

Special Meeting  
December 13, 2010

The City Council of the City of Palo Alto met on this date in the Council Conference Room at 6:02 p.m.

Present: Burt, Espinosa arrived @ 6:20 p.m., Holman, Klein, Price, Scharff, Schmid, Shepherd, Yeh arrived @ 6:30 p.m.

Absent:

CLOSED SESSION

1. 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, Russ Carlsen, Sandra Blanch, Marcie Scott, Darrell Murray)

Employee Organization: Police Managers Association

Authority: Government Code Section 54957.6(a)

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, Russ Carlsen, Sandra Blanch, Marcie Scott, Darrell Murray)

Employee Organization: Palo Alto Police Officers Association

Authority: Government Code Section 54957.6(a)

CONFERENCE WITH LABOR NEGOTIATORS

City Designated Representatives: City Manager and his designees pursuant to Merit System Rules and Regulations (James Keene, Pamela Antil, Lalo Perez, Joe Saccio, Russ Carlsen, Sandra Blanch, Marcie Scott, Darrell Murray)

Unrepresented Employee Group: Management, Professional and Confidential Employees

Authority: Government Code Section 54957.6(a)

#### 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, Russ Carlsen, Sandra Blanch, Marcie Scott, Roger Bloom, Darrell Murray)

Employee Organization: International Association of Fire Fighters, Local 1319

Authority: Government Code Section 54957.6(a)

#### 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, Russ Carlsen, Sandra Blanch, Marcie Scott, Roger Bloom, Darrell Murray)

Employee Organization: Palo Alto Fire Chiefs' Association

Authority: Government Code Section 54957.6(a)

#### CONFERENCE WITH LABOR NEGOTIATORS

City Designated Representatives: City Manager and his designees pursuant to Merit System Rules and Regulations (James Keene, Pamela Antil, Lalo Perez, Joe Saccio, Russ Carlsen, Sandra Blanch, Marcie Scott, Darrell Murray)

Employee Organization: Service Employees International Union, Local 521

Authority: Government Code Section 54957.6(a)

The City Council reconvened from the Closed Session at 7:55 p.m. and Mayor Burt advised no reportable action.

#### SPECIAL ORDERS OF THE DAY

2. Selection of Candidates to be Interviewed for the Library Advisory Commission.

**MOTION:** Vice Mayor Espinosa moved, seconded by Council Member Holman to interview all candidates for the Library Advisory Commission.

**MOTION PASSED:** 7-0 Scharff, Yeh absent

#### CITY MANAGER COMMENTS

City Manager, James Keene spoke on the following topics: 1) Annual Seniors New Year's Eve Day Bash hosted by the Community Services Department; 2) Madeline's Christmas, presented by the Palo Alto Children's Theatre; 3) Metamorphosis: Junior Year, presented by the Palo Alto Children's Theatre; and 4) an update on Eleanor Pardee Park tree removal.

## ORAL COMMUNICATIONS

First Presbyterian Church's Cool Planet Working Group representatives urged the City Council to oppose the Cargill Salt Works project in Redwood City.

Alison Cormack spoke on financial contributions donated to the Friends of the Palo Alto Library.

Wynn Grcich, Hayward, spoke on sewage sludge and anaerobic digestion.

Mark Petersen Perez spoke on Fifth Amendment rights.

Mike Francois spoke on unsafe levels of aluminum in medical vaccines.

## CONSENT CALENDAR

**MOTION:** Council Member Price moved, seconded by Council Member Scharff to pull Agenda Item No. 20 to become Agenda Item No. 18a.

**MOTION:** Council Member Yeh moved, seconded by Council Member Scharff to pull Agenda Item No. 16 to become Agenda Item No. 18b.

Council Member Klein stated he was unaware of a procedure that moved an Action Item to the Consent Calendar.

City Manager, James Keene stated Agenda Item No. 20 was inadvertently placed on the agenda as an Action Item. He indicated it was identified on the Staff Report as a Consent Item.

Acting City Attorney, Donald Larkin stated Agenda Item No. 20 was not a Public Hearing, and there was no prohibition for moving it to the Consent Calendar.

Council Member Klein stated he was bothered by this process. It was his belief the Agenda Item should remain as an Action Item.

Mayor Burt suggested that Agenda Item No. 20 be placed in front of Agenda Item No. 19.

