City of Palo Alto (ID # 5034)

City Council Staff Report

Report Type: Consent Calendar **Meeting Date: 8/18/2014**

Summary Title: Adoption of BAO with KEMA Services Inc.

Title: Adoption of a Budget Amendment Ordinance in the Amount of $233,030 for Development of Sustainability and Climate Action Plan (S/CAP)

From: City Manager

Lead Department: City Manager

Recommended Motion
Staff recommends that Council adopt a Budget Amendment Ordinance in the amount of $233,030 for the development of the Sustainability and Climate Action Plan.

Discussion
On August 11, 2014, the City Council approved a contract with KEMA Services Inc., a part of DNV GL, in the amount of $211,845 plus a ten percent contingency of $21,185 for a total cost of $233,030, for the development of a new Sustainability and Climate Action Plan (S/CAP) (see Attachment A for the staff report).

Staff inadvertently did not include the terms 'Budget Amendment Ordinance' in the title of the report that came before City Council on August 11, 2014. Therefore staff is bringing forward the Budget Amendment Ordinance (Attachment B). Pertinent sections of the August 11 staff report such as policy implication, resource impact and environmental review sections are repeated below.

Policy Implications
This policy will advance the Council priorities of Environmental Sustainability.

Resource Impact
The full cost of this project, $233,030 ($211,845 contractual costs plus a ten percent contingency of $21,185) will be allocated in the General Fund to the Office of Sustainability through the increase of Contractual Services expenditures. This project by its nature is strategic and cross-cutting. A few of its elements address specific departments and funds, but the project will touch much of the City and the specific impact on departments and funds ultimately will not be known until the work is well underway. For this reason, an allocation of costs for this project has been developed to reflect the scale, scale of impact, and estimated scale of

involvement of each department in the project scope. Costs for departments with multiple funds have been allocated evenly across the funds.

Costs related to the General Fund departments will cover 59% of the project, and they will be allocated to the Office of Sustainability through a reduction to the General Fund Budget Stabilization Reserve of $137,490. See the table below for the cost allocation from each General Fund department.

Department	Percentage	Contract	Contingency	Total
Planning and Community Environment	15%	$ 31,775	$ 3,178	$ 34,953
Development Services	10%	$ 21,185	$ 2,119	$ 23,304
Community Services	10%	$ 21,185	$ 2,119	$ 23,304
Administrative Services	10%	$ 21,185	$ 2,119	$ 23,304
City Manager's Office	10%	$ 21,185	$ 2,119	$ 23,304
Public Works	4%	$ 8,475	$ 846	$ 9,321
TOTAL	**59%**	**$ 124,990**	**$ 12,500**	**$ 137,490**

Costs for the Public Works and Utilities Departments from funds other than the General Fund will cover 41% of the project, and they will be allocated to the Office of Sustainability through increased Transfers to the General Fund, and corresponding reductions to Reserves/Ending Fund Balance in the various funds. See the table below for the cost allocation from each non-General Fund department.

Department/Fund	Percentage	Contract	Contingency	Total
Utilities				
Electric Fund	10%	$ 21,148	$ 2,118	$ 23,302
Gas Fund	5%	$ 10,592	$ 1,059	$ 11,651
Wastewater Collection Fund	5%	$ 10,592	$ 1,059	$ 11,651
Water Fund	5%	$ 10,592	$ 1,059	$ 11,651
TOTAL	**25%**	**$ 52,960**	**$ 5,295**	**$ 58,255**
Public Works				
Refuse Fund	4%	$ 8,473	$ 847	$ 9,320
Storm Drain Fund	4%	$ 8,474	$ 847	$ 9,321
Wastewater Treatment Fund	4%	$ 8,474	$ 848	$ 9,322
Vehicle Fund	4%	$ 8,474	$ 848	$ 9,322
TOTAL	**16%**	**$ 33,895**	**$ 3,390**	**$ 37,285**

Environmental Review

Approval of this contract is not a project requiring review under the California Environmental Quality Act (CEQA). Adoption of the S/CAP will require environmental review, and staff is planning to use the Comprehensive Plan Update EIR as the vehicle for that review to the extent

feasible. If there are programs or impacts of the S/CAP that are not considered in the Comprehensive Plan EIR, or are not considered at an appropriate level of detail, some subsequent or separate environmental review will be conducted prior to S/CAP adoption (potentially "tiering" from the Comprehensive Plan EIR).

Attachments:

- Attachment A - Staff Report 4996 (PDF)
- Attachment B - Budget Amendment Ordinance (PDF)

City of Palo Alto
City Council Staff Report

(ID # 4996)

Report Type: Consent Calendar **Meeting Date: 8/11/2014**

Summary Title: Contract for Sustainability and Climate Action Plan (S/CAP)

Title: Approval of a Contract with KEMA Services Inc. in the Amount of $233,030 for Development of Sustainability and Climate Action Plan (S/CAP)

From: City Manager

Lead Department: City Manager

Recommendation
Staff recommends that Council authorize the City Manager or designee to approve and execute a contract with KEMA Services Inc., a part of DNV GL, in the amount of $211,845 plus a ten percent contingency of $21,185 for a total cost of $233,030, for the development of a new Sustainability and Climate Action Plan (S/CAP) and approve a Budget Amendment Ordinance to fund the contract.

Executive Summary
Pursuant to Council direction, Staff has selected a consultant to assist the City in updating the 2007 Climate Action Plan, a project that will include developing three aggressive greenhouse gas (GHG) reduction scenarios, each representing a different possible target for emission reductions. The scenarios will delineate the actions that will be required to achieve these targets; address other Sustainability concerns besides GHG emissions; and coordinate the S/CAP effort with the Comprehensive Plan update. Staff recommends that Council approve this contract in the amount of $211,845 plus a ten percent contingency of $21,185 for a total cost of $233,030, with work to be completed by June 30, 2015.

Background
As previously discussed with Council (at the Earth Day study session, April 21, 2014), new circumstances, new technologies, plus a rising bar of new initiatives from cities around the country, call for a new climate action plan--and one that addresses other sustainability concerns as well. In addition, the City has the opportunity, or perhaps the need, to align the climate plan with its comprehensive plan update process currently underway.

In 2007, the City prepared a climate protection plan which specified goals for GHG emission reduction and set forth several hundred measures to address those goals. Since that time, the City has exceeded those goals, set new goals and exceeded them. City+Community emissions

now stand an estimated 34% below 1990 levels, and estimated 29% below 2005 levels. These are impressive accomplishments, but still a long way from the 80% by 2050 that the State of California has targeted and the even steeper reductions that the global climate crisis will require.

Discussion

Staff discussed provisional plans for the S/CAP with Council at the Earth Day study session, April 21, 2014: Q2/14: Climate Action Plan RFP ▪ Q3-Q4/14: Engage consultant ▪ Q1/15-Q2/15: Develop CAP ▪ Q2/15: Draft CAP for Council review. Staff did not include the S/CAP in the FY 2015 budget, but planned to come back to Council after conducting a competitive solicitation.

Staff issued the RFP for the S/CAP on June 2, 2014. A multi-departmental evaluation panel unanimously recommended DNV GL from a strong field of potential consultants on July 17, 2014. Staff issued a Notice of Award on July 18, 2014 and has negotiated the attached contract.

The RFP was intentionally both challenging in the scope it proposed and flexible in how it invited consultants to explore innovative and integrative strategies, rather than the proscriptive responses that most RFPs seek. Consultants will:

- Develop strategies for three different greenhouse gas reduction scenarios: 80% by 2050, 80% by 2030, and 100% ("carbon-free") by 2025, in each case delineating the technical, financial, policy and behavioral changes that will be required to achieve those goals, so that Council and the community will have a grounded basis for choosing how to move forward;
- Address other sustainability concerns besides greenhouse gas emissions, including transportation, water, climate risk and adaptation and financing strategies;
- Recommend improvements in City policies, programs and processes;
- Recommend actions for Community;
- Engage Staff and Community in the development of the plan;
- Coordinate the S/CAP effort with the Comprehensive Plan update process, to ensure alignment for content and synchronization with the environmental impact report (EIR) process to the extent feasible (see below);
- Deliver high level visual roadmaps, a detailed implementation plan, a summary presentation and an accessible “coffee table” briefing book.

Staff selected the DNV team led by Karl van Orsdol (with partners ESA, Nelson\Nygard and MIG) because of the strength of the team, their specific experience in the work required, their grasp of Palo Alto’s vision, and the merits of their proposal and plan, including their proposal to deliver several suggested optional scope elements. Staff has accepted several of these optional elements, and has worked with DNV to incorporate them into the consolidated contract scope presented here for your approval. The contract totals $211,845 plus a ten percent contingency of $21,185 for a total cost of $233,030.

(The cost of Climate Action Plans varies widely. For reference: San Mateo County and City Governments C/CAG, $300,000; City of New York, $1 million; Watsonville, $185,000; Riverside, $195,000; Mountain View, $311,000; Pleasanton, $345,000; Richmond (VA) $153,000, Santa Clara County cities ~$60,000 each (multiple cities under a single contract.)

Timeline

Staff has pursued an accelerated path, both for the proposal process and for the S/CAP development process, for several reasons.

1. To synchronize as much as possible with the development of the Comprehensive Plan, already underway, so that these plans can be as consistent as possible, and so the city does not inadvertently make decisions that could hinder future sustainability initiatives.
2. To ensure that the Comprehensive Plan environmental impact report (EIR) considers potential impacts of the principal greenhouse gas emission reduction strategies that are likely to be included in the S/CAP, minimizing the need for separate or subsequent environmental review.
3. To provide the clear strategy and common narrative needed to strengthen our mix of strong and flagging efforts, and prevent things from falling between the cracks.
4. To be responsive to Council comments at the April 21 study session, at which staff's suggested timeline of a climate plan draft by the end of Q2 2015 was met with several Council Members asking "can't we get this any sooner?"
5. The clock is ticking.

Staff will work with the consultants to produce initial draft scenarios within 30 days of Notice to Proceed, and will provide these to the Planning and Community Environment Department in early September to inform the Comprehensive Plan and for incorporation into the planned EIR to the extent feasible. The S/CAP team will maintain active dialog with the CompPlan team as the scenarios are further developed and alternative implementation plans are developed and analyzed, including consideration of the likely effectiveness of those strategies in light of their costs (political, financial, social) and impacts (if any).

In response to Council's request on April 21 for an accelerated process, Staff expects to have a draft S/CAP ready for Council review in January 2015. Subsequently Staff will return to Council for approval of proposed follow on work for Q4/FY15 related to implementation, community engagement and further analysis if needed), as well as with proposed plans for FY16.

Staff recognizes that the S/CAP will raise issues as well as resolve them, and expects that the S/CAP will generate ongoing discussion among City staff, with Council, and in the Community. Staff will actively seek Community input in the development of the S/CAP. Ultimately, Council and Community will need to decide whether or not to adopt the S/CAP, and which scenario, and goals to select and pursue. Identification of specific issues of concern will be the actual work of the S/CAP, and premature to identify in greater detail here.

Policy Implications
This policy will advance the Council priorities of Environmental Sustainability.

Resource Impact
The full cost of this project, $233,030 ($211,845 contractual costs plus a ten percent contingency of $21,185) will be allocated in the General Fund to the Office of Sustainability through the increase of Contractual Services expenditures. This project by its nature is strategic and cross-cutting. A few of its elements address specific departments and funds, but the project will touch much of the City and the specific impact on departments and funds ultimately will not be known until the work is well underway. For this reason, an allocation of costs for this project has been developed to reflect the scale, scale of impact, and estimated scale of involvement of each department in the project scope. Costs for departments with multiple funds have been allocated evenly across the funds.

Costs related to the General Fund departments will cover 59% of the project, and they will be allocated to the Office of Sustainability through a reduction to the General Fund Budget Stabilization Reserve of $137,490. See the table below for the cost allocation from each General Fund department.

Department	Percentage	Contract	Contingency	Total
Planning and Community Environment	15%	$ 31,775	$ 3,178	$ 34,953
Development Services	10%	$ 21,185	$ 2,119	$ 23,304
Community Services	10%	$ 21,185	$ 2,119	$ 23,304
Administrative Services	10%	$ 21,185	$ 2,119	$ 23,304
City Manager's Office	10%	$ 21,185	$ 2,119	$ 23,304
Public Works	4%	$ 8,475	$ 846	$ 9,321
TOTAL	**59%**	**$ 124,990**	**$ 12,500**	**$ 137,490**

Costs for the Public Works and Utilities Departments from funds other than the General Fund will cover 41% of the project, and they will be allocated to the Office of Sustainability through increased Transfers to the General Fund, and corresponding reductions to Reserves/Ending Fund Balance in the various funds. See the table below for the cost allocation from each non-General Fund department.

