

Special Meeting
April 4, 2005

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The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:05 p.m.

PRESENT: Beecham, Burch, Cordell, Freeman, Kishimoto, Kleinberg, Mossar, Ojakian

ABSENT: Morton

STUDY SESSION

1. Study Session Emergency Preparedness (Emergency Alerting System)

An update was provided to the City Council on the Community Alerting and Notification System. As part of its overall strategy for citywide Emergency Preparedness placed into operation in 2003, Sheryl Contois, Coordinator of Police Technical Services, Police Chief Lynne Johnson, and Fire Chief Nick Marinaro presented the new strategy for ensuring timely and accurate notifications to the community during an emergency. The new strategy included transitioning responsibility for community notifications to Ms. Contois in the Police Department's Technical Division, who would work closely with the Fire Department and the City's Information Technology Chief Information Officer to accomplish the objectives. The new Plan would also include establishing a Subcommittee on Community Notification, which would include representatives from the community, neighborhood associations, the media, and key City Staff. In addition, a contract with an outside Call Center would be added to the notification tools the City would utilize, and the City would develop a new internal telephone database of emergency contact numbers for the community. Development of the new Plan was currently underway and, when complete, would reside as an Annex in the City's Disaster Plan. As Chair of the Emergency Preparedness Steering Committee, Police Chief Lynne Johnson provided the Council with an update on other Emergency Preparedness activities, which included upcoming local and regional exercises and information on regional terrorism training for City First Responders.

No action required.

ADJOURNMENT: The meeting adjourned at 6:55 p.m.

The City Council of the City of Palo Alto met on this date in the Council Chambers at 7:00 p.m.

PRESENT: Beecham, Burch, Cordell, Freeman, Kishimoto, Kleinberg, Morton, Mossar, Ojakian

ORAL COMMUNICATIONS

Mary Carey Schaefer, 742 DeSoto, spoke regarding her work on a committee formed by past City Manager June Fleming regarding floods and terrorism. She spoke regarding her concerns with handicapped registry and the Emergency Operation Center.

Geri Kennedy, Redwood City, spoke regarding the value of second units.

Nancy Shephard, 1556 Madrono Avenue, spoke regarding the Palo Altans for Government Effectiveness (PAGE) event on April 9, 2005.

Assistant City Manager Emily Harrison referred to the Storm Drain ballot mailing that day and said a Press Release had been issued.

Council Member Cordell noted that Ms. Kennedy, the Redwood City speaker, advised it only took 60 days to receive the permit for her second unit in Redwood City.

Assistant City Manager Emily Harrison spoke regarding the Homer Tunnel.

Public Works Director Glenn Roberts said the tunnel project was in its final stages prior to opening in late April or early May 2005. The total cost of the project was \$5.5 million. Ninety percent was funded through the Palo Alto Medical Foundation (PAMF) Project, the Sheraton Hotel, and major State and Federal Grants. An additional \$500,000 came from City funds.

Director of Planning and Community Environment Steve Emslie said the Homer Tunnel was opened in mid-December 2004, to provide access and encourage foot traffic from the PAMF and Town and Country sites to the Downtown area during the holiday season. The tunnel was designed for shared-use between pedestrians and bicyclists. The project would be monitored and evaluated during its final stages and until the tunnel became fully operable.

APPROVAL OF MINUTES

MOTION: Council Member Morton moved, seconded by Beecham, to approve the minutes of March 7, 2005, as submitted.

MOTION PASSED 9-0

CONSENT CALENDAR

MOTION: Council Member Kishimoto moved, seconded by Freeman, to remove Item No.1 from the Consent Calendar, which would become Item No. 6A.

MOTION: Council Member Kishimoto moved, seconded by Freeman and Cordell, to remove Item No. 4 from the Consent Calendar and set a separate public hearing for April 25, 2005.

MOTION PASSED 5-4, Beecham, Morton, Mossar, Ojakian no.

Council Member Freeman registered a no vote on Item No. 3.

MOTION: Council Member Morton moved, seconded by Mossar, to approve Consent Calendar Item Nos. 2 and 3.

LEGISLATIVE

2. Resolution 8509 entitled "Resolution of the Council of the City of Palo Alto Authorizing the Examination of Sales and Use Tax Records"

ADMINISTRATIVE

3. Approval of a Utilities Enterprise Fund Contract with Advanced Control Systems Inc. in the Amount of \$100,000 for a Turn Key Project to Add an Oracle Database Module to the SCADA System
4. ~~3990 El Camino Real [04-Cup-11]: Request by T-Mobile on Behalf of Toufic Jisser for a Conditional Use Permit to Allow the Installation of a Telecommunications Facility. Zone District: CN. Environmental Assessment: Exempt from the California Environmental Quality Act Per Section 15301~~

MOTION PASSED 9-0 for Item No. 2.