Council Member Klein concurred with Mayor Burt.

Council Member Price stated her preference was to place Agenda Item No. 20 onto the Consent Calendar.

**MOTION PASSED:** 7-2 Klein, Schmid no

**MOTION:** Council Member Klein moved, seconded by Council Member Yeh to pull Agenda Item No. 10 to become Agenda Item No. 18c.

**MOTION:** Vice Mayor Espinosa moved, seconded by Council Member Holman to approve Agenda Item Nos. 3-9, 11-15, 17-18a.

Mark Petersen Perez spoke on Agenda Item No. 3, and his concern for the approval of an hourly Police Management Specialist position.

Omar Chatty spoke on Agenda Item Nos. 18 and 20. He urged the City Council to support legislation that would hold High Speed Rail politicians accountable for their actions by pursuing criminal penalties for misconduct. He urged the Council to plan ahead in bringing BART around the Bay.

Vic Ojakian spoke on Agenda Item No. 20, and the importance of supporting the Santa Clara County Suicide Prevention Plan.

Liz Kniss, Santa Clara County Supervisor, spoke on Agenda Item No. 20. She spoke on the history and significance of the Santa Clara County Suicide Prevention Plan.

Ray Bacchetti spoke on Agenda Item No. 20. He spoke on his support for adopting the 41 Developmental Assets Framework for Youth and Teen Well-Being.

Herb Borock spoke on Agenda Item No. 18a. It was his belief the Agenda Item should not be moved to the Consent Calendar.

3. Resolution 9126 entitled "Resolution of the Council of the City of Palo Alto Requesting Extension of Employment From the CalPERS Board of Administration Pursuant to Government Code 21221(h) for an Hourly Police Management Specialist Working as a Property Evidence Technician" and Resolution 9127 entitled "Resolution of the Council of the City of Palo Alto Hourly Fire Department Management Specialist Working as a Deputy Fire Chief."
4. Approval of the Acceptance of Citizens Options for Public Safety (COPS) Funds in the Amount of \$100,000 and the Approval of \$25,000 in Prior Year's COPS Funds for the Police Chief's Request to Purchase Replacement Firearms, Firearm Instructor Hearing Protection, Replacement Interview Recording System, Encrypted Jump Drives, and Property and Evidence Operational and Security Improvements.
5. Resolution 9128 entitled "Resolution of the Council of the City of Palo Alto Declaring Weeds to be a Nuisance and Setting January 10, 2011 for a Public Hearing for Objections to Proposed Weed Abatement."

6. Approval of Amendment No. Four to Agreement With the Housing Trust of Santa Clara County, Inc. to Provide a Contribution in the Amount of \$100,000 From the Residential Housing Fund for Fiscal Year 2010/11 to be Expended Through Fiscal Year 2014/15.
7. Approval of Agreement With Association of Bay Area Governments for Local Agency Participation in Grant-Funded Bay Area-Wide Trash Capture Demonstration Project.
8. Approval of a Final Map to Create Five Condominium Units on a 6,000 Square Foot Lot at 420 Cambridge Avenue.
9. Adoption of an Ordinance Amending Chapter 16.11 of the Palo Alto Municipal Code Pertaining to Storm Water Pollution Prevention Measures; and Adoption of Resolution 9129 entitled "Resolution of the Council of the City of Palo Alto Amending the Fiscal Year 2011 Municipal Fee Schedule to Reduce Plan Check Fees for Land Development Projects Subject to Palo Alto Municipal Code Chapter 16.11."
- ~~10. Recommendation By the Palo Alto Historic Association to Adopt a Resolution Re-Naming A Public Street in the Vicinity of the 700 Block of Matadero Road as "Packard Court".~~
11. Approval of Record of Land Use Action for Historic Review Application for Minor Revisions to a Previously Approved Project at 661 Bryant Street.
12. Resolution 9130 entitled "Resolution of the Council of the City of Palo Alto Supporting the California Air Resources Board's Leadership in Promoting Clean and Energy Efficient Motor Vehicles, Energy Independence, Zero Emission Technologies and Improved Quality of Life in California."
13. Cancellation of Regular Council Meeting of Monday, December 20, 2010.
14. Ordinance: (1) Ordinance 5107 entitled "Ordinance of the Council of the City of Palo Alto Amending Title 16 of the Palo Alto Municipal Code to Add a New Chapter 16.14 (CA Green Building Standards Code)", and (2) Ordinance 5108 entitled "Ordinance of the Council of the City of Palo Alto Amending Certain Sections of Title 5 (Health and Sanitation), Title 12 (Public Works and Utilities), Title 16 (Building Regulations), and Title 18 (Zoning), and Repealing Chapter 9.06 (Wood Burning Fireplaces and Appliances), to Promote Consistency With State Green Building Standards and Add Criteria for Sustainable

