

Regular Meeting
February 6, 2012

The City Council of the City of Palo Alto met on this date in the Council Chambers at 7:02 p.m.

Present: Burt, Espinosa, Holman, Klein, Scharff, Schmid, Shepherd, Yeh

Absent: Price

Special Orders of the Day

1. Proclamation Expressing Congratulations to the Palo Alto High School Girls Volleyball Team State Champions for 2010 and 2011.

Council Member Klein said that it was not often to have a championship team and to have one that had repeated was even rarer. He read the Proclamation into the record.

Dave Winn, Head Coach thanked the Council for the opportunity and public honor it presented. He said it was exciting to be in a community where the student athlete is celebrated. Celebrating with the community has been really special. Last year the team thought it had seen the pinnacle and had a tremendous parade and repeating this year meant the world to the team. He thanked the Council for the honor it presented.

Mayor Yeh congratulated the team again and said it had brought much joy to the community and was a source of pride.

Mayor Yeh stated he was very excited about the Palo Alto High School Girls Volleyball Team and the student from Gunn High School who had also distinguished himself. He indicated Mr. Gene Penn was to be congratulated for becoming an Intel Science Talent finalist. He said that it had been fairly

called the Nobel for high school students and that Mr. Penn had distinguished not only himself, but the entire community of Palo Alto. He requested that Mr. Penn and his mother come to the podium and he presented them with a certificate of achievement.

City Manager Comments

City Manager Keene reported: 1) Tuesday, February 7, 2012, at 6:30 p.m. in the Community Room at Lucy Stern Community Center would be an Eleanor Pardee Park community meeting to review the proposed playground and landscape renovations. He said citizens were encouraged to attend and provide input on the renovations. 2) CBSEye on the Bay would feature the Bol Park and the Baylands Nature Preserve on Thursday, February 9, 2012, at 7:00 p.m. on CBS Channel 5 KPIX TV. 3) The City completed installation of 49 new downtown parking banners in January. The banners took advantage of the City's logo and identity to identify downtown parking lots and garages and would help brand the new marketing campaigns. Complementary signage to the banners would be developed and presented to the Architectural Review Board this spring and similar banners would also be presented to California Avenue merchants for their input and consideration. Other parking projects currently underway included a new parking permit management system that would be developed allowing for registration and renewal of parking permits online for both the Downtown and California Avenue business districts. On Thursday, February 9, 2012, the City installed new bicycle parking corrals similar to the one installed last year in front of Coupa Café in four locations in the Downtown area. One in front of Form Fitness on Lytton Avenue and Bryant, another at Sancho's Restaurant on Lytton Avenue, another at the California Pizza Kitchen on Cowper Street and the fourth at All Saints Episcopal Church on Hamilton Avenue. Three standard U-rack bicycle racks would also be installed in front of Phil's Coffee Shop on Lytton Avenue at that time. 4) Showed the Valley Transportation Authority (VTA) video regarding bus rapid transit along El Camino Real. He stated that the video was prepared in December to help provide the public with information regarding the upcoming bus rapid transit project along El Camino Real. The VTA bus rapid transit program helped to implement the peninsula's Grand Boulevard initiative including the City of Palo Alto's completion of the recent El Camino Real and Stanford Avenue intersection improvements. The design of the VTA bus rapid transit project was ongoing and its configuration through Palo Alto was still under consideration. The VTA planned to update the City on the bus rapid transit this spring. Council Member Nancy Shepherd participated on the VTA's Policy Advisory Committee for the project.

Oral Communications

Herb Borock spoke regarding High Speed Rail. He said that last week the House of Representatives Committee on Transportation Infrastructure marked up bill H.R. 7, which was the authorization bill for transportation. The Committee adopted an amendment by Representative Denham of California to prohibit use of funds for California High Speed Rail. He said that the VTA was not on the agenda but that the VTA did a survey and found that it was mainly used and needed by poor people or by people who do not have alternative means of transportation. At the time the VTA created the 522, they called it bus rapid transit. He was unsure which population they are designing bus rapid transit for and expressed interest for it being on a future agenda and open for discussion.

Jeff Brown of 660 Lincoln Avenue, Palo Alto, stated that he had intended to speak in favor of the implementation of the Staff recommendations for Measure E, but realized that he could not stay for that part of the meeting.

Rita Morgin stated that she is a gardener at the Palo Alto Main Community Garden. She expressed concern about the rescheduling of the Council's agenda as to the proposed road through the garden to connect the Art Center and the main library. She stated the road was a bad idea as it does not solve any problem.

Consent Calendar

MOTION: Vice Mayor Scharff moved, seconded by Council Member Espinosa to approve Agenda Item Nos. 2-10.

2. Resolution 9224 entitled "Resolution of the Council of the City of Palo Alto Setting Council Vacation for 2012".
3. Ordinance 5140 entitled "Ordinance of the Council of the City of Palo Alto Approving and Adopting a Plan for Improvement to Juana Briones Park and Authorizing the Addition of a Park Restroom Located Adjacent to Fire Station Number 5 and Clemo Avenue" (*1st Reading January 23, 2012 Passed 9-0*).
4. Ordinance 5142 entitled "Ordinance of the Council of the City of Palo Alto Amending the Fiscal Year 2012 Budget in the Amount of \$825,000 and Approval of a Construction Contract with PAR Electrical Contractors, Inc. in the Amount of \$1,512,636 to Rebuild a Portion of the 60kV Overhead Transmission System".
5. Approval of an agreement for Professional Services with SAIC Energy, Environment & Infrastructure, LLC in the amount of Two Hundred and

Twenty Five Thousand dollars (\$225,000) for an Organizational Assessment of the Palo Alto Utilities Department.

6. Award of Contract with Ross McDonald Company, Inc., in the Amount of \$648,412 for Custom Casework for the Mitchell Park Library and Community Center (CIP PE-09006).
7. Approval of Lease Agreement Between the City of Palo Alto and Ada's Cafe', Inc. for a Portion of the new Mitchell Park Library and Community Center, 3700 Middlefield Road for a Five Year Term with One Five Year Option to Extend.
8. Approve and Authorize the City Manager to Enter into a Memorandum of Understanding with WeCARE (Community Alliance to Reduce Euthanasia).
9. Approval of a Contract with Golder Associates, Inc in the Amount of \$227,136 to Assist with New Sewage Sludge Incinerator Air Regulations at the Regional Water Quality Control Plant.
10. Approval of a Contract with Life Insurance Company of North America for Underwriting of the City's Group Life, Accidental Death and Dismemberment (AD&D), and Long Term Disability Insurance (LTD) Plans for Up to Three Years for a Total Amount Not to Exceed \$597,156 Per Year.

