

CITY OF PALO ALTO CITY COUNCIL ACTION MINUTES

Special Meeting May 12, 2014

The City Council of the City of Palo Alto met on this date in the Council Conference Room at 6:00 P.M.

Present: Berman arrived @ 7:30 P.M., Burt, Holman, Klein, Kniss arrived

at 6:10 P.M., Price, Scharff, Schmid, Shepherd

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, Lalo Perez, Joe Saccio, Sandra Blanch, Kathy Shen, Melissa Tronquet, Brenna Rowe, Khashayar Alaee)

Employee Organization: Service Employees International Union,

(SEIU) Local 521; Hourly Unit

Authority: Government Code Section 54957.6(a)

The City Council returned from the Closed Session at 6:31 P.M.

Special Orders of the Day

- 2. Community Partner Presentation by Stanford Arts.
- 3. Proclamation National Police Week.
- 4. Appointment of Candidates to the Public Art Commission and the Planning and Transportation Commission.

City Clerk, Donna Grider, announced that Jim Migdal with 5 votes, was appointed to the Public Art Commission for three years, with the term ending on April 30, 2017.

City Clerk, Donna Grider, announced that Eric Rosenblum with 9 votes, was appointed to the Planning and Transportation Commission for the term ending on October 31, 2017.

City Clerk, Donna Grider, announced that Przemek Gardias with 5 votes, was appointed to the Planning and Transportation Commission for the term ending on October 31, 2016.

Consent Calendar

MOTION: Vice Mayor Kniss moved, seconded by Council Member Holman to approve Agenda Item Numbers 5-6.

- 5. Approval of Second Contract Amendment to Contract No. S13149754, for Labor Negotiations Services with Renne Sloan Holtzman Sakai LLC to add \$90,000 for a Total Amount not to Exceed \$180,000 and Extend the Contract Term by One Year.
- 6. Policy & Services Committee Recommends Adoption of an Ordinance for the Use of Online or Electronic Filing of Campaign Statements.

MOTION PASSED: 9-0

Action Items

Mayor Shepherd advised she would not participate in this Agenda Item because her husband has an office in Downtown Palo Alto.

7. PUBLIC HEARING: to Hear Objections to the Levy of Proposed Assessments on the Palo Alto Downtown Business Improvement District and Adoption of a Resolution 9412 entitled "Resolution of the Council of the City of Palo Alto Confirming the Report of the Advisory Board and Levying Assessment for Fiscal Year 2015 on the Downtown Palo Alto Business Improvement District."

MOTION: Vice Mayor Kniss moved, seconded by Council Member Scharff to adopt the Resolution confirming the report of the Advisory Board and to levy an assessment for Fiscal Year 2015 on the Downtown Palo Alto Business Improvement District.

MOTION PASSED: 8-0 Shepherd not participating

8. Information Follow up to Recommendation to Cancel Request for Proposals for Energy/Compost or Export Option Proposals for Food Scraps, Yard Trimmings and Biosolids and Begin Implementing the Organics Facilities Plan, including pursuing use of the Measure E Site for Composting (ITEM WAS CONTINUED BY COUNCIL MOTION ON APRIL 29, 2014 TO MAY 2014).

MOTION: Council Member Scharff moved, seconded by Council Member Klein to:

- a. Cancel the "Energy/Compost Facility or Export Option for Food Scraps, Yard Trimmings, and Biosolids" Request for Proposals (E/CF RFP).
 - b. Immediately reissue a substitute RFP for implementation of Components #2-4 (Anaerobic Digesters; Food Preprocessing; Yard Trimmings Composting) of the Organics Facilities Plan (OFP). The RFP shall express a preference that the relatively flat portion (3.8 acres or less) of the Measure E Site shall be used for Aerobic Composting of Yard trimmings (Component #4). No later than December 2014, Staff shall return to Council with recommendations to commence CEQA work and negotiate a contract(s) with the top-rated proposer(s).
- 2. Begin to pursue the Organics Facilities Plan (OFP) by hiring a Program Management firm. Should there be any differences between the OFP and the Recommendations adopted by Council, the Recommendations shall govern.
- 3. Apply for a State Water Resources Control Board State Revolving Fund (SRF) loan for Component One of the Organics Facilities Plan (OFP).
- 4. Initiate design of Component One of the OFP, Biosolids Dewatering and Truck Haul-Out Facility, including direction to prepare related modifications to the Regional Water Quality Control Plant (RWQCP) partner agency agreements.
- 5. Initiate the answering of predesign questions associated with Component Two, Development of a Thermal Hydrolysis Process Wet Anaerobic Digestion (THP AD) facility, at the RWQCP; Component Three, Food Scrap Preprocessing; and Component Four, Yard Trimmings Processing of the OFP, including the following:
 - a. Determine the local market price for Northern California for green electricity the RWQCP will receive for power generated by the facility;
 - b. Establish the optimum size of the THP AD facility built to accommodate biosolids for a 30-year planning horizon as well as capacity for food scraps, which Palo Alto and any other jurisdiction would commit to bring to the facility;

- c. Establish a list of contributing partner agencies who commit to bring food scraps to the facility;
- d. Initiate a financing plan for Component Two of the OFP;
- e. Determine the appropriate purchasing and project delivery mechanisms that should be utilized to develop the OFP; and
- f. Determine the required CEQA documentation for the Components of the OFP.
- 6. Update the existing timeline and schedule in December, 2014 for all Components of the OFP, and direct Staff to expedite the process to the maximum extent feasible.