Neighborhood Development." (*First Reading November 8, 2010 – Passed 9-0*)

15. Resolution 9131 entitled "Resolution of the Council of the City of Palo Alto Declaring Results of the Consolidated Special Municipal Election Held on November 2, 2010."
- ~~16. Approval of the Agreement for the Transfer of Renewable Energy Certificates Associated With Project Capacity and Energy of Geothermal Generating Project Number 3 to the Turlock Irrigation District. (*Item continued from 12/06/10 by Staff request*)~~
17. Ordinance 5109 entitled "Ordinance of the Council of the City of Palo Alto Amending the Budget for Fiscal Year 2011 to Accept a Donation in the Amount of \$275,000 From the Palo Alto Library Foundation"; Establish Capital Improvement Program Project Number LB-11000, Furniture and Technology for Library Measure N Projects; and Provide an Appropriation in the Amount of \$275,000 to CIP Project LB-11000.
18. Recommendation from High Speed Rail Committee to Approve Five Potential 2011 State Legislative Initiatives Related to High Speed Rail.
- 18a. (Former No. 20) Recommendation From Policy & Services Committee to Approve the City of Palo Alto Suicide Prevention Policy; Adoption of Two Resolutions: (1) Resolution 9132 entitled "Resolution of the Council of the City of Palo Alto Supporting the Santa Clara County Suicide Prevention Plan"; and (2) Resolution 9133 entitled "Resolution of the Council of the City of Palo Alto Approving the 41 Developmental Assets Framework for Youth and Teen Well-Being."

**MOTION PASSED for Agenda Item Nos. 3-9, 11-15, 17-18a: 9-0**

#### AGENDA CHANGES, ADDITIONS, AND DELETIONS

- 18b. (Former No. 16) Approval of the Agreement for the Transfer of Renewable Energy Certificates Associated With Project Capacity and Energy of Geothermal Generating Project Number 3 to the Turlock Irrigation District. (*Item continued from 12/06/10 by Staff request*)

Council Member Yeh stated there were several outstanding issues in the agreement regarding the transfer of renewable energy certificates.

**MOTION:** Council Member Yeh moved, seconded by Council Member Scharff to: 1) have the Mayor appoint an Ad Hoc Council Committee to review the Agreement for the transfer of Renewable Energy Certificates associated with project capacity and energy of Geothermal Generating Project Number 3 to the Turlock Irrigation District and make

recommendations to the City Manager, and 2) direct the City Manager to sign the agreement pending approval by the Ad Hoc Committee.

Council Member Yeh stated questions remained in the agreement relative to future issues and implications on renewable projects. There was an agreement that Palo Alto entered into in the 1980's. He inquired whether the City would enter into the same agreement today given the terms that were agreed upon at that time. If the agreement moved forward, provisions would be formalized on the renewable certificates.

Council Member Scharff stated Council Member Yeh was the City's liaison to the Northern California Power Authority. He agreed that there were open-ended items in the agreement. An Ad Hoc Committee was the only mechanism that allowed the City to continue to negotiate on the agreement, while gathering information and resolving issues by the end of the year.

Acting City Attorney, Donald Larkin inquired whether the Motion delegated authority for the City Manager to enter into an agreement, subject to recommendations by the Ad Hoc Committee.

Council Member Yeh stated that was correct.

Council Member Schmid inquired whether the deadline was a hard deadline. He inquired what the consequences were on the City Council's decision.

Assistant City Attorney, Grant Kolling stated the agreement was one of several contracts that would affect Palo Alto, in addition to other parties. The agreement was narrow, and focused only on the transfer of rights. He spoke on the original agreement that was established in the 1980's. He was unsure whether other parties would move forward regardless of whether the City Council approved the Staff recommendation.

Council Member Schmid inquired on the risks involved if the City Council postponed the agreement.