MOTION PASSED: 8-0 Price absent

Agenda Changes, Additions and Deletions

Action Items

11. Approval of Amendment No.1 to Contract C11136602 with Alternative Resources, Inc. in the Amount of \$29,700 for a Total Not to Exceed Amount of \$227,758 for Assistance in Developing a Process and Timeline for Energy/Compost Facility Consideration; Approval of Contract C12143502 with Golder Associates, Inc. in the Amount of \$193,713 for a Total Not to Exceed Amount of \$213,113 for Final Landfill Cap Design and Landfill Capping-Related Services (CIP RF-11001); and Temporary Suspension of Landfill Capping and Compost Termination to Allow for the Establishment of a Process and Timeline for Consideration of an Energy/Compost Facility.

Public Works Director, Mike Sartor said they had a presentation on Staff recommendations regarding the landfill closure and research into energy compost facility as a result of the passage of Measure E in November and also on the composting operation at the landfill.

Assistant Director, Phil Bobel stated that the presentation would begin with a few brief slides. Measure E passed in November 2011 and consequently 10 acres of Byxbee Park immediately adjacent to the water quality plant was undedicated. That was the only technical action that occurred with Measure E. It did not authorize construction of an energy compost facility. The landfill ceased accepting new garbage on July 28, 2011. The Staff expressed pride that there was no more waste being placed in Byxbee Park. Staff members Brad Eggleston, Ron Arp and Chuck Mirror who worked on the project were present and ready to answer questions. He acknowledged them for their work. The earlier portion of Byxbee Park opened in 1991 and the size doubled in 2011. The 5th bullet point on the slide was regarding the compost facility which remains open to date. It was always planned that the compost operation would remain open longer than the landfill in order to make enough compost to mix with soil to create the vegetative layer on top of the cap. The vegetative layer would be made up of primarily native grasses. The Recycling Center closed on February 1, 2012. That was triggered by the landfill situation because the Recycling Center sat on the old portion of the landfill that must be capped. The Recycling Center either had to move or be discontinued. The Staff recommended and the Council decided to discontinue the Recycling Center. That decision was based on the decline in usage of the center because of the robust curbside program and the other numerous alternatives. There was extensive public outreach on the closure of the center through signage and advertisements in the local newspapers. The household hazardous waste facility remained open. The program primarily occurs on the first Saturday of each month or through calls for a mid-week event. He said that the hours would be augmented further. He presented a map of Byxbee Park and stated that the 29 acres in green was the part of the park that had been open since 1991. The part opened in July 2011 was 36 acres and in December 2011 the 7 acre portion opened, more than doubling the size of the park. He stated the trail system would be augmented in the future. The blue portion of the map illustrated the 51 acres of the landfill that had not been capped yet. The 10 acre portion that Measure E had to do with was depicted in red. He pointed out that 10 acres was immediately adjacent to the water quality control plant. He stated that the objectives looking forward were to 1) cap the landfill and open that area to the public for hiking; 2) carefully consider an energy compost facility for the 10 acre site or for some portion of the 10 acre site; and 3) minimize costs. He said that the City must stay in compliance with the many regulatory requirements regarding the landfill's production of methane and leachate. There must be a collection system for both those

materials as well as a method of controlling rain runoff. He said that the challenge of meeting all the demands and goals was illustrated on the next slide. He explained that if the City would completely cap the landfill right away it would substantially increase the cost to construct an energy compost facility in the future. Construction to create a level pad on the 10 acre site would disrupt the completed cap and increase costs to create the pad and recreate the cap. He said that in principle, regulatory agencies want capping to occur quickly to protect the environment and because of this they would consequently pressure Palo Alto to complete the cap quickly. He said that another challenge is that Measure E proponents and some others may believe that the current composting operation should be retained while the City considers the new energy compost facility and others disagree. He stated that the following are guiding concepts that ought to apply in this interim planning period: 1) take actions now which preserve options and maintain flexibility to the extent that is feasible; 2) minimize expenditures while establishing a process and a timeline; and 3) allow the City Council sufficient time to consider things and make decisions. Based on this, Staff recommended a series of things. First, Staff recommended the City Council approve the contract with Alternative Resources, Incorporated (ARI). ARI is the consulting firm that did the feasibility study prior to the election. ARI would help create a timeline and make suggestions based on its experience with other facilities. There would also be a draft timeline brought to the public and then back to the City Council. Secondly, Staff recommended approval of a contract with Golder. He explained there was another contract with Golder in the Consent Calendar on a separate but related issue. This contract with Golder was for the preparation of a cap design document and related tasks. He stated that the approximate contract amount was \$213,000 and explained a portion of that would be to actually prepare the plans and specifications for the cap. Approximately 50% would be to help as the cap was constructed. Golder would help Palo Alto and the construction contractor with the construction process. He said that those first two items are a package and about 70% of the contract related to this work. He explained the City had a closure plan but did not have actual construction documents. The Golder contract would take off where the closure plan ended. It would develop detailed plans and specifications that would be used to go out to bid with for the construction contract. The other 30% of the Golder contract was for environmental testing and regulatory work that must be done regardless of when the facility is capped. There are two old facilities that must be looked at for environment releases and soil contamination; a co-gen facility that existed some years ago and the Recycling Center which closed the prior week. Any contamination must be isolated and identified and a plan must be formulated. Those costs are about 30% of this contract and could go forward immediately regardless of other decisions. Based on this, he said the Staff's recommendation with regard to the Golder contract was to put it in place now but to hold off on

work related to the detailed cap documents, for one year. He explained the reason to put the contract in place now was that there are elements of it that could and should start immediately. He explained the other reason for putting it in the package with the contract is should the City Council decide not to go along with the Staff's recommendation to delay the cap, Staff could have it ready to work on this construction season. He said this kind of a construction project could not be done in the rain, so the plans and specs must be started right now so the bidding could be done and the construction contracts could start in the summer. He said that they gave the City Council the whole contract to have the option of going either way. If Staff had not done this there would have been a delay in coming back to the City Council. He recommended approving the whole contract but only proceeding with C and holding off on A and B. That way everything would be ready so that whenever City Council advised Staff to begin on A and B it could do so immediately. He also recommended temporarily suspending plans to cap the remaining landfill in 2012 but to have Golder ready to develop those construction documents. He said that holding off on developing construction drawings until all decisions were made would save money. He said that the fourth bullet point recommended temporarily suspending plans to close the composting operation for a period of two to four months. Staff would come back to City Council in June 2012 to discuss the composting operation. He explained that the compost was still operating because more compost was needed to mix with soil and create vegetative cover for the cap. The original estimate was that there would be enough material by December 2011, but became apparent that another month or two of composting is necessary. He said that it was hard to estimate the end date as there was a lot of different variables related to how much of this mixture could be produced. He recommended revisiting the issue in June. The fifth recommendation was that following Council acceptance of the ARI recommendations to direct Staff to continue to dialogue with the regulatory agencies. The three principle regulatory agencies are all comfortable with the recommendations Staff made to City Council. He restated that the recommendations were to delay the cap for one year and continue the composting for two to four more months. He said that the timeline that ARI would do is a process timeline which would show the major decision points, give the recommendations on the other work that needed to be done to support decision making and show one or maybe several different possible process scenarios for decision making. Staff would return on June 1, 2012, to obtain City Council's approval or changes on the timeline and for a decision on the composting.