Department/Fund	Percentage	Contract	Contingency	Total
Utilities				
Electric Fund	10%	$ 21,148	$ 2,118	$ 23,302
Gas Fund	5%	$ 10,592	$ 1,059	$ 11,651
Wastewater Collection Fund	5%	$ 10,592	$ 1,059	$ 11,651
Water Fund	5%	$ 10,592	$ 1,059	$ 11,651
TOTAL	**25%**	**$ 52,960**	**$ 5,295**	**$ 58,255**
Public Works				
Refuse Fund	4%	$ 8,473	$ 847	$ 9,320
Storm Drain Fund	4%	$ 8,474	$ 847	$ 9,321
Wastewater Treatment Fund	4%	$ 8,474	$ 848	$ 9,322
Vehicle Fund	4%	$ 8,474	$ 848	$ 9,322
TOTAL	**16%**	**$ 33,895**	**$ 3,390**	**$ 37,285**

Environmental Review

Approval of this contract is not a project requiring review under the California Environmental Quality Act (CEQA). Adoption of the S/CAP will require environmental review, and staff is planning to use the Comprehensive Plan Update EIR as the vehicle for that review to the extent

feasible. If there are programs or impacts of the S/CAP that are not considered in the Comprehensive Plan EIR, or are not considered at an appropriate level of detail, some subsequent or separate environmental review will be conducted prior to S/CAP adoption (potentially "tiering" from the Comprehensive Plan EIR).

Attachments:

- Attachment 1: Palo Alto S/CAP Contract (PDF)
- Attachment 2: DNV & Partners Background (PDF)
- Attachment 3: BAO - Sustainability and Climate Action Plan (DOC)

(USE FOR PROFESSIONAL SERVICES (DESIGN and NON-DESIGN)

CITY OF PALO ALTO CONTRACT NO.

AGREEMENT BETWEEN THE CITY OF PALO ALTO AND

KEMA SERVICES INC. FOR PROFESSIONAL SERVICES

This Agreement is entered into on this 29th day of July, 2014, ("Agreement") by and between the CITY OF PALO ALTO, a California chartered municipal corporation ("CITY"), and **KEMA Services Inc.**, a part of the DNV GL family of companies (formerly DNV KEMA Energy & Sustainability), located at 155 Grand Ave., Suite 500, Oakland, CA, 94612 ("CONSULTANT").

RECITALS

The following recitals are a substantive portion of this Agreement.

A. CITY intends to develop a Sustainability and Climate Action Plan (S/CAP) ("Project") and desires to engage a consultant to provide services in connection with the Project ("Services").

B. CONSULTANT has represented that it has the necessary professional expertise, qualifications, and capability, and all required licenses and/or certifications to provide the Services.

C. CITY in reliance on these representations desires to engage CONSULTANT to provide the Services as more fully described in Exhibit "A", attached to and made a part of this Agreement.

NOW, THEREFORE, in consideration of the recitals, covenants, terms, and conditions, in this Agreement, the parties agree:

AGREEMENT

SECTION 1. SCOPE OF SERVICES. CONSULTANT shall perform the Services described in Exhibit "A" in accordance with the terms and conditions contained in this Agreement. The performance of all Services shall be to the reasonable satisfaction of CITY.

☐ Optional On-Call Provision (This provision only applies if checked and only applies to on-call agreements.)
Services will be authorized by the City, as needed, with a Task Order assigned and approved by the City's Project Manager. Each Task Order shall be in substantially the same form as Exhibit A-1. Each Task Order shall designate a City Project Manager and shall contain a specific scope of work, a specific schedule of performance and a specific compensation amount. The total price of all Task Orders issued under this Agreement shall not exceed the amount of Compensation set forth in Section 4 of this Agreement. CONSULTANT shall only be compensated for work performed under an authorized Task Order and the City may elect, but is not required, to authorize work up to the maximum compensation amount set forth in Section 4.

SECTION 2. TERM.
The term of this Agreement shall be from the date of its full execution through 06/30/2015 unless terminated earlier pursuant to Section 19 of this Agreement.

SECTION 3. SCHEDULE OF PERFORMANCE. Time is of the essence in the performance of Services under this Agreement. CONSULTANT shall complete the Services within the term of this Agreement and in accordance with the schedule set forth in Exhibit "B", attached to and made a part of this Agreement. Any Services for which times for performance are not specified in this Agreement shall be commenced and completed by CONSULTANT in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the CONSULTANT. CITY's agreement to extend the term or the schedule for performance shall not preclude recovery of damages for delay if the extension is required due to the fault of CONSULTANT.

SECTION 4. NOT TO EXCEED COMPENSATION. The compensation to be paid to CONSULTANT for performance of the Services described in Exhibit "A", including both payment for professional services and reimbursable expenses, shall not exceed Two Hundred Eleven Thousand Eight Hundred Forty Five Dollars ($211,845). In the event Additional Services are authorized, the total compensation for Services, Additional Services and reimbursable expense shall not exceed Two Hundred Thirty Three Thousand Twenty Nine Dollars and Fifty Cents ($233,029.50). In the event Additional Services are authorized, the total compensation for Services, Additional Services and reimbursable expense shall not exceed Two Hundred Thirty Three Thousand Twenty Nine Dollars and Fifty Cents ($233,029.50). The applicable rates and schedule of payment are set out in Exhibit "C-1", entitled "HOURLY RATE SCHEDULE," which is attached to and made a part of this Agreement.

Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit "C". CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described in Exhibit "A".

SECTION 5. INVOICES. In order to request payment, CONSULTANT shall submit monthly invoices to the CITY describing the services performed and the applicable charges (including an identification of personnel who performed the services, hours worked, hourly rates, and reimbursable expenses), based upon the CONSULTANT's billing rates (set forth in Exhibit "C-1"). If applicable, the invoice shall also describe the percentage of completion of each task. The information in CONSULTANT's payment requests shall be subject to verification by CITY. CONSULTANT shall send all invoices to the City's project manager at the address specified in Section 13 below. The City will generally process and pay invoices within thirty (30) days of receipt.

SECTION 6. QUALIFICATIONS/STANDARD OF CARE. All of the Services shall be performed by CONSULTANT or under CONSULTANT's supervision. CONSULTANT represents that it possesses the professional and technical personnel necessary to perform the Services required by this Agreement and that the personnel have sufficient skill and experience to perform the Services assigned to them. CONSULTANT represents that it, its employees and

subconsultants, if permitted, have and shall maintain during the term of this Agreement all licenses, permits, qualifications, insurance and approvals of whatever nature that are legally required to perform the Services.

All of the services to be furnished by CONSULTANT under this agreement shall meet the professional standard and quality that prevail among professionals in the same discipline and of similar knowledge and skill engaged in related work throughout California under the same or similar circumstances.

SECTION 7. COMPLIANCE WITH LAWS. CONSULTANT shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this Agreement. CONSULTANT shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

SECTION 8. ERRORS/OMISSIONS. For a period of 1 year after completion of the work, CONSULTANT shall correct, at no cost to CITY, any and all errors, omissions, or ambiguities in the work product submitted to CITY, provided CITY gives written notice to CONSULTANT. If CONSULTANT has prepared plans and specifications or other design documents to construct the Project, CONSULTANT shall be obligated to correct any and all errors, omissions or ambiguities discovered prior to and during the course of construction of the Project. This obligation shall survive termination of the Agreement.
The foregoing warranty is in lieu of all other warranties and conditions express or implied including, but not limited to, the warranties of merchantability and fitness for a particular purpose.

SECTION 9. COST ESTIMATES. If this Agreement pertains to the design of a public works project, CONSULTANT shall submit estimates of probable construction costs at each phase of design submittal. If the total estimated construction cost at any submittal exceeds ten percent (10%) of the CITY's stated construction budget, CONSULTANT shall make recommendations to the CITY for aligning the PROJECT design with the budget, incorporate CITY approved recommendations, and revise the design to meet the Project budget, at no additional cost to CITY.

SECTION 10. INDEPENDENT CONTRACTOR. It is understood and agreed that in performing the Services under this Agreement CONSULTANT, and any person employed by or contracted with CONSULTANT to furnish labor and/or materials under this Agreement, shall act as and be an independent contractor and not an agent or employee of the CITY.

SECTION 11. ASSIGNMENT. The parties agree that the expertise and experience of CONSULTANT are material considerations for this Agreement. CONSULTANT shall not assign or transfer any interest in this Agreement nor the performance of any of CONSULTANT's obligations hereunder without the prior written consent of the city manager. Consent to one assignment will not be deemed to be consent to any subsequent assignment. Any assignment made without the approval of the city manager will be void.

SECTION 12. SUBCONTRACTING.

☐**Option A: No Subcontractor:** CONSULTANT shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of the city manager or designee.

☒**Option B: Subcontracts Authorized:** Notwithstanding Section 11 above, CITY agrees that subconsultants may be used to complete the Services. The subconsultants authorized by CITY to perform work on this Project are:

ESA
MIG
Nelson\Nygard

CONSULTANT shall be responsible for directing the work of any subconsultants and for any compensation due to subconsultants. CITY assumes no responsibility whatsoever concerning compensation. CONSULTANT shall be fully responsible to CITY for all acts and omissions of a subconsultant. CONSULTANT shall change or add subconsultants only with the prior approval of the city manager or his designee.

SECTION 13. PROJECT MANAGEMENT. CONSULTANT will assign Betty Seto as the S/CAP Project Manager to have supervisory responsibility for the performance, progress, and execution of the Services and Karl van Orsdol as the project Sponsor to represent CONSULTANT during the day-to-day work on the Project. If circumstances cause the substitution of the project director, project coordinator, or any other key personnel for any reason, the appointment of a substitute project director and the assignment of any key new or replacement personnel will be subject to the prior written approval of the CITY's project manager. CONSULTANT, at CITY's request, shall promptly remove personnel who CITY finds do not perform the Services in an acceptable manner, are uncooperative, or present a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property.

The City's project manager is Gil Friend, City Manager's Department, Sustainability Division, 250 Hamilton Ave., Palo Alto, CA 94303, Telephone: 650-329-2447. The project manager will be CONSULTANT's point of contact with respect to performance, progress and execution of the Services. The CITY may designate an alternate project manager from time to time.

SECTION 14. OWNERSHIP OF MATERIALS. Upon delivery, all work product, including without limitation, all writings, drawings, plans, reports, specifications, calculations, documents, other materials and copyright interests developed under this Agreement shall be and remain the exclusive property of CITY without restriction or limitation upon their use. CONSULTANT agrees that all copyrights which arise from creation of the work pursuant to this Agreement shall be vested in CITY, and CONSULTANT waives and relinquishes all claims to copyright or other intellectual property rights in favor of the CITY. Neither CONSULTANT nor its contractors, if any, shall make any of such materials available to any individual or organization without the prior written approval of the City Manager or designee. CONSULTANT makes no representation of the suitability of the work product for use in or application to circumstances not contemplated by the scope of work.

Notwithstanding the above, CONSULTANT shall retain and may use the general knowledge acquired as a result of its creation of the work product or the performance of services hereunder, for its general reference, enhancement of its technical capabilities, and for other purposes. All information and material which is owned by CONSULTANT and used by CONSULTANT in the performance of the Agreement shall remain the exclusive property of CONSULTANT whether or not such information or material was incorporated in or used to produce any of the work products delivered under this Agreement.

SECTION 15. AUDITS. CONSULTANT will permit CITY to audit, at any reasonable time during the term of this Agreement and for three (3) years thereafter, CONSULTANT's records pertaining to matters covered by this Agreement. CONSULTANT further agrees to maintain and retain such records for at least three (3) years after the expiration or earlier termination of this Agreement.

SECTION 16. INDEMNITY.

☒**[Option A applies to the following design professionals pursuant to Civil Code Section 2782.8: architects; landscape architects; registered professional engineers and licensed professional land surveyors.]** 16.1. To the fullest extent permitted by law, CONSULTANT shall protect, indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents (each an "Indemnified Party") from and against any and all third party demands, claims, or liability of any nature, including death or injury to any person, property damage or any other loss, including all costs and expenses of whatever nature including attorneys fees, experts fees, court costs and disbursements ("Claims") resulting from, arising out of or in any matter related to CONSULTANTS negligence or willful misconduct in the performance or nonperformance by CONSULTANT, its officers, employees, agents or contractors under this Agreement, regardless of whether or not it is caused in part by an Indemnified Party.

☐**[Option B applies to any consultant who does not qualify as a design professional as defined in Civil Code Section 2782.8.]** 16.1. To the fullest extent permitted by law, CONSULTANT shall protect, indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents (each an "Indemnified Party") from and against any and all demands, claims, or liability of any nature, including death or injury to any person, property damage or any other loss, including all costs and expenses of whatever nature including attorneys fees, experts fees, court costs and disbursements ("Claims") resulting from, arising out of or in any matter related to CONSULTANTS negligence or willful misconduct in the performance or nonperformance by CONSULTANT, its officers, employees, agents or contractors under this Agreement, regardless of whether or not it is caused in part by an Indemnified Party.