Council Member Scharff stated the current agreement did not cover the fact that the City had agreed to indemnify Turlock Irrigation District. The City had transferred all benefits; however, there were still obligations under the contract. He spoke on the complications of the agreement. He suggested fixing the agreement, as much as possible, to ensure that outstanding issues are resolved.

Council Member Holman inquired whether the Motion included direction for the Ad Hoc Committee to address issues described by Council Member Scharff and Council Member Yeh.

Council Member Scharff stated yes; however, not all subjects may be addressed given the short timeframe.

Council Member Yeh stated the subject area would include issues related to the transfer of renewable energy certificates associated with the project capacity, and energy of geothermal generating Project Number 3 to the Turlock Irrigation District.

Council Member Holman inquired whether the Ad Hoc Committee would discuss potential liability issues.

Council Member Yeh stated yes.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to include that the Ad Hoc Committee would review the transfer of Renewable Energy Certificates associated with project capacity and Energy of Geothermal Generating Project Number 3 to the Turlock Irrigation District and associated liabilities.

**MOTION AS AMENDED PASSED: 9-0**

18c. (Former No. 10) Recommendation By the Palo Alto Historic Association to Adopt a Resolution Re-Naming A Public Street in the Vicinity of the 700 Block of Matadero Road as "Packard Court".

Council Member Klein stated the Agenda Item raised concerns on how the City Council renamed parks and streets in the City. He spoke on his concern for renaming a cul-de-sac in tribute to David Packard. He spoke of the many attributes by David Packard, and recommended not renaming the cul-de-sac as Packard Court.

**MOTION:** Council Member Klein moved, seconded by Council Member Scharff to continue this item and refer it to Policy and Services Committee to establish an appropriate naming process for parks and streets.

Council Member Holman stated a challenge that occurred in renaming parks and streets was timing and availability of locations.

Council Member Price inquired whether the Motion expressed the desire to address the process for renaming parks and streets, and reexamine where an appropriate site would be to recognize David Packard.

Council Member Klein stated the Motion did not include locating a street to recognize David Packard. The Motion included examining an appropriate process for renaming places after important people.

**MOTION PASSED: 9-0**



## ACTION ITEMS

### 19. Recommendation From Policy & Services Committee Regarding Process for City Council Priorities and City Council Retreat.

Council Member Yeh stated there was agreement among the Policy and Services Committee members to transition the Council priorities to two year terms. The Policy and Services Committee recommended an interim three year cycle to have the priority cycle coincide with the new Council election schedule. He spoke on the Policy and Services Committee recommendation to adopt core principles. Core principles were underlying values and beliefs that the City Council would highlight and identify. The core principles would help inform the decision of potential Staff members, and future Council Members, on what it meant to serve the City. He spoke on the suggested process discussed by the Policy and Services Committee. He spoke on the goal for the use of the word strategic initiatives, instead of the word priorities. During the First Quarter of 2011, Staff would work with the Policy and Services Committee to identify three qualitative deliverables for each strategic initiative. The deliverables would then be outlined further into a Workplan to assist in executing the deliverables identified. Following the adoption of the City budget in Fiscal Year 2012, and at the start of the new Fiscal Year after July 1, the Policy and Services Committee would perform a post mortem review. He spoke on the six proposed recommendations by the Policy and Services Committee.

Council Member Klein inquired what the issue was that the Policy and Services Committee was trying to resolve.

Council Member Yeh stated there were large issues facing the City, and the Policy and Services Committee was a sounding board for those issues. There was currently no process on what the Policy and Services Committee should study. Goals included helping prioritize the Workplan, and to work with Staff to identify what should ultimately be achieved.

Mayor Burt understood the purpose of the recommendation as giving a systematic framework to the Policy and Services Committee to produce a Workplan that tied into the Council priorities.

Council Member Klein understood the purpose of the recommendation as being more extensive than Mayor Burt's statement. He expressed his concern for the use of the words deliverables, core principles, and strategic initiatives. He stated citizens had a difficult time understanding what Council priorities were.

Council Member Shepherd spoke on the use of the word strategic initiatives as a replacement for the word priorities. It was her belief that strategic initiatives should have a starting, middle, and ending point with deliverables.