City Manager, James Keene stated the presentation had covered a lot of ground and hoped it had clarified some questions. He noted there were passionate proponents and opponents of this issue. He said there was a simple and straightforward set of issues that were primarily technical and routine, not policy laden. He said that the Staff recommendation was about

moving forward on some of the necessary steps on Measure E. The recommendation also set in place some of the technical work needed to proceed with the cap design and closure of the landfill.

Mayor Yeh thanked the Staff for the presentation and opened the floor to Council questions. He indicated there were several public speakers to the item and that Council comments and potential Motions would be held until after public comment.

Council Member Schmid said that Hargraves did a study of the contours in 2007-2008. He questioned if the City had worked since that time to engineer the contours that were approved in the Hargraves study.

Mr. Bobel said yes.

Council Member Schmid questioned why there was a mystery about the Golder contract which would approve the cover on top of the contours.

Mr. Bobel said there was not a mystery. He said that if Council Member Schmid was questioning why the City was doing it, it was because the construction drawings do not exist. The closure plan needed to be made into construction drawings, plans, and specifications.

Council Member Schmid questioned why there was a year delay. He asked why it could not be done according to the Hargraves study.

Mr. Bobel said that the recommendation was to delay for one year because if the landfill was capped now and the City Council later decided to construct a facility on the 10 acre site it would interrupt that cap.

Council Member Schmid said he assumed that the 10 acre site was clearly outside the boundaries, and that the Golder study would design the other 50 plus acres separately.

Mr. Bobel said it could not be constructed that way. He explained it would not be approved by the regulatory agencies, as they would insist on a fully engineered package.

Vice Mayor Scharff asked if rent was currently being charged for the composting.

Mr. Bobel said yes, but that it was not new rent.

Public Works, Solid Waste Manager, Brad Eggleston stated that was correct. He said that as of the current fiscal year there was no new rent being assessed. The rent currently paid was deferred under the smoothing schedule adopted by Council in the past.

Vice Mayor Scharff said the Staff response indicated long term composting on the site would cost \$58,000 per month. He said that part of that would be rent and part of that would be \$17,000 for additional costs. The total was roughly \$128,000. He asked if those costs would be incurred if composting was extended three to four months.

Mr. Bobel said they did not think so. He said that whether rent was charged was a policy issue. Council could decide to charge rent for those three or four months that goes beyond the values already being paid. Staff did not assume that in its short-term analysis.

Vice Mayor Scharff said the current assumption was that there would not be any additional costs other than the \$45,000.

Mr. Bobel said that for the next few months Staff's assumption was that there would not be new rent.

Vice Mayor Scharff asked if the composting operations would require an additional two months.

Mr. Bobel said that was approximate, but that it was possible only one month would be necessary.

Vice Mayor Scharff asked if Staff could return after three months to request direction on the composting.

Mr. Bobel said yes.

Vice Mayor Scharff asked if the regulatory agencies would allow composting.

Mr. Bobel said that the regulatory agencies would be very concerned about a long term continuation of composting. They were not concerned about continued composting over the next two to four months.

Vice Mayor Scharff asked if composting could continue after four months.

Mr. Bobel said they needed time to discuss the situation further with the regulatory agencies. Staff did not have an answer for Council about how much longer composting could continue.

Council Member Shepherd asked if Staff might return to Council with a plan to keep composting open longer than three to four months.

Mr. Bobel said Staff thought that the main item on the agenda would be this issue of the one year cap extension. He said that Staff would prepare a timeline that showed decision making and would bring that back to Council for a focused meeting on compost.

Council Member Shepherd clarified that Staff had not decided if it would recommend closing composting after enough was accumulated for the vegetative soil.

Mr. Bobel said that was correct.

Council Member Schmid said that a major issue with open windrow composting was the health issue. He said that in the United Kingdom, Europe, Canada, Australia, California, Wisconsin, and New Jersey there has been concern over the health effects of aspergillus farmageddon, otherwise known as compost dust. He said that the consensus of the regulatory agencies was that there must be a buffer zone of between 250 and 500 meters around open window composting. He said that in the last 20 years there had been a buffer zone. Now that there was less of a buffer zone, he questioned if people who used those areas were in a health danger.

Mr. Bobel said that Staff did not believe there was a health danger and stated that the regulatory agencies agreed.

Council Member Schmid said that every regulation he saw stated that this was a health issue. He questioned if there would be a health study.

Mr. Bobel said Staff would do its best to bring back information about possible health issues.

Council Member Schmid said that the best comprehensive study had been done by Cornell Waste Management System. He said that it had done a literature survey across the world and concluded that the regulations had reached consensus that 250 and 500 meters were the right distance.

Council Member Holman said the Golder contract had a projected length of project of 70 weeks. She asked what the possible delay would be in opening phase 2C if the Council decided to follow Staff recommendations.

Mr. Bobel said that if they started right now, got the construction drawings together, went out to bid, chose a contractor and did the construction work in the summer and the fall it would be done at the end of 2012. Shortly after that the park could be open to the public. He explained that if it was delayed by one year, one could just add that full year on and it would open in early 2014 instead of early 2013.

Public Works, Environmental Control Program Manager, Ron Arp said Mr. Bobel's assessment was accurate. He said that if the closure was extended one year, it would correspond to one construction season. The contract would then be extended through early 2014. After construction was completed a certification report containing the test results would be compiled and sent to the regulatory agencies for certification. The regulatory agencies would then provide a letter of certification for the closure and then the City would be able to open the area for public use.

Mr. Bobel said that the choice was really opening to the public in mid-2013 or delaying a year and opening to the public mid-2014.

Council Member Holman asked if there was anything that would cause additional delay.

Mr. Bobel said no. He said that part of the reason for the delay was to allow the City Council to make decisions.

Mr. Keene added that he did not think there was a viable alternative to delay as Measure E passed and analysis would have to be done. He said that Staff believed that this was the best course of action for all perspectives on proceeding with Measure E and for completing and opening up Byxbee Park as soon as possible.

Council Member Espinosa requested clarification on timeline between now and June 2012 with respect to the composting operation. He asked if Staff thought there would be any reason to delay the closure past June 2012.

Mr. Bobel said the main challenge would be the City Council schedule.

Council Member Espinosa asked if there would be additional information provided in the interim that would necessitate not making the decision that evening.

Mr. Bobel said there was not any quantitative information that Staff had planned to get, Council Member Schmid asked about the regulatory issues, so Staff would research that. Staff had assumed there would be other questions raised by the Council or the public. The principle reason for the delay would be so Staff could prepare the timeline.

Council Member Espinosa confirmed the delay was for big picture matters and less about detail or new information beside some regulatory issues that were raised.

Mr. Bobel agreed.

Mayor Yeh asked if there was anything coming back in June 2010 regarding the Golder contract and composting. He asked if part of this review would be to bring back options for composting within Palo Alto more broadly.

