holman to move forward Agenda Item Number 28- Authorization for the Mayor to Sign a Letter Regarding Palo Alto's Position... to be heard concurrently with Agenda

Item Number 24- Proposed Response to the Santa Clara Valley Transportation Authority's (VTA's)...

MOTION PASSED: 8-0 Scharff absent

#### Consent Calendar

MOTION: Council Member DuBois moved, seconded by Council Member Kniss to remove Agenda Item Number 19- Adoption of an Ordinance Amending Section 2.040.160 (City Council Minutes) of Chapter 2.04 (Council Organization and Procedure) of the Palo Alto Municipal Code to Require Action Minutes and a Verbatim Transcript of All Council and Council Standing Committee Meetings, and to direct Staff to bring this Agenda Item back on August 24, 2015 on the Consent Calendar, with the change that the City Clerk will bring Action Minutes to Council for approval.

MOTION PASSED: 8-0 Scharff absent

**MOTION:** Council Member Kniss moved, seconded by Vice Mayor Schmid to approve Agenda Item Numbers 4-18 and 20-21.

- 4. Approval to Award Contract Number C15158600 to Rutherford & Chekene in the Amount of \$129,432 for Identification of Potentially Seismically Vulnerable Buildings and <u>Budget Amendment Ordinance 5337</u> Entitled, "Budget Amendment Ordinance of the Council of the City of Palo Alto Amending the Budget for Fiscal Year 2016 by Transferring \$29,432 From the General Fund Budget Stabilization Reserve to the Planning and Community Environment Department for a Seismic Inventory Study."
- 5. Resolution 9536 Entitled, "Resolution of the Council of the City of Palo Alto Authorizing the City Manager to Execute and Amend as Necessary a New Interconnection Agreement With the Northern California Power Agency and Pacific Gas and Electric Company for Electric Related Transmission Services."
- 6. Policy and Services Committee Recommendation to Accept the Auditor's Office Quarterly Report as of March 31, 2015.

- 7. Policy and Services Committee Recommendation to Accept the City Auditor's Office Fiscal Year 2016 Proposed Work Plan.
- 8. Resolution 9537 Entitled, "Resolution of the Council of the City of Palo Alto Establishing Fiscal Year 2015-16 Property Tax Levy of \$14.77 Per \$100,000 of Secured and \$15.94 Per \$100,000 of Unsecured Assessed Valuations for the City's General Obligation Bond Indebtedness (Measure N Library Projects)."
- 9. Adoption of a Park Improvement Ordinance for the Pilot Batting Cages Project at Former PASCO Site at the Baylands Athletic Center.
- 10. Adoption of a Park Improvement Ordinance for Improvements at Monroe Park.
- 11. Adoption of a Park Improvement Ordinance for the Byxbee Park Hills Interim Park Concepts.
- 12. Approval of Amendment Number One to Contract Number S15155738 With American Reprographics Company, LLC (ARC) for an Archiving and Information Management Solution in a Total Amount Not to Exceed \$433,235.
- 13. Policy and Services Committee Recommendation to Council on Project Safety Net Community Collaborative Update and Recommendation for Next Steps.
- 14. Approval of Amendment Number 4 to Contract Number C10131396 With CDM Smith in the Amount of \$14,500 for a Total Compensation Not to Exceed \$6,363,152 for the El Camino Park Reservoir Project, WS-08002 and the El Camino Park Restoration Project, PE-13016.
- 15. <u>Budget Amendment Ordinance 5338</u> Entitled, "Budget Amendment Ordinance of the Council of the City of Palo Alto Amending the Budget for Fiscal Year 2016 to Increase Revenue Estimates for Grants in the Planning and Community Environment Department by \$37,000 With a Corresponding Increase to the Expenditure Allocation for the Planning and Community Environment Department of \$37,000 in the General Fund."

- 16. Approval and Authorization for the City Manager or His Designee to Execute the Off-Taker Generation Percentage Protection Amendment to the City's Power Purchase Agreement With Iberdrola Renewables, LLC.
- 17. Resolution 9538 Entitled, "Resolution of the City Council of the City of Palo Alto Authorizing the City Manager to Accept a Grant of Funds for Fiscal Year 2016 in the Amount of \$41,053 from the California Department of Alcoholic Beverage Control for Increased Education and Enforcement Efforts."; and Budget Amendment Ordinance 5339 Entitled, "Budget Amendment Ordinance of the Council of the City of Palo Alto Amending the Budget for Fiscal Year 2016 to Increase Revenue Estimates for Increased Education and Enforcement of Overservice/Overconsumption of Alcohol from the State of California Department of Alcoholic Beverage Control (ABC) in The General Fund by \$41,053 With a Corresponding Increase to the Overtime Expenditure Allocation for the Police Department of \$41,053 in the General Fund."
- 18. Utilities Advisory Commission Recommendation to Approve Work Plan to Evaluate and Implement Greenhouse Gas Reduction Strategies by Reducing Natural Gas and Gasoline use Through Electrification.
- 19. Adoption of an Ordinance Amending Section 2.040.160 (City Council Minutes) of Chapter 2.04 (Council Organization and Procedure) of the Palo Alto Municipal Code to Require Action Minutes and a Verbatim Transcript of All Council and Council Standing Committee Meetings, and Delete the Requirement for Sense Minutes.
- 20. Approval and Authorization of the City Manager to Execute a Contract with Lewis & Tibbetts, Inc. and Purchase Related Materials in the Amount of \$4,250,000 for Trenching and Substructure Installation and 10 Percent Contingency of \$425,000 for Related but Unforeseen Work, for a Total Authorized Amount of \$4,675,000.
- 21. Clerical Changes to Ordinance 5326 Amending and Restating Chapter 16.17 of the Palo Alto Municipal Code, California Energy Code, 2013 Edition, and Local Amendments and Related Findings and Repealing Chapter 16.18 of the Palo Alto Municipal Code.