The Policy and Services Committee tried to identify deliverables for all Council priorities. The recommendation would allow Staff to make strategic initiatives, from Council priorities, which would become part of the systematic change to modernize the way City government ran. She suggested that the Policy and Services Committee reach out to the community to see whether it would create an added value to the Council priorities. She spoke on the setback of not featuring three of the five Council priorities until late in the year, and felt a better mechanism should be in place.

Council Member Price stated it would have been helpful to have a systematic procedure in place so the Policy and Services Committee could discuss items in a methodical and comprehensive way. She believed the effort was to have a relationship between the Council priorities and Staff's Workplan. A conversation, on the City's core values, should be discussed because many Council priorities and policy issues related to where the City was going. The City Council and community members had a range of views on where the City was going, and how to achieve goals.

City Manager, James Keene stated the Policy and Services Committee recommendations were a number of proposals put together in a year-end series of recommendations. The Council previously approved moving to a two year process, and sent the topic back to the Policy and Services Committee to discuss when it should commence. He spoke on the problems associated with the annual priority setting process. A two year Council priority cycle would allow an associated Workplan to be developed. He disagreed with Recommendation No. 4 – to identify, if time permits, at the upcoming Council retreat, potential 2011 action steps that the City could take in 2011 pertaining to (3 of the 5 Council priorities): a) City Finances; b) Environmental Sustainability; and c) Land Use and Transportation. It was his belief that all five Council priorities should be looked into. He disagreed with Recommendation No. 5 – that the Council concur that during the first Quarter of 2011 the Policy and Services Committee review the action steps identified in Recommendation No. 4, and identify any additional or new projects that may impact the City budget and should be included in the Workplan in support of Council priorities; to finish that work for forwarding to Council by April 1, parallel to the City Manager proposed Budget submission to Council; and to allow more direct consideration of the strategic Workplan as part of the Budget. He disagreed with Recommendation No. 6 - after adoption of the City's annual Budget the Policy and Services Committee conduct a post mortem review and discussion related to City budget issues. This review may surface issues that the Policy and Services Committee may add to its own Workplan. He stated Recommendation No. 6 dealt with how the Policy and Services Committee structured its own Workplan for the year. He spoke on an option to recommend that the 2011 Policy and Services Committee discuss this Agenda Item and return with a recommendation, or defer this conversation

to the Council retreat. Staff's goal was to create a clear sense of what the City Council desired to achieve at the beginning of the year, rather than halfway through the year, and to create a corresponding Workplan.

Council Member Klein inquired whether the Policy and Services Committee gave any thought to abolishing the Finance Committee and the Policy and Services Committee to allow the full City Council to discuss issues jointly.

Council Member Price stated no.

Council Member Holman stated the Policy and Services Committee sought to establish an expanded and more relevant role. She spoke on inconsistencies seen in various City documents pertaining to the City's core message. She indicated the City had no clearly defined mission or core principle. She believed a City-wide core principle should be established to measure where the City was and where it was headed. She spoke on the importance of conducting a post mortem subsequent to the passing of the City's budget.

Council Member Scharff spoke on his confusion between a core principle and a strategic initiative. Having a deliverable for each did not make sense. He spoke on his concern for adding more responsibility to the Policy and Services Committee, as he felt they were overworked. He supported the recommendation to refer the Agenda Item back to the 2011 Policy and Services Committee in January.

Mayor Burt concurred with Council Member Scharff's concern on the workload of the Policy and Services Committee. He acknowledged the learning curve, for three of the four members, as they were new members to the City Council. It was his belief some concepts were worth considering; however, he felt there was a contradiction between Recommendation No. 1 - the Council adopt a three year priority cycle with the current five Council priorities. The effective start date for this cycle is January 1, 2010 and the cycle would terminate on December 31, 2012. Beginning in January 2013, the Council would then transition to the standard 2-year cycle - and Recommendation No. 2 - that the Council consider defining, at the upcoming Council retreat, core guiding principles that would exist on an ongoing basis.

**MOTION:** Mayor Burt moved, seconded by Council Member Scharff to: 1) continue the current Council priorities for an additional year; 2) discuss in concept the guiding principles at the upcoming retreat, and 3) refer to P&S the consideration of the separation of the guiding principles and the Council priorities which could be considered at the retreat in 2012.