Mr. Bobel said that Staff would not look at other possibilities within the City. We said that the Compost Blue Ribbon Task Force did that and found no other viable locations within the City.

Mayor Yeh stated his preference was for home based composting to the extent that it was an option for continued composting within the City. He said that if there were alternatives to operations versus home based, that would be helpful. He said it informed the composting discussion more broadly.

Mr. Bobel stated Staff could bring back information on that. He said it was Staff's recommendation for Council to approve the entire contract.

Stephen Rosenblum of 212 Santa Rita stated he voted for Measure E based on the fact that the facility was to be constructed on that site to allow Palo Alto to become a forefront city in the use of energy and converting waste to energy. He urged moving forward as expeditiously as possible with developing plans for such a facility. He strongly supported the Staff recommendations. He agreed with Mayor Yeh that there would have to be composting past the June 2012 date even if there would not be a central facility. He stated he composted at home, but was unable to compost all of his yard waste. He said that he strongly supported Palo Alto's direction on item.

Enid Pearson said the election was over but the status of Measure E would not be known for several more months. She said there were a large number of landfill issues to be addressed and completed. She said Council's first responsibility and its first guiding principle was to be totally honest with the public. Council should not be tempted or pressured to make Measure E what it had never been. The proponents of Measure E had unrelentingly stated that undedicating the 10 acres of parkland was to study whether an anaerobic digester was feasible or not. She said that the Council needed to assure the public that it would do no more nor less than authorize the study. The landfill operation was closed and Palo Alto already had a plan to execute the proper closure. She said that Staff should be directed to proceed without further delay. Since the windrow compost operation was only an adjunct to the landfill operation, Staff should be directed to end the windrow compost operation. She stated that a windrow operation was not a legal activity on parkland. She reminded Council that once the landfill operation ceased this area became a public park. She said that the public needed to see that the Council understood that this was a park for public use. She urged that the Council not be pressured into taking actions or making pledges or statements that prejudice a valid study. She urged the Council to direct the Staff to complete the park and begin the study process.

Emily Renzel said there were a number of very complicated issues involved with the 10 acres that were undedicated by voters in November 2011. The most significant issue was completion of the remaining park which depended on completion of the landfill closure. Mr. Bobel had indicated that it was possible to fast track the planning for that so that closure could be completed in 2010. That was her preference. She also agreed that it made sense to spend \$29,700 for assistance in developing a process and timeline for the energy compost facility consideration. She said that Measure E required access to the 10 acre site be by Embarcadero Way. That alone had many environmental and engineering ramifications. She said that windrow composting was not lawful park use and should not continue on Byxbee Park without a vote. She said that composting did not generate power so it was not within the exclusive use which Measure E called for on the 10 acres. She stated the Refuse Fund was an Enterprise Fund which was expected to "pay for the direct services they receive from the General Fund including a fair market rent for the land sites used." She said that was CMR 181.95. She stated that arbitrarily adjusting rents for social engineering was a slippery slope. She stated that the City must continue to exercise an arm's length relationship with the Enterprise Funds or it could find itself challenged by any of several taxpayer organizations for circumventing requirements of Proposition 13 and Proposition 218. She said that the Council should adopt a new rent schedule showing accrual of rent until the park was opened. She said that there were major design ramifications for the park and the 10 acre site that will need to be addressed. She said Measure E zealots had claimed

all sorts of interpretations of Measure E that were never presented to voters and that pressure tactics should not obscure their responsibilities as Council Members to run the Enterprise Fund in a fiscally responsible manner. She requested they complete Byxbee Park as expeditiously as possible.

Jon Leeb stated he was the owner of most of the properties along the west side of Embarcadero Way. He expressed concern regarding a facility at the end of the street and the traffic being proposed along Embarcadero Way. He was also concerned about the economic impact on his property. He strongly urged that any sort of studies be done to minimize impact be brought along the street itself to make certain that all guidelines were being followed and that the public would be informed of any issues. Secondly, he stated there was an issue raised about if the sewage sludge from the treatment plant would be treated at this facility. He said that the incinerator worked fine and that there was no odor from the sludge that was being treated. He said that if the sludge would actually be utilized and incorporated as part of the composting he had major concerns over the impact to the neighborhood. He stated the environmental impact report should study that as well.

Walt Hays said that in November 2011 more than 64% of the public expressed a strong mandate for a deeper investigation of the possibility of an energy and compost facility in Palo Alto. He said that the Staff recommendations were the logical and appropriate next step in that process. He said that the goal was to complete a valid study and to keep all options including composting open. In response to Emily Renzel, he said that composting was very specifically mentioned as one of the ways of converting waste in the initiative. He agreed with City Manager Keene that it was hard to see how anybody could object to the Staff recommendations. He stated they did not know what the ARI study would say or if composting would be a part of the whole process of dealing with bio solids, food waste, and yard trimmings. He said that we needed to find out what ARI recommended in the way of an investigation before the option was closed. He questioned what would happen to the equipment if composting was stopped. With respect to smell, he stated that his understanding was that any compost would be done in connection with the digestate from the digester and would be covered. He stated he agreed with the Staff recommendations.

Alice Smith of 4284 Las Palos Circle said she was part of the 64% and was part of the 99%. She said that she was proud of the Staff, and that she had read the Staff Report. She said that the most important thing was to get an anaerobic or logical way to use our own waste in Palo Alto. She stated she also composted at home. She said that some could call her a zealot, but she called herself an enthusiastic resident of Palo Alto. She expressed pride that

the City voted for Measure E and wanted to see it implemented as quickly as possible.

Bob Wenslau of 1409 Dana said the Blue Ribbon Task Force considered the future of composting and recommended both interim and long term solutions. He said that the challenge before them was the single issue of the question of the parkland. He said that the guiding principles were broader than the evening's discussion. He said there was a cohesive vision for this project that would carry us through multiple meetings. He said they wanted to handle all the organic wastes and move forward with some urgency on local green energy. He said that further studies were not needed as there was already a good project before the Council. He said they wanted to maintain existing local composting and the Blue Ribbon Task Force recommended that, but the Council had nixed that plan. The Blue Ribbon Task Force felt local composting was essential to keep cars off the road. He said they wanted to shut down the incinerator because of the greenhouse gasses and the toxins that come through any high temperature process. They wanted the economics to be balanced and asked that it not be reviewed in just one year costs, but over the life cycle of the project. He said that they were confident that the progressive decisions would be very favorable for the City over its life cycle.