MOTION PASSED 8-1 for Item No. 3, Freeman no.

Council Member Freeman said she was registering a “no” vote on Item No. 3 because she was not convinced the Oracle Database Module needed to be a sole source option. She would like to see the City utilize a more open system of bidding.

PUBLIC HEARINGS

5. Public Hearing: Mayfield DEIR and Development Agreement for the Stanford Research Park/Plans for Playing Fields (*Staff is requesting item to be rescheduled to 04/25/05*)

City Attorney Gary Baum noted Council Members Cordell, Freeman, and Mossar were conflicted on the item.

MOTION: Council Member Morton moved, seconded by Kishimoto, to continue the item to May 2, 2005 for public testimony.

MOTION PASSED 6-0, Cordell, Freeman, Mossar not participating.

REPORTS OF COMMITTEE AND COMMISSIONS

6. From the Finance Committee: Approval of a Contract with Maze & Associates in an Amount Not to Exceed \$387,937 for External Financial Audit Services for the Fiscal Years Ending June 30, 2005 through June 30, 2007

Council Member Ojakian said most major accounting firms ceased doing government audits in early 2000. Four external financial audit firms responded to the City Auditor’s Request for Proposal (RFP). Maze & Associates had the most experience in accomplishing the work required.

MOTION: Council Member Ojakian moved, seconded by Morton, to approve the agreement with Maze & Associates for external audit services for Fiscal Years Ending June 30, 2005 through June 30, 2007 at a total cost not to exceed \$387,937 with an option to continue such services for three subsequent fiscal years contingent on satisfactory performance.

Council Member Kishimoto said she preferred leaving the field open for competition and favored changing auditors periodically to avoid staying in the same comfort zone for extended periods of time.

Council Member Morton said based on staff’s evaluation of all the participants, Maze & Associates was the most knowledgeable of the City’s activities.

Council Member Freeman did not support the recommendation. She said Maze & Associates had been with the City for seven years. It was good practice to periodically change auditing services to avoid potential close relationships between staff and outside auditors.

Vice Mayor Kleinberg said Maze & Associates had the best proposal, the most experience, and the lowest cost. Given the fact the City was faced with financial burdens, it was important to have an auditor who would do the job in the most cost-effective way.

City Auditor Sharon Erickson said the contract was opened to competition from other firms. She supported going with Maze & Associates because the competitive process worked with cost savings.

MOTION PASSED 7-2, Freeman, Kishimoto no.

6A. (Old Item No.1.) Resolutions Adopting Memorandum of Agreement Between the City of Palo Alto and the Palo Alto Fire Chiefs' Association and Adopting Compensation Plan for Palo Alto Fire Chiefs' Association Management Personnel

Council Member Kishimoto said she had difficulty approving a 3 percent increase when the City was facing major budget cuts across the organization. She asked for clarification on the long-term disability (LTD) option.

Risk Manager Sandra Blanch explained the group was part of management and had the option of obtaining LTD through the International Association for Fire Fighters Union (IAFF) and from the City. The City would discontinue paying Long Term Disability (LTD) coverage. The monthly premium was \$40 and disability benefits were \$6,000 per month.

Council Member Kishimoto said the Compensation Plan (Comp Plan) had issues and clauses that needed to be reviewed and she requested an appropriate time for discussion.

City Manager Frank Benest suggested having an overview session prior to entering the next round of Union negotiations. The Council could identify issues and interests and direct staff to deal with those concerns in developing a management proposal.

MOTION: Council Member Kishimoto moved, seconded by Morton, to accept the staff recommendation approving the resolutions amending Section 1801 of the Merit System Rules and Regulations regarding the Memorandum of Agreement between the City of Palo Alto and the Fire Chiefs' Association and
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adopting a Compensation Plan for Fire Chiefs' Association management personnel.

Resolution 8510 entitled "Resolution of the Council of the City of Palo Alto Amending Section 1801 of the Merit System Rules and Regulations Regarding the Memorandum of Agreement Between the City of Palo Alto and the Palo Alto Fire Chiefs' Association"

Resolution 8511 entitled "Resolution of the Council of the City of Palo Alto Adopting a Compensation Plan for Palo Alto Fire Chiefs' Association Management Personnel and Rescinding Resolution No. 8364"

Council Member Freeman asked what impact would there be on the budget if all six employees opted to take advantage of the total benefit package.