Council Member Schmid stated the Motion lost what was most valuable in the recommendation. He felt the Policy and Services Committee's recommendation made a critical distinction between a core principle and a strategic initiative.

Council Member Holman stated there was confusion in the Motion, due to the new terminology. She spoke on the challenges the new Council Members faced sitting on the Policy and Services Committee.

Vice Mayor Espinosa thanked the Policy and Services Committee for their hard work. There were many aspects of the Agenda Item, and agreed with the recommendation for a multiyear Workplan. It was his belief the City Council was not ready to move forward on the new vocabulary.

**AMENDMENT:** Council Member Shepherd moved, seconded by Council Member XXX to: 1) have the new Mayor and Vice Mayor work with the City Manager to prepare the core principles framed similar to a mission statement, 2) discuss them at the retreat in January 2011, and 3) define the difference between core principles and strategic initiatives/priorities.

#### **AMENDMENT FAILED FOR LACK OF SECOND**

Council Member Klein stated he would be voting against the Motion. It was his belief more work should be done on the Workplan. He was not supportive of a post mortem review of the budget or the new vocabulary. He felt any action moving forward should be clearly understood by citizens.

Council Member Price stated a clear discussion on the new vocabulary was essential. She supported the basic principles of the recommendations.

Mayor Burt stated the Motion left open, for future determination, what the nomenclature would be on the definition of the new vocabulary.

Council Member Shepherd inquired what was planned for the Council retreat regarding the Agenda Item.

Mayor Burt stated the priorities would continue on a two year cycle. The Council retreat could encompass a discussion on the concepts of guiding principles; however, the intention was not to adopt what those guiding principles would be.

Mr. Keene stated a portion of the Council retreat would be dedicated to familiarizing the City Council on the new vocabulary, and potentially refining it.

Vice Mayor Espinosa suggested the Council retreat include an hour dedicated to the new vocabulary, and to have the discussion return to the Policy and Services Committee for further consideration.

**MOTION PASSED:** 6-3 Holman, Klein, Schmid no

**MOTION:** Council Member Klein moved, seconded by Council Member Shepherd to continue the rest of the items in the report listed below and refer them back to the 2011 P&S Committee:

- To direct Staff to explore the use of a professional services firm with expertise in facilitating the 2011 City Council annual retreat(if core principles are a focus of retreat);
- Identify if time permits at the upcoming City Council retreat, potential 2011 action steps that the City could take in 2011 pertaining to (3 of the 5 Council priorities) City Finances, Environmental sustainability, and Land use and transportation;
- The City Council concur that during the first quarter of 2011 the Committee would review the action steps identified and identify any additional or new projects that may impact the City budget and should be included in the City work plan in support of Council priorities; to finish that work for forwarding to Council by April 1, parallel to the City Manager proposed budget submission to Council; and to allow more direct consideration of the strategic work plan as part of the budget;
- After adoption of the City annual budget, the committee would conduct a post mortem review and discussion related to City budget issues. This review may surface issues Policy and Services may add to its own work plan of policy and service review and have an impact on the priorities, strategic initiatives;

**AMENDMENT:** Vice Mayor Espinosa moved, seconded by Council Member Klein to direct Staff to explore the use of a professional services firm with expertise in facilitating the 2011 City Council annual retreat with a cost not to exceed amount of \$3,000.

Council Member Shepherd inquired whether \$3,000 would be a sufficient amount for the preparation work involved.

Mr. Keene stated funding depended on the design of the Council retreat, which was unknown at this time. He stated \$3,000 was in the low-priced range. He suggested seeking someone within the community to help facilitate the Council retreat.

Council Member Shepherd and Council Member Scharff both agreed on a \$5,000 expenditure cap.

Council Member Klein concurred on a \$5,000 expenditure cap. He spoke on facilitators who worked well, and others who had not.

Council Member Yeh agreed with Council Member Klein, and supported community volunteer facilitators.

**INCORPORATED INTO THE AMENDMENT WITH THE CONSENT OF THE MAKER AND SECONDER** to have the cost not to exceed amount of \$5,000.

Council Member Holman stated she did not support the expenditure of \$5,000.

**AMENDMENT:** Council Member Holman moved, seconded by Council Member Scharff to explore the use of a professional services firm with expertise in facilitating the 2011 City Council annual retreat with a cost not to exceed amount of \$3,000.