16.2. Notwithstanding the above, nothing in this Section 16 shall be construed to require CONSULTANT to indemnify an Indemnified Party from Claims arising from the negligence or willful misconduct of an Indemnified Party.

16.3. The acceptance of CONSULTANT's services and duties by CITY shall not operate as a waiver of the right of indemnification. The provisions of this Section 16 shall survive the expiration or early termination of this Agreement.

SECTION 17. WAIVERS. The waiver by either party of any breach or violation of any covenant, term, condition or provision of this Agreement, or of the provisions of any ordinance or law, will not be deemed to be a waiver of any other term, covenant, condition, provisions, ordinance or law, or of any subsequent breach or violation of the same or of any other term, covenant, condition, provision, ordinance or law.

SECTION 18. INSURANCE.

18.1. CONSULTANT, at its sole cost and expense, shall obtain and maintain, in full force and effect during the term of this Agreement, the insurance coverage described in Exhibit "D". CONSULTANT and its contractors, if any, shall obtain a policy endorsement naming CITY as an additional insured under any general liability or automobile policy or policies.

18.2. All insurance coverage required hereunder shall be provided through carriers with AM Best's Key Rating Guide ratings of A-:VII or higher which are licensed or authorized to transact insurance business in the State of California. Any and all contractors of CONSULTANT retained to perform Services under this Agreement will obtain and maintain, in full force and effect during the term of this Agreement, identical insurance coverage, naming CITY as an additional insured under such policies as required above.

18.3. Certificates evidencing such insurance shall be filed with CITY concurrently with the execution of this Agreement. The certificates will be subject to the approval of CITY's Risk Manager and will contain an endorsement stating that the insurance is primary coverage and will not be canceled, or materially reduced in coverage or limits, by the insurer except after filing with the Purchasing Manager thirty (30) days' prior written notice of the cancellation or modification. If the insurer cancels or modifies the insurance and provides less than thirty (30) days' notice to CONSULTANT, CONSULTANT shall provide the Purchasing Manager written notice of the cancellation or modification within two (2) business days of the CONSULTANT's receipt of such notice. CONSULTANT shall be responsible for ensuring that current certificates evidencing the insurance are provided to CITY's Purchasing Manager during the entire term of this Agreement.

18.4. The procuring of such required policy or policies of insurance will not be construed to limit CONSULTANT's liability hereunder nor to fulfill the indemnification provisions of this Agreement. Notwithstanding the policy or policies of insurance, CONSULTANT will be obligated for the full and total amount of any damage, injury, or loss caused by or directly arising as a result of the Services performed under this Agreement, including such damage, injury, or loss arising after the Agreement is terminated or the term has expired.

SECTION 19. TERMINATION OR SUSPENSION OF AGREEMENT OR SERVICES.

19.1. The City Manager may suspend the performance of the Services, in whole or in part, or terminate this Agreement, with or without cause, by giving ten (10) days prior written notice thereof to CONSULTANT. Upon receipt of such notice, CONSULTANT will immediately discontinue its performance of the Services.

19.2. CONSULTANT may terminate this Agreement or suspend its performance of the Services by giving thirty (30) days prior written notice thereof to CITY, but only in the event of a substantial failure of performance by CITY.

19.3. Upon such suspension or termination, CONSULTANT shall deliver to the City Manager immediately any and all copies of studies, sketches, drawings, computations, and other data, whether or not completed, prepared by CONSULTANT or its contractors, if any, or given to CONSULTANT or its contractors, if any, in connection with this Agreement. Such materials will become the property of CITY.

19.4. Upon such suspension or termination by CITY, CONSULTANT will be paid for the Services rendered or materials delivered to CITY in accordance with the scope of services on or before the effective date (i.e., 10 days after giving notice) of suspension or termination; provided, however, if this Agreement is suspended or terminated on account of a default by CONSULTANT, CITY will be obligated to compensate CONSULTANT only for that portion of CONSULTANT's services which are of direct and immediate benefit to CITY as such determination may be made by the City Manager acting in the reasonable exercise of his/her discretion. The following Sections will survive any expiration or termination of this Agreement: 14, 15, 16, 19.4, 20, and 25.

19.5. No payment, partial payment, acceptance, or partial acceptance by CITY will operate as a waiver on the part of CITY of any of its rights under this Agreement.

SECTION 20. NOTICES.

All notices hereunder will be given in writing and mailed, postage prepaid, by certified mail, addressed as follows:

To CITY: Office of the City Clerk
City of Palo Alto
Post Office Box 10250
Palo Alto, CA 94303
With a copy to the Purchasing Manager

To CONSULTANT: Attention of the project director
at the address of CONSULTANT recited above

SECTION 21. CONFLICT OF INTEREST.

21.1. In accepting this Agreement, CONSULTANT covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services.

21.2. CONSULTANT further covenants that, in the performance of this Agreement, it will not employ subconsultants, contractors or persons having such an interest. CONSULTANT certifies that no person who has or will have any financial interest under this Agreement is an officer or employee of CITY; this provision will be interpreted in accordance with the applicable provisions of the Palo Alto Municipal Code and the Government Code of the State of California.

21.3. If the Project Manager determines that CONSULTANT is a "Consultant" as that term is defined by the Regulations of the Fair Political Practices Commission, CONSULTANT shall be required and agrees to file the appropriate financial disclosure documents required by the Palo Alto Municipal Code and the Political Reform Act.

SECTION 22. NONDISCRIMINATION. As set forth in Palo Alto Municipal Code section 2.30.510, CONSULTANT certifies that in the performance of this Agreement, it shall not discriminate in the employment of any person because of the race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of such person. CONSULTANT acknowledges that it has read and understands the provisions of Section 2.30.510 of the Palo Alto Municipal Code relating to Nondiscrimination Requirements and the penalties for violation thereof, and agrees to meet all requirements of Section 2.30.510 pertaining to nondiscrimination in employment.

SECTION 23. ENVIRONMENTALLY PREFERRED PURCHASING AND ZERO WASTE REQUIREMENTS. CONSULTANT shall comply with the City's Environmentally Preferred Purchasing policies which are available at the City's Purchasing Department, incorporated by reference and may be amended from time to time. CONSULTANT shall comply with waste reduction, reuse, recycling and disposal requirements of the City's Zero Waste Program. Zero Waste best practices include first minimizing and reducing waste; second, reusing waste and third, recycling or composting waste. In particular, Consultant shall comply with the following zero waste requirements:

- All printed materials provided by Consultant to City generated from a personal computer and printer including but not limited to, proposals, quotes, invoices, reports, and public education materials, shall be double-sided and printed on a minimum of 30% or greater post-consumer content paper, unless otherwise approved by the City's Project Manager. Any submitted materials printed by a professional printing company shall be a minimum of 30% or greater post-consumer material and printed with vegetable based inks.
- Goods purchased by Consultant on behalf of the City shall be purchased in accordance with the City's Environmental Purchasing Policy including but not limited to Extended Producer Responsibility requirements for products and packaging. A copy of this policy is on file at the Purchasing Office.
- Reusable/returnable pallets shall be taken back by the Consultant, at no additional

cost to the City, for reuse or recycling. Consultant shall provide documentation from the facility accepting the pallets to verify that pallets are not being disposed.

SECTION 24. NON-APPROPRIATION

24.1. This Agreement is subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code. This Agreement will terminate without any penalty (a) at the end of any fiscal year in the event that funds are not appropriated for the following fiscal year, or (b) at any time within a fiscal year in the event that funds are only appropriated for a portion of the fiscal year and funds for this Agreement are no longer available. This section shall take precedence in the event of a conflict with any other covenant, term, condition, or provision of this Agreement.

The liability of CONSULTANT for any claim whatsoever related to or arising under this Agreement, including any cause of action in contract, tort or strict liability, shall not exceed the total amount of payments previously made to CONSULTANT hereunder, or $300,000, whichever is less. In no event shall either party be liable to the other for any indirect, consequential, exemplary, special, incidental, or punitive damages including, without limitation, lost profits or revenues even if such damages are foreseeable or the damaged party has been advised of the possibility of such damages and regardless of whether any such damages are deemed to result from the failure or inadequacy of any exclusive or other remedy.

SECTION 25. MISCELLANEOUS PROVISIONS.

25.1. This Agreement will be governed by the laws of the State of California.

25.2. In the event that an action is brought, the parties agree that trial of such action will be vested exclusively in the state courts of California in the County of Santa Clara, State of California.

25.3. The prevailing party in any action brought to enforce the provisions of this Agreement may recover its reasonable costs and attorneys' fees expended in connection with that action. The prevailing party shall be entitled to recover an amount equal to the fair market value of legal services provided by attorneys employed by it as well as any attorneys’ fees paid to third parties.

25.4. This document represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations, and contracts, either written or oral. This document may be amended only by a written instrument, which is signed by the parties.

25.5. The covenants, terms, conditions and provisions of this Agreement will apply to, and will bind, the heirs, successors, executors, administrators, assignees, and consultants of the parties.

25.6. If a court of competent jurisdiction finds or rules that any provision of this Agreement or any amendment thereto is void or unenforceable, the unaffected provisions of this Agreement and any amendments thereto will remain in full force and effect.

25.7. All exhibits referred to in this Agreement and any addenda, appendices, attachments, and schedules to this Agreement which, from time to time, may be referred to in any duly executed amendment hereto are by such reference incorporated in this Agreement and will be deemed to be a part of this Agreement.

25.8 If, pursuant to this contract with CONSULTANT, City shares with CONSULTANT personal information as defined in California Civil Code section 1798.81.5(d) about a California resident ("Personal Information"), CONSULTANT shall maintain reasonable and appropriate security procedures to protect that Personal Information, and shall inform City immediately upon learning that there has been a breach in the security of the system or in the security of the Personal Information. CONSULTANT shall not use Personal Information for direct marketing purposes without City's express written consent.

25.9 All unchecked boxes do not apply to this agreement.

/ /

/ /

/ /

/ /

/ /

/ /

/ /

/ /

/ /

/ /

/ /

/ /

/ /

/ /

/ /

/ /

/ /

25.10 The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

25.11 This Agreement may be signed in multiple counterparts, which shall, when executed by all the parties, constitute a single binding agreement

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement on the date first above written.

CITY OF PALO ALTO

_____

City Manager (Required on contracts over $85,000)
Purchasing Manager (Required on contracts over $25,000)
Contracts Administrator (Required on contracts under $25,000)

APPROVED AS TO FORM:

_____

Senior Asst. City Attorney
(Required on Contracts over $25,000)

CONSULTANT
KEMA Services Inc.,

By: _____
Name: ERIK DYRR
Title: Head of Section

Attachments:

EXHIBIT "A":	SCOPE OF WORK
EXHIBIT "B":	SCHEDULE OF PERFORMANCE
EXHIBIT "C":	COMPENSATION
EXHIBIT "C-1":	SCHEDULE OF RATES
EXHIBIT "D":	INSURANCE REQUIREMENTS

EXHIBIT "A"
SCOPE OF SERVICES

City of Palo Alto
Sustainability/Climate Action Plan (S/CAP)
Scope of Work

Prepared by KEMA Services, Inc.
July 29, 2014

Copyright © 2014, KEMA Services, Inc.
This document, and the information contained herein, is the exclusive, confidential and proprietary property of KEMA Services, Inc. and is protected under the trade secret and copyright laws of the United States and other international laws, treaties and conventions. No part of this work may be disclosed to any third party or used, reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying and recording, or by any information storage or retrieval system, without first receiving the express written permission of KEMA Services, Inc. Except as otherwise noted, all trademarks appearing herein are proprietary to KEMA Services, Inc.

