



CITY OF PALO ALTO CITY COUNCIL ACTION MINUTES

Special Meeting
May 12, 2020

The City Council of the City of Palo Alto met on this date via virtual teleconference at 1:04 P.M.

Participating Remotely: Cormack, DuBois, Filseth, Fine, Kniss, Kou, Tanaka

Absent:

Action Items

1. FY 2020/21 Budget Hearing – Council will be discussing the upcoming Fiscal Year Operating and Capital budgets, Utility Rates, and Proposed Municipal Fee Schedule amendments on May 12 and May 13, 2020. This meeting will be continued to May 13, 2020 at 1:00 P.M.
 - A. Fiscal Year 2021 Budget Process Overview and Non-departmental Section.

PARKING LOT: Mayor Fine moved, seconded by Council Member Kou, third by Council Member Cormack, to place in the parking lot an overview of Cubberley finances and impacts of both short-term and long-term tenants.

MOTION: Council Member Tanaka moved, seconded by Vice Mayor DuBois to eliminate the contingency accounts.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "...but leave a \$200,000 Contingency Fund for the City Manager."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "...and maintain the HSRAP Contingency Fund."

MOTION AS AMENDED: Council Member Tanaka moved, seconded by Vice Mayor DuBois to eliminate the contingency accounts, but leave a \$200,000 Contingency Fund for the City Manager, and maintain the HSRAP Contingency Fund.

MOTION AS AMENDED PASSED: 6-1 Kniss no

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PARKING LOT: Council Member Cormack moved, seconded by Council Member Kniss, third by Council Member Tanaka to place in the parking lot the Section 115 Trust Contribution.

MOTION: Mayor Fine moved, seconded by Council Member Cormack to recommend tentative approval of the remaining portions in the Fiscal Year 2021 Operating/Capital Budget for the Non-Departmental Section for City Council consideration on May 26, 2020.

MOTION PASSED: 7-0

- B. General Fund Capital Budget
 - a. General Capital Improvement Plan
 - b. Cubberley Capital Improvement Plan

Council took a break at 3:25 P.M. and returned at 3:35 P.M.

PARKING LOT: Council Member Cormack moved, seconded by Council Member Kniss, third by Vice Mayor DuBois to place in the parking lot the Public Safety Building.

MOTION: Council Member Kniss moved, seconded by Council Member XX to defer construction of Bixby Park, Rinconada, and Fire Station 4.

MOTION WITHDRAWN BY THE MAKER.

MOTION: Vice Mayor DuBois moved, seconded by Council Member Kniss to have Staff return with an analysis of impacts to the General Fund and other funds to accomplish a deferral of \$20 million, and consider allocation of \$5 million to other capital projects with Council Members suggesting projects to Staff.

MOTION WITHDRAWN BY THE MAKER.

MOTION: Council Member Tanaka moved, seconded by Council Member Kou to delay Fire Station 4.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER: to add to the Motion, "...for 1 year."

MOTION AS AMENDED: Council Member Tanaka moved, seconded by Council Member Kou to delay Fire Station 4 for one year.

SECONDER WITHDREW FROM THE MOTION.

MOTION FAILED DUE TO THE LACK OF A SECOND.

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MOTION: Mayor Fine moved, seconded by Council Member Cormack to recommend tentative approval, including a \$7.6 million transfer of the Fiscal Year 2021 General Fund Capital Improvement Plan Budget for City Council consideration on May 26, 2020.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to amend the Motion to state, "...\$5 million transfer of the Fiscal Year 2021 General Fund Capital Improvement Plan Budget..."

MOTION AS AMENDED: Mayor Fine moved, seconded by Council Member Cormack to recommend tentative approval including a \$5 million transfer of the Fiscal Year 2021 General Fund Capital Improvement Plan Budget for City Council consideration on May 26, 2020.

MOTION AS AMENDED FAILED: 3-4 DuBois, Filseth, Kou, Tanaka no

Council took a break at 4:38 P.M. and returned at 4:53 P.M.

MOTION: Mayor Fine moved, seconded by Council Member Cormack to reduce the transfer from the General Fund to the Capital Improvement Fund from \$7.6 million to \$6 million, but reserve the difference for the Budget Stabilization Reserve or pension contributions.

SUBSTITUTE MOTION: Vice Mayor DuBois moved, seconded by Council Member Tanaka to both decrease the transfer from the General Fund transfer to \$5 million to be used in the General Fund and a decrease in the Transient Occupancy Tax transfer to \$5 million with the decrease there being applied to the Pension Fund.

SUBSTITUTE MOTION FAILED: 3-4 Cormack, Filseth, Fine, Kniss, no

MOTION PASSED: 4-3 DuBois, Kou, Tanaka no

- C. Public Safety Services
 - a. Fire
 - b. Emergency Services
 - c. Police

Council took a break at 5:19 P.M. and returned at 5:48 P.M.

PARKING LOT: Council Member Kniss moved, seconded by Council Member Kou, third by Mayor Fine to place in the parking lot Police Department and Fire Department attrition.

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LONG-TERM PARKING LOT: Council Member Tanaka moved, seconded by Mayor Fine, third by Council Member Filseth to direct Staff to place in the long-term parking lot research regarding changing the delivery of services from a dominant fire-oriented model to a dominant medical-oriented model.

PARKING LOT: Vice Mayor DuBois moved, seconded by Council Member Tanaka, third by Council Member Kou to place in the parking lot a revisit to the CIP to pay for Parking Lot items.

MOTION: Vice Mayor DuBois moved, seconded by Mayor Fine to recommend tentative approval of the Fiscal Year 2021 Operating Budgets for the Public Safety Services Departments (Fire, Emergency Services, Police).

MOTION PASSED: 4-3 Kniss, Kou, Tanaka no

Council took a break at 8:52 P.M. and returned at 9:03 P.M.

- D. Community and Library Services Operating Budget
 - a. Community Services
 - b. Approval of the Preliminary Operating Plan and new Municipal Fees for the Junior Museum and Zoo
 - c. Library Services
- 2. ~~Discussion and Direction to Staff Regarding the Establishment of a Pension Funding Policy and Approval of Amendment Number 1 to Contract Number C15159278 to Increase Compensation by \$97,675 for Additional Actuarial Consultant Services for a New Total Not To Exceed Amount of \$230,000.~~ (This item has been continued to May 13, 2020)

Adjournment: The meeting was adjourned at 10:54 P.M.