Mr. Benest referred to the Resource Impact, page 2 of the staff report (CMR:123:05).

Council Member Freeman asked, in addition to the 3 percent increase, what was the total dollar amount of the benefit package and did Council have legal authority to request an item be changed that was in the contract at that point.

City Attorney Gary Baum said the City could be charged with unfair labor practice if changes were made to the contract.

Mr. Benest said there would be two negative consequences: 1) unfair labor practice charges; and 2) it would undercut the City's labor negotiation practices with the Council as a policy making body and the City Manager as the implementer of the process.

Council Member Freeman asked whether the agreement modifications were approved or directed during Closed Session.

Mr. Benest said staff's recommendation and the economic issues were authorized by the Council and given to staff under Council's authority. Staff was then directed to develop the agreement and return the item to Council for approval. Unfortunately, a problem arose after negotiations in which a significant amount of time was lost between when Council gave staff authority and the return of the item to Council with the full agreement. The City lost its City Attorney Liaison for Human Resources (HR), and the HR Director.

Council Member Freeman said she was pleased the MOA was being
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presented in full for review. She said her "no" vote was not based on lack of confidence in the Fire Department, but based on the City's fiscal situation and items that could be modified to better handle going forward with other larger Union groups without setting a precedence.

International Association of Fire Fighters (IAFF) Union President Tony Spitaleri said firefighters and battalion chiefs had not accepted a raise for one year to help with the City's financial situation. The Battalion Chiefs had gone without a pay increase for 21 months. Battalion Chiefs received the same increases as the firefighters and the same benefit package given to all City managers.

Council Member Mossar said Council had fully participated in the negotiation process and she was concerned about questions being raised at that meeting regarding the outcome of the process. It was important for Council to honor the commitments made in the negotiation process. She supported the contract and the Union employees who had struggled in dealing with the financial issues the City had faced for a number of years.

Council Member Freeman said she was not questioning the wage increase, but questioned the added perquisites all managers received. She was pleased with the City Manager's revised procedure in being able to review other options during the negotiation process.

Mayor Burch clarified once Council put agreements in place they would not be rewritten.

Council Member Kishimoto needed clarification on the response given to Council Member Freeman's question regarding sick leave payout. In 2004, the average total annual cash out for sick leave over the past three years was \$922,841 for 26 employees.

Assistant City Manager Harrison said the response was calculated on a citywide basis. Sick leave was accrued benefits and, therefore, cash out benefits would not impact the budget.

MOTION PASSED 8-1, Freeman no.

COUNCIL COMMENTS, QUESTIONS, AND ANNOUNCEMENTS

Council Member Beecham spoke regarding a brochure from "Yes on Storm Drains" and mentioned they had a website.

Vice Mayor Kleinberg noted there was material in the packet about a cell phone tower issue, and she said there should be an analysis of the citywide

cell phone policy.

Assistant City Manager Emily Harrison replied the City did not have an updated telecommunications policy.

City Manager Frank Benest asked that Council allow staff to review the telecommunications policy.

Vice Mayor Kleinberg recognized the Stanford Women's Synchronized Swimming Team that returned from Florida as National champions.

Council Member Mossar noted the recent newspaper article about the San Francisquito Creek Joint Powers Authority (JPA) considering expanding work to include tidal flooding. That proposal was being discussed by the JPA with the Army Corps of Engineers.

Council Member Freeman reminded everyone that April 10, 2005, was Stanford University Community Day.

Mayor Burch noted he had participated in an event at Stanford on White Plaza recognizing organ transplants and he had presented a proclamation.

Council Member Beecham noted Stanford and Palo Alto had been selected for the Senior Olympics.

Council Member Morton recognized the passing of Pope John Paul II.

ADJOURNMENT: The meeting adjourned at 8:30 p.m.

ATTEST:

APPROVED:

City Clerk

Mayor

NOTE: Sense minutes (synopsis) are prepared in accordance with Palo Alto Municipal Code Sections 2.04.180(a) and (b). The City Council and Standing Committee meeting tapes are made solely for the purpose of facilitating the preparation of the minutes of the meetings. City Council and Standing Committee meeting tapes are recycled 90 days from the date of the meeting. The tapes are available for members of the public to listen to during regular office hours.