MOTION FOR AGENDA ITEM NUMBERS 4-18 AND 20-21 PASSED: 8-0 Scharff absent

#### Action Items

22. TEFRA HEARING: Regarding Conduit Financing for the Colorado Park Apartments Project Located at 1141 Colorado Avenue, Palo Alto, and Resolution 9540 Entitled, "Resolution of the Council of the City of Palo Alto Approving the Issuance of California Municipal Finance Authority Revenue Bonds in an Aggregate Principal Amount Not to Exceed \$25,000,000 for the Purpose of Financing the Acquisition, Improvement and Equipping Rehabilitation, of an Affordable Multifamily Rental Housing Facility and Certain Other Matters Relating Thereto."

**MOTION:** Council Member Kniss moved, seconded by Mayor Holman to Adopt a Resolution approving the issuance of the bonds by the California Municipal Finance Authority (CMFA) for the benefit of Colorado Park, LP (Borrower).

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

23. PUBLIC HEARING AND PROPOSITION 218 HEARING: Finance Committee Recommendation That the City Council Adopt Two Resolutions: 1) Resolution 9541 Entitled, "Resolution of the Council of the City of Palo Alto Amending Rate Schedules W-1 (General Residential Water Service), W-2 (Water Service From Fire Hydrants), W-3 (Fire Service Connections), W-4 (Residential Master-Metered and General Non-Residential Water Service), and W-7 (Non-Residential Irrigation Water Service) to Increase Water Rates 4% and Add Drought Surcharges; "2) Resolution 9542 Entitled, "Resolution of the Council of the City of Palo Alto Activating Drought Surcharges at the 20% Reduction Level in Response to Mandatory Potable Water Use Restrictions Imposed by the State Water Resources Control Board."

Public Hearing opened and closed without public comment at 8:19 P.M.

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

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- A. Adopt a Resolution amending Rate Schedules: W-1 (General Residential Water Service), W-2 (Water Service from Fire Hydrants), W-3 (Fire Service Connections), W-4 (Residential Master-Metered and General Non-Residential Water Service), and W-7 (Non-Residential Irrigation Water Service) to increase rates 4 percent and add drought surcharges effective September 1, 2015; and
- B. Adopt a Resolution activating the drought surcharges at the 20 percent reduction level effective September 1, 2015.

#### **MOTION PASSED:** 8-0 Scharff absent

- 24. Proposed Response to the Santa Clara Valley Transportation Authority's (VTA's) "Call for Projects" for Inclusion in the Countywide Long-Range Transportation Plan (VTP 2040) & Discussion of the Potential Envision Silicon Valley 2016 Transportation Tax Measure.
- 28. Authorization for the Mayor to Sign a Letter Regarding Palo Alto's Position on New Funding for State and Local Transportation Infrastructure.

**MOTION:** Council Member Kniss moved, seconded by Council Member Wolbach to move Agenda Item Number 25- Adoption of a Resolution Amending the Affordable Housing Guidelines to Permit Use of the Commercial Housing Fund for Preservation of Existing Units forward to be heard now.

#### **MOTION PASSED:** 8-0 Scharff absent

25. <u>Resolution 9539</u> Entitled, "Resolution of the Council of the City of Palo Alto Amending and Updating the Housing Reserve Guidelines as the Affordable Housing Fund Guidelines."

**MOTION:** Council Member Berman moved, seconded by Council Member Wolbach to adopt a Resolution amending the City's Affordable Housing Guidelines to allow the Commercial Housing Fund to be used to support the preservation of existing housing as well as construction of new affordable housing including changes provided in the At Place Memorandum from Staff.

MOTION PASSED: 8-0 Scharff absent

Agenda Item Numbers 24 and 28 continued at this point in the meeting.

24. Proposed Response to the Santa Clara Valley Transportation Authority's (VTA's) "Call for Projects" for Inclusion in the Countywide Long-Range Transportation Plan (VTP 2040) & Discussion of the Potential Envision Silicon Valley 2016 Transportation Tax Measure.

28. Authorization for the Mayor to Sign a Letter Regarding Palo Alto's Position on New Funding for State and Local Transportation Infrastructure.