Bob Moss said that he disagreed with most of what Bob Wenslau said. He stated that he though it was appropriate to proceed with the fair, completely unbiased, evaluation of the costs of proceeding with a facility on the site. He also agreed that it was worth waiting two or three months for the regulatory agencies to decide if they would permit delay in capping the rest of the "blue" area, the 51 acres. He said that if the regulatory agencies required the capping it should proceed as quickly as possible. He said that the cost evaluation should include the rent, because other facilities owned by the City of Palo Alto that were used for utilities include rent. He said that if it was taken off the table it would be a short time before someone sued the City to stop it from charging rent for anything else. He explained that if the City lost a suit like that it would lose almost \$2 million a year in transfers to the General Fund. He said that the Staff's response to a question from Council Member Holman said the difference between composting here and sending it to Sunnyvale was approximately \$75,000 a month. He said that he was not willing to pay \$75,000 a month to keep the composting operation in Palo Alto. He said that composting belongs where it was cheapest and most cost effective. He stated that if building a facility on the 10 acres was either not cost effective or not technologically firm it should not proceed.

Joseph Rosas said that as a candidate for Assembly in District 24 he must speak on behalf of all of those in the district. He said that one argument

against the issue was that it was strictly local. He said that landfills in systems that use incinerators affect air quality, which made it anything but a local issue since air has a tendency to move. He asked why there had not been a City generated report regarding alternative sources of composting including at home and outside sources and their viability. He also asked why a health study had not already been conducted. He said that it should have been conducted before the measure was proposed and on the ballot. He said that the landfill needed to be capped and that the City needed to continue to be an environmental leader.

Carolyn Curtis of 531 Alger Drive said she organized the signature gathering and the precinct walking for Measure E and that it was one of the most inspiring campaigns she had ever given her time to. The result, 9,946 votes in an election that was had biggest turnout since 2003 was a clear mandate. She said it was a real grassroots campaign with 147 donors and 93 active volunteers throughout the 18 months. She asked those people in attendance to stand and stated that they were still organized and paying attention. She said they appreciated the dedication, expertise, and farsightedness of the Staff. She expressed confidence that the City Council would do the right thing because you had the voters on its side.

Hilary Gans said the Palo Alto Green Energy Initiative supported the Staff recommendation on maintaining the existing composting operations. They had a goal of maintaining continuous composting operations until an interim or permanent solution or organics processing facility could be developed. He said that the course of action was consistent with the recommendation developed by the Blue Ribbon Task Force over a year ago. He said that the composting permit was an intangible asset that had significant monetary and time value. He said that keeping the composting permit "live" would greatly simplify and reduce the cost of obtaining a permit for interim and permanent organics processing. Based on this, he recommended that Palo Alto continue the composting operation.

Peter Drekmeier of 331 Fulton Street said that Measure E showed that the community was really excited about the idea of a facility that could produce green energy, reduce greenhouse gasses and save money. 64.62% of the people voted for Measure E. He said that of those who voted against it some did not want to undedicate parkland, but there were many who were convinced by opponents that this would be very expensive. He said that there was a cost of \$314 million to retrofit the incinerator, which would make it far more expensive than any of the alternatives. The feasibility study focused on dry anaerobic digestion and found that in year one dry anaerobic digestion would be \$87.00 per ton and the cheapest export option would be \$100.00 a ton. In year 20 dry anaerobic digestion would be

\$53.00 per ton and export would be \$123.00. This meant that the price of having a facility in Palo Alto declined over time while export option increased. He said that was an \$18 million savings over 20 years. He believed the best option was wet anaerobic digestion for bio solids and food waste followed by aerobic composting of yard waste. He said that would be one facility handling all three waste streams. He stated Staff did a great job on the Staff Report and that he supported the recommendations. He agreed that maintaining the composting permit was very important. He said that he would love to have a community pickup of compost again as he had used it in the past. With respect to rent, he said that it would be income to the General Fund at a cost to the rate payers. He urged Council to follow Staff recommendations.

Herb Borock said that there was a court case pending challenging the validity of Measure E and that Council should consider the status of the court case. He said that Council should direct Staff to bring this issue back after the court decision. He said that the idea of continuing something for a year sounded reasonable; but that the initiative had contemplated it might take 10 years. He said they had been told to wait for 10 years to see whether any of this land is used for a facility before the Council can rededicate it as parkland. He asked why, if the court case would invalidate Measure E, they would have had to postpone for a year. He said that he waited for the cost of service study for the Refuse Fund for some time. He said that he had thought there would be a new cost of service study and a new rate structure proposed this year. In regard to Council Member Schmid's questions of the adverse effects to the public from the composting, he said the three regional agencies have nothing to do with parkland. He said they had to do with the Refuse Fund. He said that at a previous meeting Council Member Klein had asked what would happen if the City stopped composting. Staff answered that we could do that and did not mention a permit problem like the one raised by Mr. Gans.

Annie Ercolani said that 64% of the voters voted to undedicate parkland so that Council could determine if an energy and compost facility was appropriate and could be built on that land or not. She said that she was confident Council would take that mandate seriously. She said it was not a vote that they wanted a facility, it was that they wanted Council to be able to consider a facility. She was concerned about the other 41 acres that was supposed to be parkland and urged Council to make it so as soon as possible.

Carol Muller of 199 Heather Lane stated that the citizens of Palo Alto are very educated and that it was logical they wanted a study. She said she was surprised by what she heard tonight and how it seemed to suggest that the

vote should be interpreted in other ways. She said that a study was needed and that it was apparent that it would be a very complex study. She said that she did not believe that the study would be completed in time to make a decision to start the park in process. She said that she was 56 and did not want to wait another 10 years to enjoy Byxbee Park. She said that she thought that the intangibles in quality of life, health, recreation, and habitat would be held up and unduly compromised for potentially years. She said that she would like the park open as quickly as possible.

Cedric de La Beajardiere of 741 Jocina said that he supported the Staff recommendations. He said it was fiscally prudent and avoided unnecessary expenditures in the millions of dollars by retaining the Staff, equipment, and permit and the capability to compost without increasing the costs. He said it was environmentally responsible; it kept compost local and avoided 140,000 vehicle miles by seven 22 ton trucks and up to 285,000 vehicle miles by private haulers. He said that was a pretty significant environmental impact. He said this was permitted by Measure E, which called for rededication of 10 acres for an organics processing facility. He said that Enid Pearson and Emily Renzel asked the Council to not prejudge itself to the study, but capping the landfill prematurely or choosing to pay a high rent or stopping the composting operation, getting rid of the equipment, laying off the Staff, would be prejudging against the project. He encouraged City Council to support the Staff recommendations.

Shani Kleinhaus, Santa Clara Valley Audubon Society, stated they have several hundred members in this community and several of them told her that supported Measure E because they felt that a study should be done. However, none of them supported compromising the rest of the park for the purpose of achieving Measure E. She said she missed the environmental stewardship aspect in the objectives that were given to by Phil Bobel and Staff. There were various regulatory objectives but there were no specific environmental stewardship objectives. She said that the City of San Jose was developing a master plan for 2,600 acres for their water pollution control plant. While this was a temporary project, they have approved an environmental stewardship program to enhance habitat for various species and to do other quite intensive projects there. She said that Measure E ramifications would take a lot of study and time. She urged City Council to reject the Staff recommendations and to cap the landfill and stop the degradation of the environment by continuing to compost. She said that it was unknown if the Staff recommendations would be less expensive in the long run. She said that the right thing to do was to return the park to nature and the people and then determine how to comply with Measure E.