**AMENDMENT PASSED:** 6-3 Espinosa, Schmid, Shepherd, no

**MOTION AS AMENDED RESTATED:** 1) To explore the use of a professional services firm with expertise in facilitating the 2011 City Council annual retreat with a cost not to exceed amount of \$3,000, and 2) To continue and refer back to the 2011 P&S Committee:

- Identify if time permits at the upcoming City Council retreat, potential 2011 action steps that the City could take in 2011 pertaining to (3 of the 5 Council priorities) City Finances, Environmental sustainability, and Land use and transportation;

- The City Council concur that during the first quarter of 2011 the Committee would review the action steps identified and identify any additional or new projects that may impact the City budget and should be included in the City work plan in support of Council priorities; to finish that work for forwarding to Council by April,1, parallel to the City Manager proposed budget submission to Council; and to allow more direct consideration of the strategic work plan as part of the budget;

- After adoption of the City annual budget, the committee would conduct a post mortem review and discussion related to City budget issues. This review may surface issues Policy and Services may add to its own work plan of policy and service review and have an impact on the priorities, strategic initiatives.

**MOTION AS AMENDED PASSED:** 9-0

Council Member Schmid stated the distinction between priorities, principles, and strategic initiatives were critical. He recommended that the Policy and Services Committee hold a discussion on how to adjust base resources to meet new challenges.

~~20. Recommendation From Policy & Services Committee to Approve the City of Palo Alto Suicide Prevention Policy; Adoption of Two Resolutions: (1) Resolution Supporting the Santa Clara County Suicide Prevention Plan; and (2) Resolution Approving the 41 Developmental Assets Framework for Youth and Teen Well-Being.~~

21. City Council Year in Review.

City Manager, James Keene presented a PowerPoint that linked the Council priorities to the accomplishments achieved in 2010. The year commenced with unprecedented challenges, and ended stronger than it began. He spoke on the 2009 conditions that lead up to the challenges seen in 2010, and the City Council's direction for dealing with issues and planning for the future. He shared findings from the annual Service Efforts and Accomplishments Survey (SEA) results, stating Palo Alto ranked in public trust above benchmarked communities. In 2010, the City Council balanced the budget, cut costs, made progress on labor reform and moral issues between labor and management, lead on High Speed Rail, improved relationships with Stanford, developed more planning for the future, enhanced civic outreach and communication, and set deadlines and met them. He highlighted the accomplishments seen in regards to the Council priorities: City finances, land use and transportation planning, environmental sustainability, emergency preparedness, and community collaboration for youth well-being. He spoke on building on the accomplishments made in 2010 to create a stronger future.

Vice Mayor Espinosa expressed his appreciation toward Mr. Keene, and Staff for their work on what had been accomplished this year.

Council Member Scharff expressed his appreciation toward his colleagues, Mr. Keene, and Staff.

Council Member Shepherd stated the response that Project Safety Net received from the public was impressive.

Council Member Holman expressed her appreciation toward her colleagues and Staff.

Council Member Schmid expressed his appreciation toward Staff during the budget process.

Council Member Yeh expressed his gratitude toward his colleagues, Mr. Keene, and Staff.

Council Member Price expressed her appreciation toward her colleagues and Staff.

Mayor Burt stated he enjoyed working with his colleagues, Staff, and the community. The year commenced with major challenges which were taken on by the City Council and Staff. The year ended with strong accomplishments, and goals set were largely achieved. Over the last two years, with a reduction of 60 Staff positions, the City had become leaner and more efficient. A challenge for the City Council, moving forward, was to work closely with Staff to generate reasonable goals for the coming year. He spoke on the participation and commitment from community members in achieving accomplishments this year.

#### COUNCIL MEMBER QUESTIONS, COMMENTS, AND ANNOUNCEMENTS

Council Member Shepherd asked what was going to be coming back to Council and what actions are going to be requested regarding the trees at Eleanor Pardee Park trees.

Assistant City Manager, Pam Antil stated that on January 10, 2011 Staff would be bringing a consolidation of everything they have received from public meetings including information on the landscape design plan, and removal and replacement of some trees.

Council Member Shepherd asked if Council would be making a decision on funding or a decision on the plan.

Ms. Antil stated Council would be making a decision on funding the plan.

ADJOURNMENT: The meeting was adjourned at 11:12 p.m.