**MOTION:** Vice Mayor Schmid moved, seconded by Council Member Kniss to authorize the Mayor to sign onto a joint letter to the Santa Clara Valley Transportation Authority (VTA) from up to eleven North County and West Valley cities.

MOTION PASSED: 8-0 Scharff absent

**MOTION:** Council Member DuBois moved, seconded by Council Member Kniss to authorize the Mayor to sign a letter regarding the City of Palo Alto's position on new funding for state and local transportation infrastructure.

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

**MOTION:** Vice Mayor Schmid moved, seconded by Council Member Kniss to authorize a response to the VTA "Call for Projects" consisting of the lists of proposed transportation projects and come back after Council discussions of the Comprehensive Plan Update on the Transportation Element to further prioritize projects.

**AMENDMENT:** Council Member Wolbach moved, seconded by Council Member DuBois to highlight four priorities in descending order of priority:

A. Dedicated funding for Caltrain grade separations in Palo Alto or North Santa Clara County and other Caltrain capacity improvements; and

B. Bicycle and pedestrian improvements; and

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C. Better first and last mile service particularly in North Santa Clara County; and

D. Support VTA's plan to support transportation management associations and other transportation demand management measures.

INCORPORATED INTO THE AMENDMENT WITH THE CONSENT OF THE MAKER AND SECONDER to remove from the Amendment, "in descending order of priority."

**AMENDMENT TO THE AMENDMENT:** Council Member Burt moved, seconded by Mayor Holman to add to the Amendment, "The VTA prioritization process should support proportional support for workers and their needs to reach their employment locations."

**AMENDMENT TO THE AMENDMENT FAILED:** 4-4 Berman, Filseth, DuBois, Kniss no, Scharff absent

INCORPORATED INTO THE AMENDMENT WITH THE CONSENT OF THE MAKER AND SECONDER to remove from the Amendment in Part A, "or North Santa Clara County."

INCORPORATED INTO THE AMENDMENT WITH THE CONSENT OF THE MAKER AND SECONDER to remove from the Amendment in Part C, "particularly in North Santa Clara County."

**AMENDMENT TO THE AMENDMENT:** Mayor Holman moved, seconded by Council Member XX to add to the Amendment, "Include projects not included in Sections A-D."

#### AMENDMENT TO THE AMENDMENT WITHDRAWN BY THE MAKER

**AMENDMENT AS AMENDED PASSED:** 5-3 Filseth, Kniss, Schmid, No, Scharff absent

MOTION AS AMENDED PASSED: 8-0 Scharff absent

26. Discussion of Possible Adjustments to the Comprehensive Plan Update Community Advisory Committee (CAC).

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Council Member Kniss left the meeting at 12:00 A.M.

**MOTION:** Council Member DuBois moved, seconded by Council Member Burt:

- A. For Council to directly appoint five Citizen Advisory Committee for the Comprehensive Plan Update (CAC) Members, using criteria specifically focused on increased involvement of more neighborhoods south of Oregon Expressway, with a focus on neighborhood association involvement. Anyone can apply, using the previous application form. Timeline proposes accepting applications through August 25, with voting by Council in two weeks based on the written applications, so that new members are seated as quickly as possible; and
- B. To direct Staff to re-evaluate the schedule and propose an extended timeline; and
- C. To add a process for four CAC Members to submit a minority opinion if they desire; and
- D. The CAC meetings will have written minutes and video recordings.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion at the end of Part A, sentence one "greater age diversity, and better renter/homeowner balance."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion in Part A, "including" after "neighborhood association involvement."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to remove from the Motion Part A, "association."

**AMENDMENT:** Council Member Wolbach moved, seconded by Council Member XX to remove from the Motion, "including."

AMENDMENT WITHDRAWN BY THE MAKER

**AMENDMENT:** Council Member Wolbach moved, seconded by Council Member XX to replace in the Motion, "For the City Manager" with "For Council."

#### AMENDMENT WITHDRAWN BY THE MAKER

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion at the end of Part B, "including utilization of sub-committees as a part of the Comprehensive Plan Update work, and sub-committee meetings would be noticed and open to the public."

**CALL THE QUESTION:** Vice Mayor Schmid moved, seconded by Mayor Holman to call the question.

CALL THE QUESTION PASSED: 7-0 Kniss, Scharff absent

MOTION AS AMENDED PASSED: 7-0 Kniss, Scharff absent

27. Designation of Voting Delegates and Alternates for the League of California Cities Annual 2015 Conference.

**MOTION:** Vice Mayor Schmid moved, seconded by Council Member Berman to designate Council Member Burt as the Voting Delegate and Council Members DuBois and Wolbach as Alternates for the League of California Cities Annual Conference.

MOTION PASSED: 7-0 Kniss, Scharff absent

#### Inter-Governmental Legislative Affairs

28. Authorization for the Mayor to Sign a Letter Regarding Palo Alto's Position on New Funding for State and Local Transportation Infrastructure.

Council Member Questions, Comments and Announcements

None.

Adjournment: The meeting was adjourned at 1:29 A.M.