Table of Contents

1. Work Plan and Approach 1-1
   1.1 Project Initiation 1-2
   1.2 Task 1: Scoping and Inventory 1-3
      1.2.1 Subtask 1.1: Background and Best Practices Review 1-3
      1.2.2 Subtask 1.2: GHG Inventory Data Compilation and Review 1-6
   1.3 Task 2: Transportation 1-7
      1.3.1 Subtask 2.1: Review Travel Demand Model 1-7
      1.3.2 Subtask 2.2: Transportation Analysis 1-8
   1.4 Task 3: Scenarios 1-9
      1.4.1 Subtask 3.1: Development of Initial Scenarios 1-10
      1.4.2 Subtask 3.2: Develop Three Modified Scenarios 1-11
   1.5 Task 4: Implementation Strategies 1-13
      1.5.1 Subtask 4.1: Strategy Development and Sequencing 1-14
      1.5.2 Subtask 4.2: Prepare Detailed Implementation Guidelines for Each Strategy 1-14
      1.5.3 Subtask 4.3: Overall Implementation Plan for S/CAP 1-15
      1.5.4 Subtask 4.4: Identify Solutions to Streamline the S/CAP Process 1-16
   1.6 Task 5: Sustainability Roadmaps 1-17
      1.6.1 Subtask 5.1: Develop Sustainability Roadmaps 1-18
      1.6.2 Subtask 5.2: Climate Risk, Water and Adaptation Strategies 1-18
   1.7 Task 6: Identify Financing Options to Implement Projects 1-21
   1.8 Task 7: Public Engagement and Feedback 1-21
      1.8.1 Subtask 7.1: Public Engagement Plan 1-22
      1.8.2 Subtask 7.2: Conduct Outreach Activities 1-22
   1.9 Task 8: Coordination with Comprehensive Plan 1-23
   1.10 Task 9: Reporting 1-24
      1.10.1 Subtask 9.1: Develop Public-Facing Report in Presentation Format 1-24
      1.10.2 Subtask 9.2: Develop Booklet 1-25
   1.11 Task 10: Project Planning and Management 1-26
      1.11.1 Project Plan and Schedule 1-26
2. Summary of Deliverables 2-27
3. Detailed Project Schedule 3-32
4. Project Budget 4-1

List of Exhibits

Figure 1: Example Graphic Showing Plans Relevant to the CAP (Seattle Climate Action Plan, 2013) 1-5
Figure 2: Example of Required Elements and Schedule for Achieving Scenario Goals..... 1-13

List of Tables

Table 1: Examples of Source Documents for Review 1-3
Table 2. List of Project Deliverables by Task and Deliverable Type 2-27
Table 3: Summary of Costs 4-1
Table 4: Staff Classifications and Hourly Rates 4-3

1. Work Plan and Approach

KEMA Services, Inc., a part of the DNV GL family of companies (formerly DNV KEMA Energy & Sustainability), is pleased to present this refined scope of work for the City of Palo Sustainability/Climate Action Plan project (#154740). DNV GL and its collaborating organizations – MIG, ESA, and Nelson\Nygaard – present a comprehensive vision and actionable approach for the City of Palo Alto to continue its leadership in sustainability and climate action planning. The City's 2007 Climate Action Plan presented a vision for managing sustainability and provided detail programs focusing on city operations with some information related the community as a whole. We envision this 2014 Sustainability/Climate Action Plan (S/CAP) as the catalyst to provide both vision and an actionable plan for the City, its residence, businesses and visitors to achieve extraordinary results.

Our approach to the 2014 S/CAP activity is to provide focus on innovation around sustainability, providing the catalyst for the community of Palo Alto while addressing the two leading sources of greenhouse gas emissions – transportation and natural gas use – to drive the City's emissions to near zero, while promoting a sustainable business community, engaging in smart-grid and smart-city applications and engaging the City's population. This approach focuses on:

- Establishing the policy framework to drive intelligent change and catalyze and capitalize on innovation.
- Designing new or modified government programs and incentives around transportation, energy, and water to:
  - Transform transportation management opportunities, especially with regard to non-commute trips (the largest portion of mobile source emissions)
  - Promote fuel switching from natural gas to clean electricity for heating on either a whole-building or high-usage room basis for residential buildings
  - Expand local energy sources and promote energy independence.
  - Assess the climate risks to the City, its operations and the community.
- Developing new funding and finance opportunities through public/private partnerships and local venture capital resources.
- Drive technology and innovation in the energy and transportation space by:
  - Promoting smart-grid opportunities for integrating gas, electricity, cooling, heat, water, and transport and telecommunications infrastructures at the heart of the smart city concept.
  - Engaging with local technology firms to apply leading concepts and approaches in local green technology hubs.
- Partnering more effectively with the demographically changing population of Palo Alto through innovative outreach programs to incite behavior change and promote community building.

A central organizing tenant of this S/CAP relates to the Scenario Development (Task 3), Implementation Strategies (Task 4) and the Sustainability Roadmap (Task 5). These three components are especially closely related in that:

- The Scenarios provide a high level, but grounded, narrative around major sustainability options and what types of energy and emissions savings are required from, for example transportation and buildings in order to achieve the scenario goals.
- The Implementation Strategies provide the opportunity to explain the specific actions, policies, behaviors, and technology developments requiring implementation in order to achieve the savings outlined in the Scenarios.
- The Sustainability Roadmap provides a synthesis of actionable options, steps, decision points and paths the City could embark on now, and in the near-term future, towards achieving the chosen scenario.

The integration of the Scenario, Implementation and Roadmap tasks represent the core analysis to developing the City's sustainability vision and pathway. Building upon an assessment of best practices and community input, the project will develop actionable and trackable implementation approaches to help the City to meet its ambitious new goals. Our vision is that the S/CAP provides Palo Alto with the platform to truly transform itself. To provide the vision and action plan to harness the technological capabilities, resident involvement, municipal utilities and capital resources of the business community to create an internationally recognized smart-city innovation hub, linking transportation, energy, intellectual and financial capital, and technology into a net-zero emissions community.

The work plan presented below is a refinement of the scope of work described in DNV GL's Technical Proposal to City of Palo Alto and is based on a subsequent meetings with city staff in July 2014. This work plan provides more detail and clarification on deliverables, project schedule and planned task activities to meet the goals and objectives of the City in creating the S/CAP.

1.1 Project Initiation

To begin this project, our team will convene an in-person kick-off meeting with key city staff including the Chief Sustainability Officer and representatives from different departments (e.g., Planning, Community Services, Utilities, etc). The Chief Sustainability Officer will determine the final list of attendees for the kick-off meeting. The purpose of this meeting will be to set the foundation for an ongoing, successful collaboration on the S/CAP project. At the kick-off meeting, we will introduce all team members, define roles and responsibilities, discuss ongoing communications and meetings, and review and confirm the project goals, scope of work, project tasks, schedule, and budget. DNV GL will work with city staff to develop and finalize the meeting

agenda. Following the meeting, DNV GL will submit meeting minutes summarizing key discussion topics, next steps and action items.

DNV GL will also submit an initial data request for background information needed from City of Palo Alto. Example data may include Excel files of greenhouse gas inventory data, drafts of each element of the Comprehensive Plan, schedule and stakeholder engagement plan for Comprehensive Plan Update, list of City of Palo Alto Utility energy efficiency programs, description of past building reach codes, minutes from Green Team and CEAP meetings, etc.

Project Initiation – Process Deliverables:

- Draft and final agenda for meeting
- Initial data request

Project Initiation – Output Deliverables:

- Meeting minutes

Following, we describe our detailed approach to completing each required element, which we refer to henceforth as Tasks 1 – 10.

1.2 Task 1: Scoping and Inventory

The purpose of this task, Task 1 – Scoping and Inventory – is to lay the foundation for a successful update to the S/CAP by conducting background industry best practices research, and reviewing the City of Palo Alto baseline inventory and inventory updates. The results of this analysis will inform the development of new reduction goals and policies and improve the GHG inventory workflow and reporting processes.

1.2.1 Subtask 1.1: Background and Best Practices Review

The initial part of this task will be to conduct a general review of a targeted list of state, regional, and local goals, plans and documents that relate to the S/CAP. DNV GL will work closely with City of Palo Alto staff to determine the final list of jurisdictions, background documents and best practices reports for review.

Table 1: Examples of Source Documents for Review

Type	Example Reports or Documents
Palo Alto specific	▪ Existing Climate Protection Plan (adopted 2007) ▪ Annual Climate Protection Plan progress reports ▪ City of Palo Alto Utility related planning documents

	▪ Comprehensive Plan Update (draft documents) ▪ Local transportation plans
Regional and state	▪ Silicon Valley 2.0 Sustainability Plan (County of Santa Clara) ▪ AB 32 Climate Change Scoping Plan ▪ Transportation improvement plans ▪ Sustainable Communities Strategy
Peer review	▪ City of Seattle Climate Action Plan (62% reduction of GHG emissions by 2030) ▪ City of Fort Collins (potential goal of carbon neutrality by 2050) ▪ C40 Climate Initiative ▪ Other leading cities such as San Francisco, PlaNYC, and Helsinki

Based on the agreed upon list of documents DNV GL team will review the selected plans and documents deemed to be best-in- class S/CAPs in order to inform the list of potential strategies that could be applicable in Palo Alto.

All relevant plans and documents and their relation to the new S/CAP will be summarized in a short memo prepared by DNV GL to identify best practices and key climate action plan strategies for achieving ambitious greenhouse gas reduction targets. Specifically, the team will review municipal case studies from around the world and harvest best practices along multiple axes including policy, technology, behavior and finance aspects. The project team proposes to create a summary graphic similar to the one included in the City of Seattle Climate Action Plan showing the relationship of existing plans and documents to the S/CAP.

Figure 1: Example Graphic Showing Plans Relevant to the CAP (Seattle Climate Action Plan, 2013)

Source: Seattle Climate Action Plan (http://www.seattle.gov/Documents/Departments/OSE/2013_CAP_20130612.pdf)

In the memo, the DNV GL team will also summarize innovative approaches and cutting-edge experiments that could have the potential for large GHG reductions in Palo Alto, across all key sectors. Based on feedback from city staff, our team may create a matrix to organize the innovative ideas that falls into each emissions category and that also fall within each of the three domains previously identified by the City (Resources, Infrastructure, and Behaviors).

The DNV GL team will also review the database of existing Palo Alto sustainability programs already underway. At a very high level, we will assess if these programs appear generally sufficient across the emissions categories included in the GHG inventory and use this to inform the development of the Scenario Analysis, Implementation Plan and Sustainability Roadmap.

Task 1.1 – Process Deliverables:

- Draft list of reports for review

Task 1.1 – Output Deliverables:

- Seattle-like graphic;
- Excel workbook of best practices table and comparison of city goals/achievements (with graphical comparison)

1.2.2 Subtask 1.2: GHG Inventory Data Compilation and Review

The objectives of the inventory review is to ensure that the Palo Alto community greenhouse gas inventories are compliant with the most recent GHG protocols and provide recommendations for improving the workflow of the reporting processes. The DNV GL team will utilize industry accepted greenhouse gas protocols to conduct an in-depth review of previous inventories for 1990, 2005, 2013, and 2014-to-date. To develop process recommendations, DNV GL will conduct interviews (or corresponding number of meetings) to understand the existing GHG data collection processes and systems in use (e.g., who collects different data points and where does it go, frequency, and software systems).

After the inventories are reviewed, DNV GL can assist city staff with entering the existing GHG inventory datasets into one platform. The DNV GL team understands that the City is assessing the use of the SEEC Clear Path California as a key option. DNV GL agrees that SEEC Clear Path California is a logical choice for use by the City, as the tool is free, easily accessible, web-based, and user-friendly. DNV GL assumes that city staff will handle the input of the data, in order that city staff is familiar with the tool and to build capacity in the city for continuous monitoring and tracking of greenhouse gas emissions data.

Based on direction from city staff, the DNV GL team will review other relevant tools on the market as well as the SEEC Clear Path California tool. Final recommendations will focus on how to make the GHG inventory data collection process timelier, less labor-intensive, more accurate, and easier to report to different protocols and the public.

Task 1.3 – Process Deliverables:

- Interviews with City staff to understand existing GHG data collection processes
- Review of GHG inventory tracking database and procedures

Task 1.3 – Output Deliverable:

- Memo summarizing GHG inventory review, including compliance deficiencies (if any), recommendations for improving the GHG inventory and data collection processes

(including a data management workflow map) and recommendations related to prioritizing reporting opportunities

1.3 Task 2: Transportation

To achieve its goals for GHG emissions reduction, Palo Alto will have to pursue a transportation strategy that not only improves vehicle fuel efficiency and reduces the carbon intensity of transportation, but also shifts a large share of transportation trips away from single-occupant vehicles, and toward transit, walking, bicycling, and carpooling.

Many of the transportation investments and land use changes needed to achieve the City's objectives can be made cost-effectively, and in ways that will also help Palo Alto toward other community goals for livability, mobility, access, safety, and economic development. However, achieving these changes with available resources will require careful prioritization of the most effective and efficient strategies, as well as careful attention to the interests of stakeholders from all sides of the Palo Alto community.

The DNV GL team's approach will be to work with the project team and members of the technical advisory committee to balance technical analysis of strategy effectiveness with considerations related to funding opportunities, political feasibility, and community acceptance. As part of Task 1, the DNV GL team will conduct a review of recent local and regional transportation plans, and programs and policies to define the policy environment for transportation-related climate actions. For City of Palo Alto to meet aggressive new climate action goals, transforming transportation and mobility patterns is one of the key areas for action. In addition to the Task 2 analyses, transformative policies and paradigms related to transportation will be woven into the Task 3 Scenario Analyses and Task 4 Implementation Strategy development.