Vice Mayor Scharff said that Staff items 1 – 3 were acceptable. He said that the Council should make the \$29,700 addition to the contract. He appreciated that Staff was carefully thinking items through and would only do the parts that were necessary right now and save the rest for later. He said that the composting issue was more difficult. He questioned if Council would get more information.

Mr. Bobel said they assumed there would be questions from tonight that they would bring back additional information on.

Vice Mayor Scharff asked if it would be clear enough direction if Council told Staff to continue the composting operations until they have enough compost.

Mr. Bobel said yes. That would mean continuation of about one to two months.

Vice Mayor Scharff asked if they would save Staff time on this if Council gave that direction tonight instead of in June 2012.

Mr. Bobel answered yes

MOTION: Vice Mayor Scharff moved, seconded by Mayor Yeh to accept Staff recommendation to:

1. Approve and authorize the City Manager or his designee to execute Contract Amendment No. 1 to Contract No. C11136602 with Alternative Resources Inc., (ARI) in the amount of \$29,700 for assisting the City in generating a process and timeline for considering an Energy/Compost Facility on the 10-acre site made available by Measure E, for a total contract amount of \$227,458;
2. Approve and authorize the City Manager or his designee to execute the contract with Golder Associates, Inc. (Golder) in the amount of \$193,713 for the final landfill cap design and \$19,400 for additional services for a total contract amount of \$213,113;
3. Direct staff to continue dialogue with regulatory agencies to obtain approval for a postponement of final capping of the landfill for one construction season (from 2012 to 2013) so that Council can retain all options while the process and timeline for considering an Energy/Compost Facility is developed;
4. To continue composting only until we have enough compost for the vegetative soil; and
5. Direct staff to return to Council in approximately three months to present the process and timeline for considering an Energy/Compost

Facility and to obtain further Council direction on the landfill closure.

Mr. Keene said that he understood the Motion to presume that composting would cease if this were approved and therefore there would be no need to come back for further direction on the composting operation.

Vice Mayor Scharff said that was correct. He said it would save Staff time to end composting once they had enough compost. He thought that it was pretty clear that it was virtually impossible to continue composting on the current site. He said \$120,000 per month was not financially feasible. Staff had previously said that it would cost several million to move the composting operation onto the 10 acres and if you did windrow composting on that 10 acres you would still have the issue that Council Member Schmid brought up. He said that as Council was not getting further information it should make the decision now and save the Staff time rather than make it three or four months from now. He said that if Council would get delayed there would be issues about cost of continued composting, such as the potential for broken equipment. He asked if Council would want to fix that kind of machinery and spend more money if it was planning to stop the composting operation in 60 or 90 days. He said that he saw a lot of issues that could arise and that he did not see a feasible way to continue the composting operation in the long term. He said that it was better to make the decision now.

Mayor Yeh said that he heard from all that composting was important. He was interested in understanding home based composting. He said that he had asked how people compost currently and 90% had said home based. He said that was the direction composting was going. He said there was an incredible amount of study needed. He said that as the lead agency for the Regional Water Quality Control Plant the primary commitments were to manage the sewage sludge, to retire the incinerators, to have the maximum impact on our environment we need to move as expeditiously forward with retiring the incinerators. However, as the lead agency for the Regional Water Quality Control Plant we have to be the lead agency to deal with the sewage waste and the sewage sludge. Any time there is any mixed stream with sewage sludge there is a lot of complications that result. He heard from citizens, regardless of their position on Measure E, that they were driven by home composting. He said that point stood out and he saw it as an opportunity to enable the discussion more closely with Green Waste. He said that he understood the waste to energy idea was still an incredible opportunity for Palo Alto and stated that there were still waste streams that would power whatever technology was ultimately selected for a waste energy facility.

Council Member Holman said she was aligned with the thinking about not continuing composting for reasons stated by Council Member Schmid. She said that she looked at the composting stacks with a Park Ranger and she thought there was a fire, but it was the wind and dust coming off the compost stacks. She said that the particulates in the air were really incredible. She questioned if it was legal to continue composting on the site.

City Attorney, Molly Stump stated that the Motion as stated or the Staff recommendation was in the range of what was lawful for the site.

Council Member Holman said that what she struggled with was how to honor the outcome of Measure E and how to honor parkland dedication laws. She said that she struggled with capping delay. She said that Measure E related to 10 acres, but this would impact 51 acres. She was not in favor of continuing compost.

Council Member Burt said that the City Attorney said that either the Staff proposal or the Motion on the floor was permissible legally. He questioned if it would still be legally permissible under number five as the Staff proposal was written.

Ms. Stump said she thought one of the things the Staff would do under the Staff recommendation as drafted would be to look at options for any type of continuation of the windrow composting program. She did not believe that the windrow composting could remain in its current position because the landfill would need to be capped. She said that the landfill could not be capped with the composting in its current position. She said that no one proposed that it remain there for a period of months or years, so they had not looked at that issue.

Council Member Burt asked what other sites were looked at other than the 10 acres.

Mr. Bobel said they had not looked at options other than the 10 acres.

Council Member Burt asked if composting were allowed on the 10 acres, would they have to shut down the windrow in order to construct a Waste Energy Facility.

Mr. Bobel said there would be sequencing and many issues.

Council Member Burt said that Vice Mayor Scharff alluded to the cost of moving and continuing the compost. He requested a summary of the one-

time cost and the operational costs of moving the composting to the 10 acres.

Mr. Bobel said that they were not prepared for that tonight, but stated that was something they would have brought back in four months.

Council Member Burt requested Vice Mayor Scharff explain the \$120,000 figure.

Vice Mayor Scharff said that if the long term composting was continued at the current site that was the \$120,000 figure. He said that there would be a charge to move composting to the 10 acre site. He said he remembered Staff providing him an estimate.

Mr. Bobel said he did not recall an estimate. He said that they gave the long term continuation costs. Staff did not update any costs about moving it to another location. He said that there would be issues regarding the 10 acre site as it was currently a hillside.

Council Member Burt said the long term continuation at current site had been answered by the City Attorney.

Mr. Sartor said that current location was on parkland not on undedicated parkland.

Council Member Burt said some of the speakers had raised an issue of the ongoing permit with the state for composting. He asked if the Staff concurred.

Mr. Bobel said that Mr. Gans was an expert in the area of permits, so Staff would follow up on his statements and research them. Staff expected that it would be necessary to have a different permit in order to have a new facility.

Council Member Burt said he was concerned about giving up the permit if it had value. He said that was his main concern with the Motion as stated.

Mr. Bobel said that they needed additional time to explore this issue.

Council Member Schmid said he was pleased with the work done and celebrated the opening of the parkland. He wanted Staff to conduct the study and examine all the issues with moving ahead. He said that one consequence was the delay in the opening of the fifty plus acres of parkland.