SUBSTITUTE MOTION: Council Member Holman moved, seconded by Council Member Schmid to:

- 1. Reject all proposals received in response to the "Energy/Compost Facility or Export Option for Food Scraps, Yard Trimmings, and Biosolids" Request for Proposals (E/CF RFP) process.
- 2. Begin to pursue the Organics Facilities Plan (OFP) by hiring a Program Management firm.
- 3. Apply for a State Water Resources Control Board State Revolving Fund (SRF) loan for Component One of the Organics Facilities Plan (OFP).
- 4. Initiate design of Component One of the OFP, Biosolids Dewatering and Truck Haul-Out Facility, including direction to prepare related modifications to the Regional Water Quality Control Plant (RWQCP) partner agency agreements.
- 5. Initiate predesign of Component Two, Development of a Thermal Hydrolysis Process Wet Anaerobic Digestion (THP AD) facility, at the RWQCP; Component Three, Food Scrap Preprocessing; and Component Four, Yard Trimmings Processing of the OFP, including the following:
 - a. Determine the price of electricity that the RWQCP will receive for power generated by the facility;
 - b. Establish the optimum size of the THP AD facility built to accommodate biosolids for a 30-year planning horizon as well as capacity for food scraps, which Palo Alto and any other jurisdiction would commit to bring to the facility;
 - c. Establish a list of contributing partner agencies who commit to bring food scraps to the facility;
 - d. Finalize a financing plan for Component Two of the OFP;
 - e. Determine the appropriate purchasing and project delivery mechanisms that should be utilized to develop the OFP; and
 - f. Determine the required CEQA documentation for the Components of the OFP.

6. Update the existing timeline and schedule in December, 2014 for all Components of the OFP including next steps for the development of Component Four, Processing of Yard Trimmings, where Staff will seek to identify and pursue technologies to harness the energy and resource potential of yard trimmings that could be located on the relatively flat 3.8-acre portion of the Measure E site or elsewhere.

SUBSTITUTE MOTION FAILED: 2-7 Holman, Schmid yes

MOTION PASSED: 7-2 Holman, Schmid no

Discussion and Council Direction Regarding Potential November 2014
 Charter Amendments Related to Council Seats, Including Term Limits,
 Beginning/End of Council Terms and Annual Reorganization Meeting,
 and Other Matters.

MOTION: Vice Mayor Kniss moved, seconded by Council Member Klein to refer this back to Policy and Services Committee, to consider and recommend any or all of the items listed in the staff report.

AMENDMENT: Council Member Holman moved, seconded by Council Member Burt to eliminate the discussion of election by district and directly elected Mayor.

AMENDMENT PASSED: 8-1 Klein no

MOTION AS AMENDED PASSED: 9-0

MOTION: Mayor Shepherd moved, seconded by Council Member Scharff to move Agenda Item 12 forward to be heard at this time.

MOTION PASSED: 9-0

Inter-Governmental Legislative Affairs

12. Adoption of a Resolution Supporting Proposition 13 Reform.

MOTION: Vice Mayor Kniss moved, seconded by Council Member Schmid to adopt the Resolution providing preliminary support for the Prop 13 reform as it relates to commercial properties; this does not constitute formal support of any particular ballot measure on this issue or related subject, until such a ballot measure is separately reviewed and endorsed by Council.

MOTION PASSED: 8-1 Holman no

10. Policy and Services Committee Recommendation to Council on Moving Agreements with Avenidas and Palo Alto Community Child Care out of the Human Services Resources Allocation Process.

MOTION: Council Member Price moved, seconded by Council Member Klein to direct Staff to separate the funding contracts with Avenidas and Palo Alto Community Child Care (PACCC) from the Human Services Resource Allocation Process (HSRAP) and to contract directly with them.

SUBSTITUTE MOTION: Council Member Holman moved, seconded by Council Member Schmid to keep Avenidas and Palo Alto Community Child Care (PACCC) in the Human Services Resource Allocation Process.

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND **SECONDER** to add the HRC recommendations identified on Packet Page 274; 1) Avenidas and PACCC will be assured that their HSRAP funding will not be cut in order to fund reallocations to other HSRAP grantees, 2) When the Council determines annual adjustments to reflect the increased costs of doing business in the nonprofit sector, Avenidas and PACCC will be assured their proportional shares, 3) When the Council makes an incremental allocation over and above any annual adjustment, the HRC will recommend redistribution of those funds according to its assessment of human service needs at that time. Incremental allocations will be recommended according to a review covering all HSRAP recipients (including Avenidas and PACCC) and new applicants, and 4) In the case of budget reductions set by the Council and staff, Avenidas and PACCC will bear their proportional share, but no more, in the HRC'S recommendations.

SUBSTITUTE MOTION AS AMENDED FAILED: 3-6 Holman, Scharff, Schmid yes

MOTION PASSED: 7-2 Holman, Schmid no

Council continued the following Agenda Item to an uncertain date.

11. Consideration of Finance Committee Referral to the Human Relations Commission Regarding Additional Funding for Human Resource Allocation Process Agencies.

Council Member Questions, Comments and Announcements

None

Adjournment: The meeting was adjourned at 11:40 P.M.