1.3.1 Subtask 2.1: Review Travel Demand Model

Many of the most cost-effective strategies for reducing vehicle trips and vehicle miles traveled—from parking and congestion pricing, and transportation demand management programs, to expanded bicycle and pedestrian facilities and land use regulatory changes—are difficult if not impossible to account for in conventional four-step travel demand models. To inform the team's assessment of the local context for transportation-related GHG emissions reduction planning, the DNV GL team will review the travel demand model that the City is currently using for its comprehensive planning process (based on model-related information provided by the City) and suggest enhancements. This includes commenting on the limitations/omissions of the model (e.g., related to structure, assumptions, data inputs and outputs) and presenting specific recommendations for adjustments and analytical improvements to provide greater analytical granularity around transportation emissions, and enhance the ability of the city to monitor and

track emissions reduction potential of transportation and land-use sector strategies. The review and recommendations will address all vehicle trip types, including commute and non-commute trips.

Subtask 2.1 Output Deliverable:

- Recommendations for adjustment to the travel demand model to provide greater analytical capabilities, enhanced granularity of trip categories and sub-categories of transportation emissions, and tracking procedures for monitoring the impact of actions taken to reduce transportation emissions.

1.3.2 Subtask 2.2: Transportation Analysis

Based on information from the review of the background documents in Task 1 and review of the City's travel demand model, the DNV GL team will identify and assess transportation-related GHG emissions reduction potential and strategies deemed to be technically and politically feasible in the City. A range of strategies related to transportation demand management (TDM), expansion of transit, bicycle and pedestrian facilities and services and innovative programs/approaches for transforming the transportation-related paradigm of the community will be considered. Such innovative measures could include concepts such as:

- Placing a market value on employee's provided parking places to provide financial incentives beyond public transport subsidies to reduce commute impacts,
- Redesigning the operational basis for local public transportation services,
- New transportation service concepts suggested by public outreach,
- Real-time demand-based transportation services,
- Restructuring traffic access and flow patterns based on real-time traffic data,
- Congestion pricing, and
- Establishment of shared, local, electric mobility solutions at the local or neighborhood level.

The DNV GL team will focus on what the City can do related to changing transportation patterns in a game-changing way, including the potential for disruptive technologies to change the future. Where possible, our approach is to work with local data to develop estimates of total potential impacts, as well as cost-effectiveness, for each strategy under consideration. The estimates of potential reduction in vehicle trips and greenhouse gas reductions will be based on information from the professional and academic research on trip generation/reduction impacts. National research may be used where local data are not available or sufficient. For this analysis, local data will include MTC regional travel behavior surveys, the travel demand model currently in use by the City for comprehensive planning, City and State traffic counts, transit ridership counts, and other transportation data. Examples of data generally held by the City, MTC, US Census Bureau and Transit agencies include:

- Square footage of commercial and residential development accommodated in selected City districts in the most recently adopted City General Plan
- Distribution (by Transportation Analysis Zone) of residential addresses for commuters to selected Palo Alto census tracts
- Caltrain, SamTrans and Valley Transportation Authority (VTA) ridership for lines serving Palo Alto
- Caltrain station access mode share
- Regional household, employment and travel demand forecasts for Palo Alto (from MTC/ABAG)

The trip reduction analysis will be conducted using a version of Nelson/Nygaards Trip Reduction Impact Analysis (TRIA) tool. We will assess GHG emissions reduction impact and associated cost-effectiveness for the highest priority transportation-related actions and strategies. Although the calculation methodology may be fairly conventional, the strategies under consideration will explore the bounds of possibility and include speculative and innovative strategies to transform transportation within the community.

The overall intent of this analysis is to provide information on the relative impact and cost-effectiveness of limited set of high-priority transportation actions and strategies to inform the Sustainability Roadmap and Implementation Strategies tasks.

Subtask 2.2 Process Deliverable:

- Assessment of potential reduction in vehicle trips and/or vehicle miles associated with transportation strategies, to be incorporated as part of Task 3 and Task 4.
- Proposed strategies, policies (to feed scenarios, implementation, roadmap)

1.4 Task 3: Scenarios

When it comes to issues as complex and uncertain as climate change, scenario development is a valuable tool for stimulating debate, stretching the imagination, and inspiring action and innovation. The DNV GL team will develop three emissions reduction scenarios to help define the limits of what can be done locally (by the community and the local government), regionally (by the agencies and communities with which the City interacts), and in the wider spheres of policy, economy, and culture to achieve deep reductions in GHG emissions. The scenarios will leverage the string framework for climate action planning that the City has already developed, and aggressively explore the limits of what Palo Alto, as a progressive city and an engine of innovation and global economic growth, can do to achieve deep reductions in GHG emissions. What does success look like, and how can the City help create conditions for that success?

The scenario analyses provide the high level context around the requirements to meet different potential emissions reduction goals. This context provides the framework for the development of the Implementation Strategies (Task 4) that the City will need to undertake to meet those goals embedded in the Scenarios.

1.4.1 Subtask 3.1: Development of Initial Scenarios

The scenarios will be built up from the 2005 baseline community GHG emissions inventory and most recent 2013 community GHG inventory update. Each GHG emissions category (e.g., Scope 1 natural gas use, transportation emissions), etc. will be further disaggregated into more specific source categories. For instance, natural gas usage may be divided into commercial and residential natural gas usage, and transportation emissions into commute and non-commute miles. These pieces form the foundation of the scenario analysis.

Three initial scenarios will be developed to explore the following emissions reduction scenarios, and what would be required (e.g., technology, policy, investment, behavior, etc) to achieve them:

- 80% below 1990 levels by 2050
- 80% below 1990 levels by 2030
- Carbon free by 2025

The scenarios involve five primary components for GHG reductions: policies, government programs, funding and finance, technology, and behavioral change (including purchasing). Each will address the three elements (or levers for action) in the sustainability roadmap: technology and infrastructure, markets and resources, and behavior.

The initial scenarios will include assumptions related to each of the five components, such as:

1) Policy Framework
    a. Create proper incentives for long-term institutional change
    b. Catalyze and capitalize on innovation
2) Government Programs: Transportation, Energy, Water, and Solid Waste
    a. Transportation demand management [e.g., non-commute, commute (inbound & outbound) etc.]
    b. Expanded transportation options [e.g. Electric City (EV deployment & support), Shuttle Service, all modes (pedestrians, bicycles, trip sharing, etc.)]
    c. Fuel conversion and natural gas to electricity fuel switching (Incentives)
    d. Carbon negative energy (to off-set transportation emissions)
    e. Expand local energy sources (energy independence)
    f. Zero waste and waste-to-energy
    g. Zero water
3) Availability of Funding and Finance
    a. Public/Private Partnerships

   b. Venture Capital
   c. Grants
4) Technology
   a. What technologies are available now
   b. Emerging and potential disruptive technologies and their impacts on the energy and utility infrastructure and operations within the City related to energy storage, EV's and autonomous vehicles.
   c. Potential new technologies not yet developed.
   d. Innovation hubs; green technology hubs
   e. Partnerships with local technology firms, venture capital resources, and startups.
5) Political support and behavioral change
   a. Build appetite and motivation for change
   a. Overcome resistance to change
   b. Unity; community-building
   c. Self-sufficiency

The initial scenarios will include assumptions related to basic building blocks (e.g. policy framework, funding plans, and social readiness) in place to implement levers for action and required time frames to put in place. Each scenario will have the same basic challenges and components but will be constrained to a greater or lesser degree by time and the City's ability to take advantage of new information, market transformation, technology, and social readiness.

Subtask 3.1 Output Deliverables:

- Initial mock-up of Excel-based scenario development tool
- Initial scenario results and list of assumptions, and stories which can demonstrate how Palo Alto can achieve the greenhouse gas reduction targets associated with each scenario.
- In-person presentation of initial scenario analysis results to Sustainability Board

1.4.2 Subtask 3.2: Develop Three Modified Scenarios

Based on the results of the initial three scenarios, the DNV GL team will assess modifications to these three scenarios based on feedback from city staff and community members on the assumptions utilized in the initial scenarios and results of the ongoing Comprehensive Plan Update process. City staff will provide the DNV GL team three alternative emissions reduction targets to be analyzed as part of the modified scenario analysis.

DNV GL may use a matrix similar to the figure below, identifying the time scales, key actors, dependencies, and developments that would need to occur over time (related to technology, policy, investment and behavior) in order to achieve the different emissions scenarios out to 2025, 2030 and 2050. The specifics of each of the three alternative scenarios will address all the

basic building blocks that need to be in place for goal attainment, as well as specific policies, programs, and changes that need to be in place by the target year.

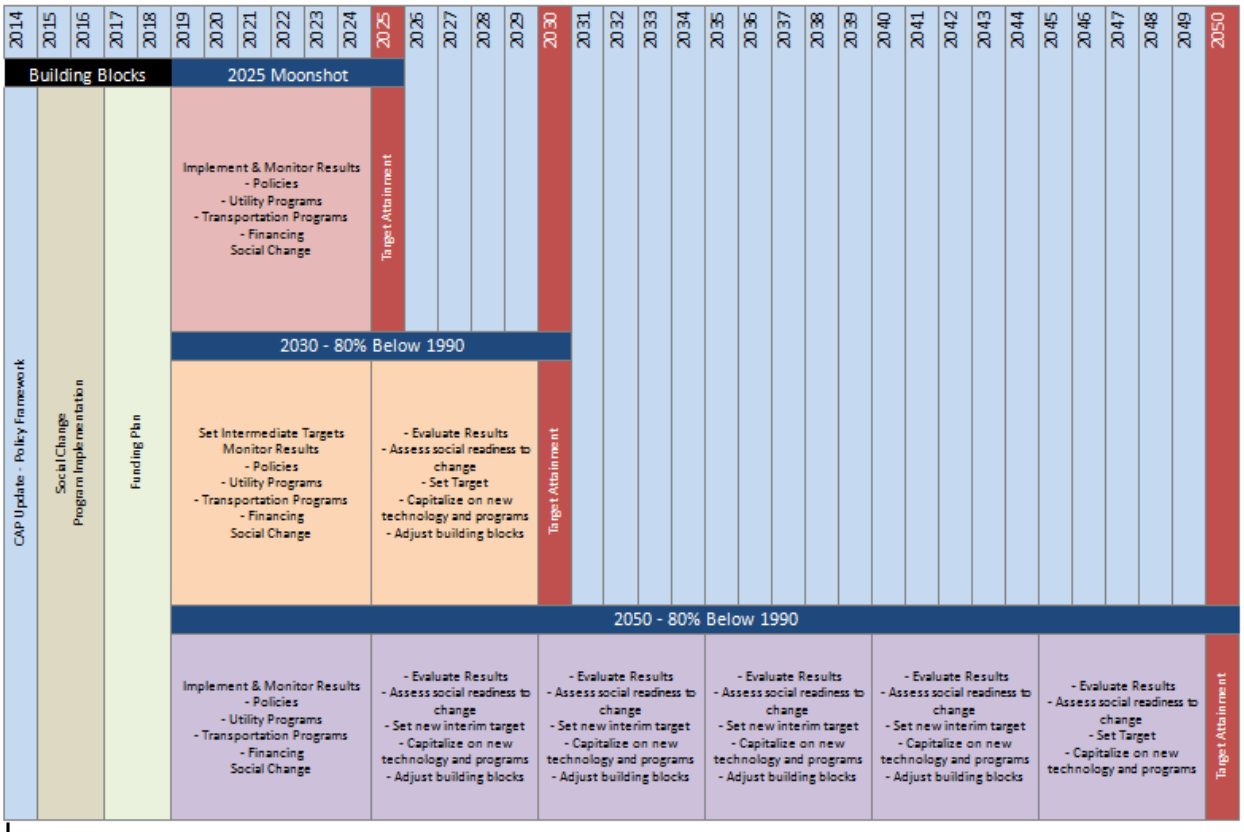
The modified scenario analysis will identify how emissions reductions are needed from:

- Enhancing current City and regional programs to expand emissions reduction potential
- New actions and strategies, not yet deployed in Palo Alto
- Key early actions that must be pursued in the near-term to set Palo Alto on a critical path to implement the long-term, high impact strategies necessary to achieve the City's goals.

Figure 2 illustrates our approach to scenario development, how intermediate steps can contribute to attaining the scenario goals, and an example required timeframe.
These modified scenarios will be developed and used to inform the development of the implementation strategies as described below in Task 4.

This project must meet the needs of all city departments, and substantial comments are expected from city staff related to development of the 3 modified scenarios. Therefore, we expect and plan for comments from each department to be carefully considered at this stage of the project, and incorporated into the project deliverables. We will depend on the City of Palo Chief Sustainability Officer to distill comments and provide clear guidance; if/when comments are conflicting.