He proposed an Amendment and said that it created an incentive to move expeditiously to resolve the issue and provided an offset to the people of Palo Alto who are giving up 50 acres of parkland during the study.

AMENDMENT: Council Member Schmid moved, seconded by Council Member Holman that rent starts to accumulate starting May 1, 2012.

Council Member Schmid said there was a dilemma in trading off the benefits of parkland to the people to moving ahead on the green energy situation. He said that everyone wanted to make a correct decision. He asked what the true cost was to the City of making these kinds of decisions. He stated that rent was a way to measure that cost and that it gave economic value to both sides. He said that at some point the Council could decide not to charge rent, but that would be different than asking what the economic cost was. He stated that charging rent would tell everyone in the City this was the value of that decision.

Council Member Holman said that Council Member Schmid addressed the issue well. She said that the Amendment spoke to her challenge as to how to honor Measure E as well as parkland. She said that rent would be some compensation and that it was a reasonable compromise.

Council Member Shepherd said that she was not in favor of charging rent. She requested an understanding of what Council Member Schmid intended rent to be.

Council Member Schmid said there was a current rent per acre that expired June 30, 2011. He would extend that cost per acre to the fifty plus acres that the public does not have access to.

Council Member Shepherd asked if he wanted to start the rent on May 1, 2012.

Council Member Schmid said that his understanding was that there was a transition period where they were producing compost for the cover. Once that activity was completed and we are ready to do the cover, the study, and the actual action, then it would be a discretionary decision to postpone that. He said that the discretion should have a cost.

Council Member Shepherd asked what fund the rent would come from.

Council Member Schmid said it would come from whoever controlled the decision process.

Mr. Keene said that access to the 51 acres was not only affected by continued composting, but by whether or not the site had been covered and capped enough to be opened to the public. He said that if the intent was to charge a cost related to composting and yet the site would continue to be inaccessible because it was not capped and covered he was not sure that was fair.

Council Member Schmid said the discretionary decision to postpone moving forward on the cap and cover was a decision of the Staff. He said that they had postponed from the end of 2012 until some future time the availability of the park. He said that there should be an incentive to the Staff and to the public who were kept from their park.

Mr. Keene said the Staff had been very responsive in advocating closing the landfill. He said that the practical aspect of the delay had nothing to do with wanting to delay it. He said that the contour chart that was handed out to Council said it perfectly and that to not delay in many ways was a refutation of the vote on Measure E. He said that the City had to keep the options open to explore what could happen on that 10 acre site. He explained that anything done would affect this significant slope or contour in some way that would be more expensive in the future than the cost concerns Staff had raised now. He said that proceeding without the delay could actually cause more of a long term delay for opening the park unless the decision was made not to put anything on the 10 acres related to Measure E. He said he understood the intent to incent a move to discontinue composting, however, the rationale for opening it up to the public would not occur unless Council denied the postponement of the cap and cover and proceeded with doing that as expeditiously as possible.

Council Member Klein stated the Council had made the same arguments before as it had made that evening. The people who made amendments here were the same people that opposed Measure E. He said that the Council's obligation was to implement Measure E. The Council should not do anything that would inhibit that process from going forward in a timely manner. He said that the Council should preserve the status quo as the Staff had recommended and remain unbiased as the Staff had clearly done. He stated that the rent question was designed to take away from Measure E and that the result would be an increase in the rates in the Refuse Fund. The citizens of Palo Alto pay the Refuse Fund. He urged the Council to follow the will of the public regardless of where they stood on Measure E.

Vice Mayor Scharff agreed that the notion of charging rent to implement Measure E did not honor the spirit of Measure E. He said it would punish the citizens for having voted for Measure E because it would impose the

equivalent of a tax by increasing the refuse bills. He said that was unfair as when people voted for Measure E they did not intend for the refuse bills to increase. The Refuse Fund borrowed money from the General Fund, so if the Refuse Fund had to pay rent to the General Fund, it would probably have to borrow more money. He stated the Council should not support the Amendment.

Council Member Holman said that people who voted for Measure E did not vote for the rates to go up, but they also did not vote to hold in abeyance 51 acres. She said that was where she struggled to honor both Measure E and the unopened parkland. She said that Measure E was not stated to be about 51 acres. She said that there was the issue of the Refuse Fund paying rent; however, there was precedence for that too as there were areas of the landfill that were not open to the public but were in inactive use and paid rent.

Council Member Burt said that the Amendment as designed or stated by the maker did not have much to do with the issues of when and how the balance of the landfill would open. He said that it was stated that this would incentivize Staff or penalize Staff. He did not understand that argument. He said that it could be argued that it was a counterincentive to Staff because increased refuse rates would be paid to the General Fund which Staff could, in theory, spend on a variety of different things. He said that the responsibility of controlling the budget rested with the Council.

Council Member Espinosa said that he had concerns about not moving forward and delaying the capping. He acknowledged that he was against undedicating parkland and had spoken often about being in favor of composting in general. He said that there was a great respect for the will of the people and where the community ended up on the vote. He said that he believed that an objective study was necessary. He came to that decision without prejudice or presupposition for what would happen on the site. He said that he supported the original Motion but had questions for Staff. He understood the spirit of the Amendment, but did not think that a rent was the right approach and would not support the Amendment.

AMENDMENT FAILED: 2-6 Holman Schmid yes, Price absent

AMENDMENT: Council Member Klein moved, seconded by Council Member Shepherd to amend Recommendation No. 4 above to: Direct Staff to continue operating the City's existing aerobic windrow composting operation on the landfill instead of closing the composting facility and diverting yard trimmings to the Sunnyvale SMaRT® Station while the process and timeline for considering an Energy/Compost Facility is developed; and to add back

into Staff Recommendation No. 5 the last 4 words "existing composting operation".

Council Member Klein stated that in keeping with the Council's obligation to the public that passed Measure E, the Council should continue with composting even if it was for only a few months. He said that the primary issue for him was to not lose anything with regard to licensing. As there was conflicting information he did not believe the license should be put at risk.

Council Member Shepherd said she wanted to acknowledge the comments made by colleagues about trying to be expeditious about getting the land capped and ready for parkland use. She said that was very important to her as well, but the licensing issue was an important question. The energy behind Measure E was inspiring. She said that this was prudent to do as the City did not know what its needs would be in the next 10 years. She stated the voters made a wise decision, but she understood that there would be arguments each time the Council discusses it. She said that she expects Staff to come back to the Council and tell them that it was closing composting and the windrows on the 41 acres. She does not see how they could stay open past this short period time. She said that in the meantime she wanted answers about licensing and if it would be transferable to the 10 acres, the cost to move it, and if it would be too expensive to move. She said that she understood that they are looking at downsizing Staff even further because if they are not operating a landfill they would not need those people. She said that she hoped the two to three month period would enable Staff to get those answers.

Council Member Burt had been prepared to support the primary Motion as stated, but said that it would be prudent to allow Staff to look at this issue. He questioned if they had an idea of how long it would take to get an answer on the licensing issue.

