



CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Special Meeting
January 22, 2013

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

Present: Berman, Burt, Holman, Klein, Kniss, Price, Scharff, Schmid, Shepherd

Absent:

CONSENT CALENDAR

6. Colleague's Memo From Mayor Scharff and Council Member Klein Regarding Council's Ad hoc Committee on Infrastructure.

MOTION: Mayor Scharff moved, seconded by Vice Mayor Shepherd to postpone Agenda Item Number 6 to the January 28, 2013 City Council Meeting Consent Agenda.

MOTION PASSED: 9-0

MOTION: Council Member Kniss moved, seconded by Vice Mayor Shepherd to approve Agenda Item Numbers 1-5.

1. Finance Committee Recommendation to Accept the Utilities Reserves Audit.
2. Policy and Services Committee Recommendation to Accept the Audit of Employee Health Benefits Administration.
3. Policy and Services Committee Recommendation to Accept the Contract Oversight Audit.
3. Policy and Services Committee Recommendation to Accept the Auditor's Office Quarterly Report as of September 30, 2012.
5. Appointment of 2013 Emergency Standby Council.

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MOTION PASSED: 8-0 Holman absent

ACTION ITEMS

7. Public Hearing: Adoption of a Resolution 9316 Amending the Transportation Element of the Comprehensive Plan to Incorporate the Palo Alto Rail Corridor Study and Approval of a Negative Declaration.

MOTION: Council Member Klein moved, seconded by Council Member Price to adopt a Resolution approving the Rail Corridor Study Report, amending the Transportation Element of the Palo Alto Comprehensive Plan to incorporate the Vision Statement of the Study and to approve the Negative Declaration for the project.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER that the words "mixed use" which were included in the Executive Summary of the Staff Report will be added to the language of the Resolution and to the Vision Statement.

AMENDMENT: Council Member Schmid moved to change Goal 1.3, "When examining the potential impacts of vertical rail alignments equal attention shall be given to all Palo Alto neighborhoods. Adopted mitigation measures should be proportionate to the impacts identified in studies." to add that "all neighborhoods shall be treated equally."

AMENDMENT FAILED DUE TO THE LACK OF A SECOND

MOTION PASSED: 9-0

8. Review and Approval of the Palo Alto City Council Rail Committee Guiding Principles.

MOTION: Council Member Klein moved, seconded by Council Member Burt to approve the revisions to the Rail Committee Guiding Principles, as follows:

- Guiding Principle No. 3 was updated to clarify that during the environmental review stage, equal attention shall be given to all Palo Alto neighborhoods. Adopted mitigation measures should be proportionate to the impacts identified in the studies.
- Guiding Principle No. 12 now states that while the City supports Caltrain Modernization, the City's position of electrification cannot be determined until the environmental impacts are studied, identified and suitable mitigation measures are implemented.

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- Guiding Principle No. 16 language was strengthened, stating that the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) shall not be modified in any way that affects the HSR or Caltrain Corridor environmental review process as currently required by law.
- Guiding Principle No. 17 was added, stating that the overall environmental review process should be comprised of two separate Environmental Impact Reports. The first EIR should be for the Caltrain Modernization Project. The second EIR should address any subsequent improvements proposed or necessary for HSR operation in the corridor.
- Minor language changes and clarifications were made throughout the document, all of which are shown in the attached redlined document.

MOTION WITHDRAWN

MOTION: Council Member Klein moved, seconded by Council Member Price to return Agenda Item Number 8, "Review and Approval of the Palo Alto City Council Rail Committee Guiding Principles", to the Rail Committee.

MOTION PASSED: 9-0

9. Response to Colleague's Memo on Employee Benefits: Pension.

MOTION: Vice Mayor Shepherd moved, seconded by Council Member Klein to; 1) direct Staff to explore additional pension legislation with our Legislators and other parties (such as the League of California Cities) to close remaining loopholes and to give cities broader decision making power in regards to their pension plans, and 2) to continue to work with City employees and the public to fully understand the facts about pensions and the status of the City's efforts to manage costs and provision of benefits while maintaining a talented work force.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add: 3) to direct Staff to write CalPERS to confirm our understanding of how regulations will apply to Palo Alto regarding the definition of income and advise CalPERS of our opposition to their present interpretation as we understand it, and to send copies of our correspondence to Legislators.

AMENDMENT: Council Member Schmid moved, seconded by Council Member Burt to specifically work with employees and the League of California Cities to get Legislators to open participation into the Social Security System.