Figure 2: Example of Required Elements and Schedule for Achieving Scenario Goals



Subtask 3.2 Process Deliverables:

- List of three alternative GHG emissions reduction targets to be used for modification of the three initial scenarios, *and/or*
- List of modifications to scenario assumptions (related to technology, behavior, investment or behavior) to the three initial scenarios
- Presentation or working meeting with city staff to review draft modified scenarios and initial list of implementation strategies

Subtask 3.2 Output Deliverable:

- Draft and final results of 3 modified scenario analyses, including how to achieve the greenhouse gas reduction targets associated with each scenario.

1.5 Task 4: Implementation Strategies

The overall objective of this task is to prepare a summary of Sustainability/Climate Action Plan strategies that can be successfully implemented by the City and community-wide. The

Implementation Strategies provide the specific actions, policies, behaviors, and technology developments requiring implementation in order to achieve the savings outlined in the Scenarios,The strategies outlined in this section serve as actionable program basis for the Sustainability Roadmap and final public-facing report.

1.5.1 Subtask 4.1: Strategy Development and Sequencing

Based on the scenario analyses included in Task 3 above, DNV GL will have numerous emission reduction strategies across each scenario. The first step of an implementation plan is to assess the strategies needed to achieve each scenario, considering technical issues, costs, savings, feasibility, behavioral changes needed, and other factors. Recognizing that some strategies will be implemented sooner than others, the DNV GL team will develop a phased approach to implementation of the S/CAP strategies with specific milestones. Each phase will be designed to naturally build upon the earlier phases, so that emission reductions will increase over time. In most cases, the implementation strategies are expected to be the same across each scenario, with differences in timing and aggressiveness. Where appropriate, the DNV GL team will incorporate the implementation strategies included in the AB 32 Scoping Plan for achieving 80% reduction in GHG emissions by 2050.

The DNV GL team will work with city staff to identify the best approach for assessing and sequencing the S/CAP implementation strategies. Potential approaches may use cost per ton of abatement, return on investment (ROI), payback, or a scoring system that weights different key performance indicators (KPIs), such as cost, GHG savings, energy savings, water savings, local jobs, feasibility, community acceptance, etc.

Subtask 4.1 Process Deliverables:

- Draft list of S/CAP strategies for further analysis
- Analysis of S/CAP implementation strategies and recommendations for sequencing
- Presentation or working meeting with city staff to discuss implementation strategies

Subtask 4.1 Output Deliverables:

- Results of S/CAP strategy selection and sequencing, including visual representation (e.g., carbon abatement curves, waterfall charts, wedge chart)

1.5.2 Subtask 4.2: Prepare Detailed Implementation Guidelines for Each Strategy

The detailed implementation guidelines will include key strategy components and details that City staff and partners need to know to implement each strategy, including:

- A concise description of each strategy, including intermediate and long-term goals. The briefing document will identify whether the strategy can be implemented by the City on its own, by residents, businesses, and visitors, or pursued in a City partnership.

- An overview of specific policies or programs needed
- Identification of the responsible parties (city department or staff, or community actors) for leading implementation
- A description of the partnerships that may be needed to implement the strategy
- Specific time-bound actions, in a checklist style, needed to implement the strategy
- Metrics that will be used to evaluate success
- Financial implications and potential budget needed
- City Staff resources needed

The final set of implementation documents will cover all the strategies, and the strategies will described a phased implementation approach, as appropriate.

Subtask 4.2 Process Deliverables:

- Draft template for Implementation Strategy Guidelines

Subtask 4.2 Output Deliverables:

- Draft and final set of Implementation Strategy Guidelines

1.5.3 Subtask 4.3: Overall Implementation Plan for S/CAP

The overall Implementation Plan will be developed to tie all the existing and proposed implementation strategies developed during this project into coherent plans and roadmaps for implementation. While the Sustainability Roadmap will provide a succinct overview of how the City's many environmental efforts all fit into a coherent strategy, the Implementation Plan will drill down into the details of specific implementation strategies. Furthermore, the Implementation Plan will be organized in a consistent manner with the overall Roadmap (e.g., according to the three themes of infrastructure, resources, and behaviors).

The Implementation Plan will include an overview of how various strategies are interconnected and the dependencies between various strategies. For example, the full benefit of some strategies (such as microgrids and smart grids) may only be fully realized after certain infrastructure, such as smart meters and energy efficiency controls, are installed. Thus, the first step of the detailed implementation plan will be to chart the interdependencies amongst various strategies included in the S/CAP and Sustainability Roadmap. These interdependencies will be used to develop timelines and other portions of the overall Sustainability Roadmap.

One purpose of the Implementation Plan is to include supporting activities to the implementation strategies that may overlay across specific implementation strategies. For example, the Implementation Plan may include an overall marketing and public engagement

plan aimed at behavioral change that will increase the participation rate and compliance with specific S/CAP implementation strategies. The Implementation Plan will include a summary of specific policy changes, management system improvements and upgrades, and other details related to tracking and governance for implementing the suite of S/CAP strategies, including how the process will be managed and by whom.

In order to develop the Implementation Plan, the DNV GL team will meet with key staff and/or departments that were identified as part of the implementation strategy assessment in Subtask 4.2 to discuss next steps needed for implementation.

A portion of the Implementation Plan may include a framework and guidelines for reviewing progress and updating the Roadmap on a regular basis. These guidelines are likely to include methods for the following aspects of a Roadmap update:

- Consideration of how to track progress towards goals
- Determination of progress made
- The development of new goals/targets, if needed
- Deletion of programs or policies that are not meeting intended targets
- Addition of new strategies and specific actions as needed

Subtask 4.3 Process Deliverables:

- Targeted working meetings/interviews with 5-10 city staff and community stakeholders/actors to embark on near-term implementation steps for specific strategies
- Outline for Implementation Plan components

Subtask 4.3 Output Deliverables:

- Draft and final Implementation Plan

1.5.4 Subtask 4.4: Identify Solutions to Streamline the S/CAP Process

To better streamline the process of updating the S/CAP in the future, the DNV GL team will identify what information is needed for future updates and recommend improved processes for completing updated Climate Protection Plans and GHG tracking. Similar to the original Palo Alto Climate Protection Plan, the DNV GL team expects that the next few years might include progress reports and updates to the S/CAP, but not a full re-writing of the plan. Our team will identify the general content and process for developing these progress reports, building upon the information gathered for the S/CAP, and building upon other work previously done to update the CPP. Our team expects that future GHG inventory results will be combined with

other performance indicators to track progress, and these results will be communicated in S/CAP progress reports.

The DNV GL team will also perform a review of current City systems, e.g., from budgeting and capital expenditures, to contracting requirements and procurement systems to assess the different city management systems work together (or don't work together). DNV GL will work with the city to identify a list of 2-3 key management systems (related to sustainability) to be reviewed and are likely to include the project management, procurement and reporting systems. Our evaluation will take into account how current systems are used, how the city understands and tracks its activities and what improvements are needed to better inform decisions that will support GHG reductions and sustainability. Examples might include: additional information provided to residents and businesses; more details provided to decision-makers on the impacts of their decisions in regards to GHG emissions; and methods to track the metrics identified in Subtask 4.2 that are needed to review the progress of each emission reduction strategy.

The results of the review and recommendations for improved processes will be incorporated into the Sustainability Roadmap and Implementation Plan.

Subtask 4.4 Process Deliverables:

- List of management systems and processes for review
- Conduct review of systems

Subtask 4.4 Output Deliverable:

- Element in Sustainability Roadmap and Implementation Plan, identifying opportunities to streamline the S/CAP process in the future
- Workflow map/diagram(s) and recommendations for improving existing management systems to better manage sustainability initiatives.

1.6 Task 5: Sustainability Roadmaps

The Sustainability Roadmap provides a synthesis of actionable options, decision points and paths the City could embark on now, and in the near-term future, to prepare for the path towards achieving the chosen Scenario.

1.6.1 Subtask 5.1: Develop Sustainability Roadmaps

The DNV GL team will develop Sustainability Roadmaps for each Scenario that provides a high level summary of the S/CAP, and weaves together the City's numerous environmental achievements, policies and programs together with new actions to achieve the City's sustainability vision. The Sustainability Roadmap will lay out the selected emission reduction strategies, implementation steps and responsibilities, and other supporting initiatives such as community engagement and participation, and protection and enhancement of natural ecosystems.

While the Sustainability Roadmap combined with the Implementation Plan will fulfill the regulatory requirements under the California Environmental Quality Act (CEQA) to go hand-in-hand with the Comp Plan update, the roadmap will articulate the City's goals and aspirations beyond GHG mitigation alone. The roadmap will provide a succinct overview of how the City's many environmental efforts all fit into a coherent strategy that leverages its unique position in the Silicon Valley and history of innovative environmental programs.

The Sustainability Roadmap will show how Palo Alto can push the envelopes with aggressive yet realistic strategies for mitigation, adaptation, and protection of shared assets and natural capital that are essential for a healthy and prosperous community. The Sustainability Roadmap will be visually engaging, and will show the overall map for how different strategies and emissions output will play out over time to achieve Palo Alto's vision for the future. The Sustainability Roadmap will provide content that can be easily translated to a web interface.

Task 5.1 Process Deliverables:

- Draft outline for Sustainability Roadmap and components, including Subtask 5.2 below

Task 5.1 Output Deliverables:

- Draft and final visual Sustainability Roadmap

1.6.2 Subtask 5.2: Climate Risk, Water and Adaptation Strategies

The Sustainability Roadmap will include a component related to climate risk, water and adaptation strategies. Resilience includes not only the ability to withstand dangerous situations, but also to recover quickly from major events, such as storms, floods, or fire.

The DNV GL team will utilize the California Adaptation Planning Guide (CAPG)[1] as the basis for the climate risk assessment and adaptation strategy development. The CAPG was developed through a cooperative effort between the California Natural Resources Agency, and the California Emergency Management Agency to provide local and regional stakeholders a step-by-step process for conducting a vulnerability assessment. There are two main steps involved in planning for adaptation, each of which includes various sub-components:

1. Step 1 - Understand What Climate Change Effects will Impact the Community: The DNV GL team will determine what climate change means locally to Palo Alto and what hazards are likely to be intensified due to climate change. Through this step, DNV GL will identify what community assets are vulnerable to the effects of different climate change impacts by determining what the potential impacts are, their projected severity and the potential timing of those impacts.

   Specifically, the impacts of climate change will be divided into two groups – primary impacts and secondary impacts. Primary impacts are directly caused by climate change and include increases or changes in average temperature, annual precipitation, sea level rise, and severe storms. A number of these impacts are likely to affect the City, including sea level rise, rise in temperature, changes in annual precipitation and changes in precipitation patterns.

   Secondary impacts are those hazards caused by the Primary Impacts and directly impact, damage or disrupt human health, ecosystems, the environment, buildings and infrastructure, social services, and economic activity. When the Primary Impacts occur, it is the Secondary Impacts that directly affect people's lives, the local economy and the overall health of our community. Secondary impacts include flooding, heat waves, loss of natural habitat/ecosystems, long-term power outages, severe storms and drought.

2. Step 2 - Evaluate Existing Resiliency and Develop New Adaptation Strategies: The DNV GL team will identify and summarize what is currently being done locally and regionally to address the impacts and determine which impacts can be addressed through existing strategies; evaluate new strategies to address the impacts, and then prioritize strategies based on vulnerable assets and needs; and identify the resources and funding needed to implement the strategies.

[1] The CAPG can be downloaded from the following webpage: http://resources.ca.gov/climate_adaptation/local_government/adaptation_planning_guide.html

We recognize that any risk assessment must include reviewing the vulnerabilities of the City's water supply to future disruption, and to develop strategies to increase resilience and dependability. In particular, we will build upon the work completed by CPAU, such as the Urban Water Management Plan (2011) and CPAU Ten-Year Energy Efficiency goals which includes some water conservation-related measures. In particular, the Urban Water Management Plan references the Santa Clara Valley Water District Water Supply and Infrastructure Master Plan. We will leverage these existing resources to focus on:

- The vulnerability of the Santa Clara Valley Water District's water supply to climate change
- Current and future water use within the City, and the effectiveness of water conservation efforts
- Effects of potentially reduced water availability on power production: alternatives to hydro power for achieving and maintaining zero carbon electricity
- Effectiveness of management actions to date in addressing vulnerability and other water sustainability issues.

The City has carried out a detailed risk assessment of drought and energy responses in the context of potential shortages in the coming decades (City of Palo Alto 2011 Urban Water Plan). Our examination will extend to a longer range assessment of risks including low likelihood, high impact scenarios around major climate disruption that significantly affects precipitation, water supply and hydro supply.