Mr. Bobel said on the regulatory issue, 4 months would be adequate.

Council Member Burt asked if it would it take that long.

Mr. Bobel said they had been exploring it with the regulatory agencies. He said there were multiple permits and agencies involved. He said that when you ask about a hypothetical you do not get answers in writing and it was hard to get an answer. He said that the more time Staff had the more definitive the answer would be.

Mr. Keene said there were other questions and pieces that they would look at. He said that they would handicap their options based on what was said and that it would be up to the Council to assess the tradeoffs if they did not get a declarative definitive response. He said it was an important question.

Council Member Holman said that she would support the original Motion. She said she had a question on the Amendment. On page 7 of 8, second paragraph it said, "Staff would also return to Council before incurring any significant expenses from the compost operation in the event of an equipment failure or other factors." She questioned what would be considered a significant expense.

Mr. Bobel said the monthly estimated costs were \$44,000. He estimated that anything greater than 10% of that would be significant.

Council Member Holman said she would support the original Motion and not the Amendment because of the air quality issue. She said that she has had concerns for a long time over the air quality and the particulate in the air from the windrow operation.

Council Member Schmid said open windrow composting had real health issues associated with it. He said that one of Staff's objectives in the presentation was to minimize cost. He said that they should confront the fact that in this year's Budget the Refuse Fund users were paying over \$5 million dollars to pay off costs that were expended in the past. The losses accumulated in the Refuse Fund came to some \$30 million over the last seven or eight years. He said that he believed a good portion of that was associated with open windrow composting and the cost of it that was not acknowledged at the time. He said that it was important to acknowledge up front now that if the City would maintain it, it has both health issues and real costs associated with it that we would pay off in our future. He said he would oppose the Amendment.

AMENDMENT FAILED: 3-6 Burt, Klein, Shepherd yes, Price absent

Council Member Shepherd proposed an Amendment to the original motion which would be to have Staff come back with the answer regarding licensing before the compost is terminated.

Mr. Keene said the original motion would direct us to cease composting operation in one to two months. He said they could bring to Council whatever they before that time period was up.

Council Member Shepherd said that before the vegetative compost was completed they would come back with answers about whether or not closing composting would affect our licensing that we have out at the site. This would mean that composting would terminate on the 41 acres. She said that she would like to understand whether or not they would get to have a moratorium.

Mr. Keene said the Motion as we understand it would say that composting would cease in its entirety at that location when the threshold has been reached.

Vice Mayor Scharff said he was fine if it was an informational item in the packet.

Council Member Shepherd said she would like it to come back on Council docket. She said that they had a clear indication from the public that it did not want anything decided behind closed doors. Although informational items are public, they are not read as much. She said she had a lot of questions and that was why she was in favor of the original Staff recommendation. She said that the questions could not be answered that evening so she wanted it to come back for Council consideration and action.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER that if staff determines that there is a significant value in retaining the composting permit, this would come back as an action item. If this returns as an action item, Staff would provide guidance on whether reduced scale composting at the 10 acre site would enable us to retain the permit.

Council Member Burt suggested the use of the term significant. If there is significant value in retaining the permit then it would come back as an action item, but if they determine there is not significant value then it not. He also requested that Staff, if it should determine there was a significant value in retaining the permit, also look into whether a reduction in the scale of the program would still retain the value of the permit.

Mayor Yeh said that he had shared his thoughts on where he had heard the feedback on the future of composting and was in support of the permit question being incorporated into the Motion.

Council Member Schmid requested a clarification on the permits currently held by the City. He said that they were focused on the wetlands and

coverage and not on public health. He asked if they would include public health issues as the buffer shrinks.

Vice Mayor Scharff said that it ended composting once there was enough compost material unless Staff made a determination that there was a significant value in keeping the permit. If Staff made that determination, he said that he hoped Staff would not make it lightly. He said that if that was true then Council Members Burt and Shepherd were right and the City Council should look at what was meant by significant value and then could decide if that changed anything.

Council Member Holman said the original Motion eliminated number four, which meant that they were not continuing windrow composting. She said that what she heard in the description was that they would continue the windrow composting until there was enough to complete the cap.

Mayor Yeh clarified that was under number five.

Council Member Espinosa said that he wanted to switch gears and discuss the issues raised by the capping delay. He said that he had real concerns about this and had thought about amendments. He said that he knew Mr. Keene had come to the process wanting to be objective and fair and very compelling in his arguments about how this was necessary. However, he stated that he was still concerned about delays. He questioned what the timeline looked like and indicated he wanted to know if it would change as the City goes through its work in the course of a year. He said that since this is a seasonal work plan he did not want to end up a year from now having to delay another season. He asked if Staff had ideas about something that could be put in to make sure Council was aware of the timeline.

Mr. Keene said that the original process and action of awarding the contract to ARI with a return to Council in June 2012 was designed to lay out the timeline moving forward. He said that at that point if the Council found the depth and details of the recommendations unsatisfactory it would be in a position to make changes. He said there was not enough information to estimate that right now but that June 2012 was a quick turnaround. He said that Mr. Bobel was clear that any decision to not proceed with closing and capping the landfill right now essentially created the one year delay because of the way the construction season worked. He said that without the seasonal problem Staff would recommend returning in three or four months and then the Council could make the determinations and get right to work, but that was not the case. He said that in June 2012 the Council would have

much more clarity about the future schedule and that would be the better time to impose controls.

Mr. Bobel added that they know the importance of indicating when they have to start to get engaged in the next seasonal cycle of construction. Staff would put that as a date. He said that roughly that would be in the November 2012. That would be when they would need to give Golder the direction to do the construction drawings. Council would be made aware of all key dates.

Council Member Espinosa said that he would support the Motion with some hesitation. He said that he would look forward to the timeline in June 2012 and requested as much specificity as possible.

Council Member Schmid said he knew they were voting on a process but the report from the consultants identified the next steps clearly as moving toward a check list and then firm technical and cost proposals that explore the environmental, technical, and financial options available. He said that Santa Barbara, Salinas Valley, and Los Angeles County had gone through at least four or five RFP processes that are public. The evaluation of those RFP's had taken place and decisions had been made in each of those places. Los Angeles County was doing three pilot programs and had a public record of firm interest in participating in eleven new sites around the County. He said that there was a wealth of very good technical data available in the public domain. He said that ARI was the consultant's name that turned up in each of those places. He stated that the information was available to Council Members, Staff, and the consultant and he urged them to gather the information. He said that this information would help the Council with its decisions.

Mr. Bobel said that stopping the composting was a process that was about thirty plus days long. He said that as soon as they could tell that they achieved what was needed for the vegetative cover, they would cease taking new material in. He explained that to deal with what they had on site would be a couple more months. He said that when the process was stopped they would then see the Staff start to move or sell the old material.

MOTION AS AMENDED PASSED: 8-0 Price absent

Council Member Questions, Comments and Announcements

None

ADJOURNMENT: The meeting was adjourned at 10:06 P.M.