

CITY OF PALO ALTO CITY COUNCIL ACTION MINUTES

Special Meeting May 27, 2015

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:37 P.M.

Present: Berman arrived at 7:12 P.M., Burt, DuBois arrived at 8:17 P.M.,

Filseth, Holman, Scharff arrived at 7:57 P.M., Schmid, Wolbach

Absent: Kniss

Palo Alto Youth Council:

Present: Aspegren, Cheng, Chiu, Hristov, Ji, Kemp, Ben Owens, Bryant

Owens, Pujji, Saini, Sales, Sharma, Xie, Yu, Bahl, Keyani,

Olmstead, Phan, Wang

Absent: Krawczyk

Public Art Commission:

Present: Beard Ross, Gordon, Migdal, Miyaji, Taylor, Zelkha

Absent: Olmsted Silverstein

Study Session

1. Joint Study Session with the Palo Alto Youth Council.

2. Joint Study Session with the Public Art Commission.

Special Orders of the Day

3. Appointment of Candidates to the Human Relations Commission.

<u>First Round</u> of voting for three positions on the Human Relations Commission with terms ending April 30, 2018:

Voting For Theresa Chen: Berman, Burt, DuBois, Holman, Scharff,

Schmid, Wolbach

Voting For Anita Gat: Burt

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Voting For Shelly Gordon Gray: DuBois, Holman

Voting For Diane Morin: Berman, Scharff, Wolbach

Voting For Sea Reddy:

Voting For Valerie Stinger: Berman, Burt, Filseth, Holman, Scharff,

Schmid, Wolbach

Voting For Mark Weiss: DuBois, Schmid

Beth Minor, City Clerk announced that Theresa Chen with seven votes and Valerie Stinger with seven votes have both been appointed to the Human Relations Commission.

<u>Second Round</u> of voting for one position on the Human Relations Commission with a term ending April 30, 2018:

Council Member Filseth abstained.

Voting For Shelly Gordon Gray: Burt, DuBois, Holman, Schmid

Voting For Diane Morin: Berman, Scharff, Wolbach

Ms. Minor advised that no candidate received the required five votes.

<u>Third Round</u> of voting for one position on the Human Relations Commission with a term ending April 30, 2018:

Council Member Filseth abstained.

Voting For Shelly Gordon Gray: Burt, DuBois, Holman, Schmid, Wolbach

Voting For Diane Morin: Berman, Scharff

Ms. Minor announced that Shelley Gordon Gray with five votes has been appointed to the Human Relations Commission.

Action Items

4. Resolution 9512 Entitled, "Resolution of the Council of the City of Palo Alto for the Finance Committee Recommendation that Council: (1) Add a 25-Year Contract Term Option in Addition to the Palo Alto Clean Local Energy Accessible Now (CLEAN) Program's Existing 20-Year Contract Term Option; (2) Continue the CLEAN Program for Solar Resources at a Contract Price Reduced from 16.5¢/kWh to the Avoided Cost of the Solar Energy Generated (10.3 ¢/kWh to 10.4 ¢/kWh) with

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a Program Cap of 3 Megawatts; and (3) Expand the CLEAN Program's Eligibility to Non-Solar Renewable Energy Resources with a Program Cap of 3 Megawatts at a Contract Price Equal to the Avoided Cost of the Non-Solar Energy Generated (9.3 ¢/kWh to 9.4 ¢/kWh) (Continued from May 18, 2015)."

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

- A. Adopt a Resolution to make the following changes and amend the CLEAN Program Eligibility Rules and Regulations accordingly:
 - i. Add a 25-Year Contract Term Option in Addition to the CLEAN Program's Existing 20-Year Contract Term Option; and
 - ii. Continue the program for solar at the cost of 16.5 ¢/kWh for 3 MW as previously approved by the Council; and
 - iii. Expand the CLEAN Program to allow non-solar eligible renewable energy resources to participate, and offer such resources as contract price equal to their avoided cost of 9.3 cents per kilowatt-hour (¢/kWh) for a 20-year contract, and 9.4 ¢/kWh for a 25-year contract term, with a program limit of 3 MW; and
 - iv. Council will review a gradual reduction in the future rates of the CLEAN program; Staff will return to the Finance Committee with a recommended, graduated rate reduction plan for subsequent tranches; and
- B. To direct lease income on City owned garages from the CLEAN program to Utilities to offset costs of the program to electric rate payers.

AMENDMENT: Council Member Scharff moved, seconded by Vice Mayor Schmid to replace in the Motion Part A Subsections (ii) and (iii), "3 MW" with "2 MW."

AMENDMENT FAILED: 4-4 Filseth, Holman, Scharff, Schmid yes, Kniss absent

MOTION PASSED: 6-2 Filseth, Scharff no, Kniss absent

MOTION: Council Member Burt moved, seconded by Council Member Wolbach to approve the amended CLEAN Program Power Purchase Agreement (PPA) to implement the recommended changes to the CLEAN Program and delegate authority to the City Manager to make any such additional changes as are approved by the City Attorney's Office, and are otherwise necessary to implement any of the recommended changes identified in this Staff Report that are approved by Council or are otherwise necessary to implement Council's action on this item.

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MOTION PASSED: 8-0 Kniss absent

Adjournment: The meeting was adjourned at 10:48 P.M.