For this assessment, we will draw on its recent work developing the Sustainable Water Management Profile assessment tool for the California Water Foundation (CWF). This tool is a means of evaluating supply reliability, water management practices, and the effectiveness of efforts to motivate the behavioral change needed to manage water sustainably in California. This tool provides a means by which water agencies can assess both the stressors on their water supply, and also the effectiveness of management actions taken to date to address these risks.

We will also examine the water/energy nexus, in terms of both contribution of water conservation to GHG emissions reduction, and also the risk posed to the City's goal of carbon neutral electricity by the predicted decrease in water availability for hydroelectric power. Clearly, contingency planning is required for the City to obtain power from alternative renewable sources in the time of drought, and in a warmer, drier future.

Task 5.2 Process Deliverables:

- Conduct review of existing adaptation related planning documents (e.g., Local Hazard Mitigation Plan, Emergency Preparedness Plans, San Francisquito Creek JPA adaptation planning documents, etc)
- Meeting to review initial assessment of primary and secondary impacts of climate change

Task 5.2 Output Deliverables:

- Initial assessment of primary and secondary impacts of climate change to Palo Alto and associated level of risk (based on probability and consequence ratings)
- Memo on gap assessment results and recommended new (or modified) adaptation strategies.
- Draft and final list of adaptation strategies for inclusion in Sustainability Roadmap

1.7 Task 6: Identify Financing Options to Implement Projects

The DNV GL team will review and provide recommendations on financing strategies available to implement the Sustainability Roadmap and emission reduction strategies. The objectives of this task is to identify "different ways of working with money" to achieve large leaps in technology adoption, behavior change and greenhouse gas reductions. For instance, innovative financing approaches that utilize crowdfunding, allows citizens to invest in solar in their community, sets up the CPAU to serve as a financial institution, to name a few examples.

The DNV GL team will perform a comprehensive review of financing options and work with City to identify financing strategies that should be pursued as a next step for implementation of the S/CAP. The results of the financing analysis will be incorporated into the overall Sustainability Roadmap and Implementation Plan.

Subtask 6.0 Output Deliverables:

- Brief memo summarizing innovative financing options to enable large-scale change

1.8 Task 7: Public Engagement and Feedback

The DNV GL team will work with the City to develop a plan that addresses the distinct project needs and goals while leveraging existing efforts and staff and community resources. The DNV GL team will develop a multi-tiered, multi-platform community engagement plan and use detailed, rigorous documentation of public input so that the creativity of the community can be appropriately incorporated in the planning efforts.

The DNV GL team's process will create broad community buy-in to support plan adoption and implementation. The DNV GL team will plan to use and build upon existing City communication tools including Open Town Hall, the Our Palo Alto website, and mailing list and social media accounts.

1.8.1 Subtask 7.1: Public Engagement Plan

The DNV GL team will meet with City staff and consult with other project teams (e.g., CompPlan Outreach Team) to develop an outreach approach and schedule and identify opportunities for coordination and collaboration. The DNV GL team will develop a detailed plan to identify key messages, communications tools, target audiences, outreach activities, and roles and responsibilities of the different consultant teams. Opportunities may include joint community events and workshops, adding tools and content to the existing project websites, and gleaning S/CAP input from other project teams. (For instance, our subcontractor MIG is currently developing a procedure to share relevant information between the Comprehensive Plan Update and Parks MP teams.)

In parallel, the DNV GL team will focus resources on target audiences specific to the S/CAP. This approach will result in a balanced process that elicits meaningful input from a broad section of the Palo Alto community while also engaging key stakeholders.

Subtask 7.1 Process Deliverables:

- Two planning calls related to developing the Public Engagement Plan
- Review of CompPlan stakeholder engagement plan and results to date (e.g., meeting minutes, alternative futures, etc)
- Review of other stakeholder engagement activities in progress by other programs (e.g., Utilities, Transportation Management Association, etc.)

Subtask 7.1 Output Deliverables:

- Draft Public Engagement Plan
- Final Public Engagement Plan

1.8.2 Subtask 7.2: Conduct Outreach Activities

The DNV GL team will support the City in conducting outreach per the aforementioned public engagement plan, including activities such as interviewing stakeholders, facilitating community workshops, or conducting intercept events (on-site questionnaires). Implementation of the Public Engagement Plan would gather input on the scenario development and strategy development through a number of activities to gather input such as:

- Community workshop associated with the Comprehensive Plan Update;
- Using established processes (e.g., Our Palo Alto 2030, Open City Hall)
- Targeted meetings with specific stakeholder groups (e.g., neighborhood groups, Chamber of Commerce)
- Meeting with CEAP and CPAU Facility Managers meetings; or

- Simple web survey

Subtask 7.2 Process Deliverables:

- Conduct activities as outlined in the Public Engagement Plan

1.9 Task 8: Coordination with Comprehensive Plan

The DNV GL team will ensure that the S/CAP process is closely coordinated with the City's Comprehensive Plan Update, avoiding any redundancies in scope and identifying opportunities for collaboration. MIG will also ensure that the S/CAP and Comprehensive Plan structures and timelines are complementary and not in competition.

At the project outset, our team will meet with the City and Comprehensive Plan team to build an understanding of the scope of work, schedule for deliverables and possible community outreach efforts. The coordination efforts will be aimed at: (1) providing input and S/CAP implementation strategies into the CompPlan process, and (2) reviewing the CompPlan interim deliverables to ensure the CompPlan doesn't inadvertently provide barriers to S/CAP implementation and goal attainment.

The DNV GL team will support the City staff in their efforts to coordinate various planning processes and will provide advice at critical milestones to support plan development in a manner that is conducive to community participation without overburdening stakeholders and participants.

Subtask 8 Process Deliverables:

- Initial coordination meeting with Comprehensive Plan consultant
- 2-3 additional coordination calls at key Comprehensive Plan project planning milestones
- Review of CompPlan draft elements and materials developed to date
- Respond to questions from the CompPlan consultants in the development of the Draft EIR and CompPlan materials.

Subtask 8 Output Deliverables:

- Initial list of emission reduction strategies that may be considered for inclusion of the S/CAP (to be provided as part of Subtask 4.1 Strategy Selection)
- Written review (redline edits) of administrative draft of the CompPlan Draft EIR that are relevant to GHG emissions and other sustainability topics and provide comments to staff

1.10 Task 9: Reporting

The purpose of this task is to prepare communications with the public regarding the targets and selected emission reduction strategies in the S/CAP, as well as general sustainability goals and policies. The DNV GL Team will develop a clear and persuasive public facing presentation, as requested in the RFP for this project, which will summarize the overall goals of the S/CAP, including reduction targets, the emission reduction strategies, and the implementation guidelines. The report will be as concise as possible, but will provide information to City staff and City residents and businesses about what changes will be coming or needed in the near and long-term future. Also, the report will conform to the requirements in the CEQA Guidelines, as well as relevant guidance from the Bay Area Air Quality Management District (BAAQMD) for climate action plans. Any information that may be needed for future responses to the Carbon Disclosure Project will be flagged.

1.10.1 Subtask 9.1: Develop Public-Facing Report in Presentation Format

The DNV GL team will then develop the report content for initial review by City staff. Upon receiving comments and edits from staff, we will finalize the report. A preliminary outline of the report's content is provided below. DNV GL will make modifications based on feedback from city staff.

1. Identify project goals and principles
    a. Guiding principles could include:
    b. Collaborate with community organizations and stakeholders
    c. Ensure that the S/CAP is integrated with other planning efforts
    d. Promote implementation (e.g., data-driven results, cost-benefit analysis, and technological feasibility)
2. Present information about regional efforts & context
3. Present context for discussion (e.g., legislative framework, Palo Alto's response)
4. Define the City's role, past success, future aspirations
    a. Emission profile
    b. Existing programs
    c. Targets
    d. Identify policies, strategies, and actions
5. Identify the players (e.g., State, regional organizations, businesses, stakeholders, and community organizations)
6. Summarize implementation plans

Subtask 9.1 Output Deliverables:

- Draft outline for presentation
- Draft and final presentation

1.10.2 Subtask 9.2: Develop Booklet

The DNV GL team will produce and deliver "coffee table briefing book" This briefing will be an engaging, attractive, accessible and easy to read public facing report (e.g., short booklet that could be turned into eBook) that includes findings, goals, recommendations and action plans (i.e., strategies and associated implementation guidelines). This report will be high level address broad themes, as opposed to the Sustainability Roadmap (Task 5) which will include the detailed analysis.

To properly develop a visually engaging "coffee table briefing" or booklet document, the DNV GL team will use the services of a graphic designer to develop the layout, in a both a print and web-ready format. DNV GL will develop the content. Once the general content is agreed upon by the City, then DNV GL will work with a graphic designer to make the booklet visually engaging and provide overall direction for the design.

Subtask 9.2 Process Deliverables:

- Draft outline for "coffee table" briefing/booklet for the public
- Discussion of preferred format and branding considerations
- Meeting between DNV GL team graphic designer and City staff to plan out necessary print requirements and other details

Subtask 9.2 Output Deliverables:

- Draft content for "coffee table" briefing/booklet for public
- Graphic design of "coffee table" briefing report for public ready for print and web
- Final, production-ready "coffee table" briefing report for public ready for print and web

1.11 Task 10: Project Planning and Management

Our team's approach to project planning and management centers on collaboration with City staff members and outside stakeholders throughout the duration of the project. We anticipate that this project will include weekly meetings with City staff at the outset, and may be modified to biweekly as the project progresses. The weekly meetings will City staff will review progress, interim deliverables, key decision points and discuss next steps. The project management task also includes DNV GL quality reviewer for each deliverable.

DNV GL will invoice on a monthly basis and the project management time includes weekly meetings with internal team members and subcontractors to coordinate work products, process and output deliverables. This task also includes working closely with the City of Palo Alto project manager to iterate on work products, respond to questions and comments on each deliverable identified above and respond to ad hoc requests from city staff.

This project must meet the needs of all city departments, and substantial comments are expected from city staff for each deliverable, particularly the scenario analysis and final roadmap and implementation plan documents. Therefore, comments from each department must be carefully considered and incorporated into the project deliverables. DNV GL assumes that where comments from city departments are conflicting, the Chief Sustainability Officer will resolve inconsistencies and aggregate feedback into a single set of comments where possible.

1.11.1 Project Plan and Schedule

The project schedule proposed by the City is very aggressive, and the DNV GL team has committed significant expertise, resources, and project management capabilities to meet that schedule. The project plan is presented in Figure 3. This plan assumes completing the Draft plan by January 2015. As noted in the City schedule, additional time is provided for ensuring compliance with CEQA. This schedule assumes that, when possible, project activities will be carried out simultaneously, enabling a quicker delivery time and maximizing the synthesis opportunities for project team staff while minimizing City staff time during the process. The plan assumes that data required will promptly be made available to the team, that the team receives feedback from staff on draft deliverables within the time specified, and that the City will assist where possible and appropriate in providing venues for specific public outreach events.

THIS IS DNV GL

Our vision is to have a Global impact for a safe and sustainable future. We provide classification and technical assurance along with software and independent expert advisory services to the maritime, oil and gas, and energy industries. We also provide certification services to customers across a wide range of industries. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping our customers make the world safer, smarter and greener. For more information on DNV GL, visit www.dnvgl.com.

EXHIBIT "B"
SCHEDULE OF PERFORMANCE

CONSULTANT shall perform the Services so as to complete each milestone within the number of days/weeks specified below. The time to complete each milestone may be increased or decreased by mutual written agreement of the project managers for CONSULTANT and CITY so long as all work is completed within the term of the Agreement. CONSULTANT shall provide a detailed schedule of work consistent with the schedule below within 2 weeks of receipt of the notice to proceed.

Milestones:	Completion: No. of Weeks from NTP
1. Project Keep-Off Meeting	Week 2
2. Development of Initial Scenarios	Week 6
3. Public Engagement Plan	Week 6
4. Scoping and Inventory	Week 9
5. Transportation Analysis	Week 9
6. Coordination with Comprehensive Plan	Week 12
7. Modified Scenarios	Week 17
8. Climate Risk, Water and Adaptation Strategies	Week 21
9. Financing Options	Week 21
10. Develop Briefing Presentation	Week 28
11. Implementation Plan	Week 33
12. Develop Sustainability Roadmap	Week 33
13. Develop Briefing Booklet	Week 35
14. Conduct Outreach	Ongoing
15. Project Planning and Management	Ongoing

EXHIBIT "C"
COMPENSATION

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement based on the hourly rate schedule attached as Exhibit C-1.

The compensation to be paid to CONSULTANT under this Agreement for all services described in Exhibit "A" ("Services") and reimbursable expenses shall not exceed $211,845. In the event Additional Services are authorized, the total compensation for Services, Additional Services and reimbursable expense shall not exceed Two Hundred Thirty Three Thousand Twenty Nine Dollars and Fifty Cents ($233,029.50). In the event Additional Services are authorized, the total compensation for Services, Additional Services and reimbursable expense shall not exceed Two Hundred Thirty Three Thousand Twenty Nine Dollars and Fifty Cents ($233,029.50). CONSULTANT agrees to complete all Services, including reimbursable expenses, within this amount. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to the CITY.