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AMENDMENT MODIFIED BY THE MAKER AND SECONDER to request Staff to return to Council on this subject prepared to have a discussion on the potential to open participation in the Social Security System for our employees as part of a hybrid pension system.

AMENDMENT PASSED: 6-3 Shepherd, Kniss, Price no

MOTION RECAPPED: Vice Mayor Shepherd moved, seconded by Council Member Klein to; 1) direct Staff to explore additional pension legislation with our Legislators and other parties (such as the League of California Cities) to close remaining loopholes and to give cities broader decision making power in regards to their pension plans, and 2) to continue to work with City employees and the public to fully understand the facts about pensions and the status of the City's efforts to manage costs and provision of benefits while maintaining a talented work force, and 3) to direct Staff to write CalPERS to confirm our understanding of how regulations will apply to Palo Alto regarding the definition of income and advise CalPERS of our opposition to their present interpretation as we understand it, and to send copies of our correspondence to Legislators. Staff is directed to return to Council on this subject prepared to have a discussion on the potential to open participation in the Social Security System for our employees as part of a hybrid pension system.

MOTION AS AMENDED PASSED: 9-0

10. 2013 State Legislative Priorities.

MOTION: Council Member Burt moved, seconded by Vice Mayor Shepherd to direct Staff to explore potential legislation including: 1) require CalPERS to offer a wider range of health care options and flexibility to local governments, 2) extend the three year highest average for calculation of pension, 3) more flexibility for new hires to save money over the long term and tailor recruiting to a new generation who may prefer higher pay over benefits, 4) eliminate costly and punitive CalPERS rules that restrict cities from hiring some job candidates, 5) PEPPRA clean-up and clarification, and 6) landfill capping requirements. Additionally the following: 7) CEQA reform (particularly as it relates to High Speed Rail), 8) State's Housing Element Process and Allocation, 9) some form of dedicated funding for Caltrain and 10) High Speed Rail clean up.

MOTION PASSED: 9-0

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11. Library Advisory Commission Viability Report.

MOTION: Vice Mayor Shepherd moved, seconded by Council Member Kniss to direct Staff to return with an Ordinance to reduce Commissioners to five members, extend current terms three months to provide for the recruitment process and to incorporate a requirement that one or more seats are designated for individuals with certain qualifications such as membership on Friends of the Palo Alto Library and Palo Alto Library Foundation.

MOTION SEPARATED FOR THE PURPOSE OF VOTING: Mayor Scharff requested the Motion be bifurcated to allow separate votes.

MOTION: Vice Mayor Shepherd moved, seconded by Council Member Kniss to direct Staff to return with an Ordinance to reduce Commissioners to five members and to extend current terms three months to provide for recruitment process.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to change the Municipal Code to reflect bi-monthly meetings instead of quarterly.

MOTION AS AMENDED PASSED: 9-0

MOTION: Vice Mayor Shepherd moved, seconded by Council Member Kniss to incorporate a requirement that one or more seats are designated for individuals with certain qualifications such as membership on Friends of the Palo Alto Library and Palo Alto Library Foundation.

SUBSTITUTE MOTION TO SECOND PART OF MOTION: Council Member Burt, seconded by Council Member XX moved instead of the "Incorporate a requirement that one or more seats are designated for individuals with certain qualifications such as membership on Friends of the Palo Alto Library and Palo Alto Library Foundation." "Invite the Friends of the Palo Alto Library and Palo Alto Library Foundation.to designate liaisons to Library Advisory Commission."

SUBSTITUTE MOTION FAILED DUE TO LACK OF A SECOND

MOTION WITHDRAWN BY MAKER AND SECONDER

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12. Colleague's Memo from Mayor Scharff, and Council Members Klein and Price Regarding the Length of City Council.

MOTION: Council Member Klein moved, seconded by Council Member Price to agendize a discussion for up to one hour regarding the length of City Council meetings at the City Council Retreat on February 2, 2013.

MOTION PASSED: 9-0

COUNCIL MEMBER QUESTIONS, COMMENTS AND ANNOUNCEMENTS

Council Member Klein reported from Bay Area Water Supply and Conservation Agency (BAWSCA) regarding the City of San Francisco election regarding the draining of the Hetch Hetchy Reservoir which was defeated. BAWSCA agencies were concerned that San Francisco was able to vote solely on the issue when the other agencies represented 2/3 of the system. Conversations were taking place to alter the law to allow all the agencies to have a vote.

Council Member Kniss reported she was selected to return to The Bay Area Air Quality Management Board.

ADJOURNMENT: The meeting was adjourned at 10:40 P.M.