REIMBURSABLE EXPENSES

The administrative, overhead, secretarial time or secretarial overtime, word processing, photocopying, in-house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. CITY shall reimburse CONSULTANT for the following reimbursable expenses at cost. Expenses for which CONSULTANT shall be reimbursed are: transportation, printing, refreshments for public meetings.

A. Travel outside the San Francisco Bay area, including transportation and meals, will be reimbursed at actual cost subject to the City of Palo Alto's policy for reimbursement of travel and meal expenses for City of Palo Alto employees.

B. Long distance telephone service charges, cellular phone service charges, facsimile transmission and postage charges are reimbursable at actual cost.

All requests for payment of expenses shall be accompanied by appropriate backup information. Any expense anticipated to be more than $100 shall be approved in advance by the CITY's project manager.

ADDITIONAL SERVICES

The CONSULTANT shall provide additional services only by advanced, written authorization from the CITY. The CONSULTANT, at the CITY's project manager's request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONSULTANT's proposed maximum compensation, including reimbursable expenses, for such services based on the rates set forth in Exhibit C-1. The additional services scope, schedule and maximum compensation shall be negotiated and agreed to in writing by the CITY's Project Manager

and CONSULTANT prior to commencement of the services. Payment for additional services is subject to all requirements and restrictions in this Agreement.

☐ ***[OPTIONAL]*** Work required because the following conditions are not satisfied or are exceeded shall be considered as Additional Services:

4. Project Budget

In this section, we outline the costs for the total project, on a task-by-task basis, inclusive of reimbursable expenses. Mileage will be reimbursed at the federal standard mileage rates.[2] DNV GL proposes to perform the work on a time-and-materials basis with a not-to-exceed of $211,845.

Table 3: Summary of Costs

Task	Subtask	Deliverable/Activity	Cost	Hours
Task 1	Subtask 1.1	Background and best practices	$ 16,000	100
	Subtask 1.2	GHG inventory processes	$ 5,400	34
Task 2	Subtask 2.1	Review TDM	$ 9,500	59
	Subtask 2.2	Transportation analysis	$ 11,160	70
Task 3	Subtask 3.1	Develop 3 initial scenarios	$ 18,000	113
	Subtask 3.2	Develop 3 modified scenarios	$ 12,000	75
Task 4	Subtask 4.1	Prioritize strategies	$ 10,000	63
	Subtask 4.2	Prepare detailed implementation strategies	$ 20,000	125
	Subtask 4.3	Overall Implementation Plan	$ 10,000	63
	Subtask 4.4	Recommendations for streamlining the S/CAP process and City management systems	$ 8,400	53
Task 5	Subtask 5.1	Sustainability Roadmap	$ 12,000	75
	Subtask 5.2	Climate risk and adaptation	$ 25,000	156

[2] For 2014, the business rate is $0.56 per mile. (http://www.irs.gov/Tax-Professionals/Standard-Mileage-Rates)

Task	Subtask	Deliverable/Activity	Cost	Hours
Task 6		Financing options	$ 5,400	34
Task 7	Subtask 7.1	Public engagement plan	$ 3,500	22
	Subtask 7.2	Conduct outreach	$ 14,185	89
Task 8		Coordination with CompPlan	$ 6,000	38
Task 9	Subtask 9.1	Public facing presentation	$ 4,000	25
	Subtask 9.2	Booklet	$ 10,000	63
Task 10		Project management	$ 10,800	68
		Direct costs	$ 500	
		TOTAL COSTS	$ 211,845	1,321

EXHIBIT "C-1"
HOURLY RATE SCHEDULE – Only listed those involved in the Core Requirements until other details have been worked out

Title/role	Hourly rate
DNV GL	
Head of Section	$210
Project Sponsor/Project Manager	$180
Senior Consultant	$180
Consultant	$160
Senior Engineer	$160
Consultant II	$140
Technical Consultant	$125
Technical Consultant I	$110
Analyst	$90
Environmental Science Associates (ESA)	
Project Director	$200
Land Use Planner	$190
Senior Resource Associate	$185
Project Manager	$170
Resource Analyst	$155
Resource Manager	$140
Analyst	$120
Associate Analyst	$120
Planner	$120
Graphics	$110
MIG	
Principal	$215
Principal in Charge	$215
Project Director	$160
Staff Blended Rate	$150
Senior Planner	$145
Resource Manager	$140
Project Planner	$110
Nelson/Nygaard	
Principal	$180
Senior Associate	$140
Associate	$129
Creative Services	$129

EXHIBIT "D"
INSURANCE REQUIREMENTS

CONTRACTORS TO THE CITY OF PALO ALTO (CITY), AT THEIR SOLE EXPENSE, SHALL FOR THE TERM OF THE CONTRACT OBTAIN AND MAINTAIN INSURANCE IN THE AMOUNTS FOR THE COVERAGE SPECIFIED BELOW, **AFFORDED BY COMPANIES WITH AM BEST'S KEY RATING OF A-:VII, OR HIGHER, LICENSED OR AUTHORIZED TO TRANSACT INSURANCE BUSINESS IN THE STATE OF CALIFORNIA.**

AWARD IS CONTINGENT ON COMPLIANCE WITH CITY'S INSURANCE REQUIREMENTS, AS SPECIFIED, BELOW:

REQUIRED	TYPE OF COVERAGE	REQUIREMENT	MINIMUM LIMITS	
			EACH OCCURRENCE	AGGREGATE
YES YES	WORKER'S COMPENSATION EMPLOYER'S LIABILITY	STATUTORY STATUTORY		
YES	GENERAL LIABILITY, INCLUDING PERSONAL INJURY, BROAD FORM PROPERTY DAMAGE BLANKET CONTRACTUAL, AND FIRE LEGAL LIABILITY	BODILY INJURY PROPERTY DAMAGE BODILY INJURY & PROPERTY DAMAGE COMBINED.	$1,000,000 $1,000,000 $1,000,000	$1,000,000 $1,000,000 $1,000,000
YES	AUTOMOBILE LIABILITY, INCLUDING ALL OWNED, HIRED, NON-OWNED	BODILY INJURY - EACH PERSON - EACH OCCURRENCE PROPERTY DAMAGE BODILY INJURY AND PROPERTY DAMAGE, COMBINED	$1,000,000 $1,000,000 $1,000,000 $1,000,000 $1,000,000	$1,000,000 $1,000,000 $1,000,000 $1,000,000 $1,000,000
YES	PROFESSIONAL LIABILITY, INCLUDING, ERRORS AND OMISSIONS, MALPRACTICE (WHEN APPLICABLE), AND NEGLIGENT PERFORMANCE	ALL DAMAGES	$1,000,000	
YES	**THE CITY OF PALO ALTO IS TO BE NAMED AS AN ADDITIONAL INSURED**: CONTRACTOR, AT ITS SOLE COST AND EXPENSE, SHALL OBTAIN AND MAINTAIN, IN FULL FORCE AND EFFECT THROUGHOUT THE ENTIRE TERM OF ANY RESULTANT AGREEMENT, THE INSURANCE COVERAGE HEREIN DESCRIBED, INSURING NOT ONLY CONTRACTOR AND ITS SUBCONSULTANTS, IF ANY, BUT ALSO, WITH THE EXCEPTION OF WORKERS' COMPENSATION, EMPLOYER'S LIABILITY AND PROFESSIONAL INSURANCE, **NAMING AS ADDITIONAL INSUREDS CITY, ITS COUNCIL MEMBERS, OFFICERS, AGENTS, AND EMPLOYEES.**			

I. INSURANCE COVERAGE MUST INCLUDE:

A. A PROVISION FOR A WRITTEN THIRTY (30) DAY ADVANCE NOTICE TO CITY OF CHANGE IN COVERAGE OR OF COVERAGE CANCELLATION; AND

B. A CONTRACTUAL LIABILITY ENDORSEMENT PROVIDING INSURANCE COVERAGE FOR CONTRACTOR'S AGREEMENT TO INDEMNIFY CITY.

C. DEDUCTIBLE AMOUNTS IN EXCESS OF $5,000 REQUIRE CITY'S PRIOR APPROVAL.

II. CONTACTOR MUST SUBMIT CERTIFICATES(S) OF INSURANCE EVIDENCING REQUIRED COVERAGE.

III. ENDORSEMENT PROVISIONS, WITH RESPECT TO THE INSURANCE AFFORDED TO "ADDITIONAL INSUREDS"

A. <u>PRIMARY COVERAGE</u>

WITH RESPECT TO CLAIMS ARISING OUT OF THE OPERATIONS OF THE NAMED INSURED, INSURANCE AS AFFORDED BY THIS POLICY IS PRIMARY AND IS NOT ADDITIONAL TO OR CONTRIBUTING WITH ANY OTHER INSURANCE CARRIED BY OR FOR THE BENEFIT OF THE ADDITIONAL INSUREDS.

B. <u>CROSS LIABILITY</u>

THE NAMING OF MORE THAN ONE PERSON, FIRM, OR CORPORATION AS INSUREDS UNDER THE POLICY SHALL NOT, FOR THAT REASON ALONE, EXTINGUISH ANY RIGHTS OF THE INSURED AGAINST ANOTHER, BUT THIS ENDORSEMENT, AND THE NAMING OF MULTIPLE INSUREDS, SHALL NOT INCREASE THE TOTAL LIABILITY OF THE COMPANY UNDER THIS POLICY.

C. NOTICE OF CANCELLATION

1. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR ANY REASON OTHER THAN THE NON-PAYMENT OF PREMIUM, THE ISSUING COMPANY SHALL PROVIDE CITY AT LEAST A THIRTY (30) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.

2. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR THE NON-PAYMENT OF PREMIUM, THE ISSUING COMPANY SHALL PROVIDE CITY AT LEAST A TEN (10) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.

NOTICES SHALL BE MAILED TO:

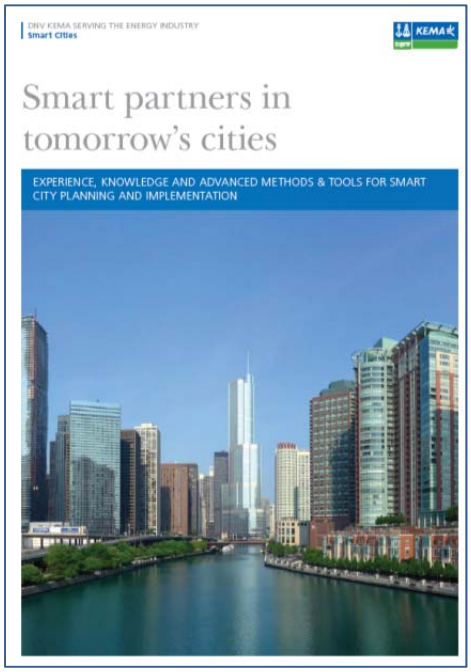
PURCHASING AND CONTRACT ADMINISTRATION
CITY OF PALO ALTO
P.O. BOX 10250
PALO ALTO, CA 94303

1. Firm Profiles

1.1 About DNV GL

DNV GL, a global services firm is a leading expert for the energy value chain, is the world's largest ship and offshore classification society, and is a leading technical advisor to the energy industry. DNV GL's 3,000 energy experts support customers around the globe in delivering a safe, reliable, efficient, and sustainable energy supply. We deliver world-renowned advisory and innovation services to the energy value chain including smart cities innovation, carbon management, climate mitigation and adaptation, renewables, and energy efficiency. Our expertise spans onshore and offshore wind power, solar, conventional generation, transmission and distribution, smart grids, and sustainable energy use, as well as energy markets and regulations. These breadth and depth of innovation and expertise enable us to provide the City broader, more efficient resources while also providing the confidence of working with a proven, trusted energy advisor on the S/CAP project. For additional information, please access www.dnvgl.com/energy.

Innovation is a core component of our work. Our work on enabling cities to operate as smart, low-carbon operations is demonstrated by our PowerMatching City project in Europe. In this project, we are leading a living-lab, smart grid demonstration community, balancing energy supply and demand in a grid of interconnected households and electric vehicles. DNV GL is working with a municipal government and the local utility to turning smart city vision into reality starts with a master plan. Creating and implementing such a plan is a complex task involving multiple stakeholders; social, economic and technical innovation; and major investments. This work includes integrating gas, electricity, cooling, heat, water, and transport and telecommunications infrastructures at the heart of the smart city concept. DNV GL developed approaches to combining conventional energy sources with renewable resources and waste heat recovery in smart grids to significantly increase energy efficiency and reduce GHG emissions. DNV GL is a key participant in numerous sustainable building projects.

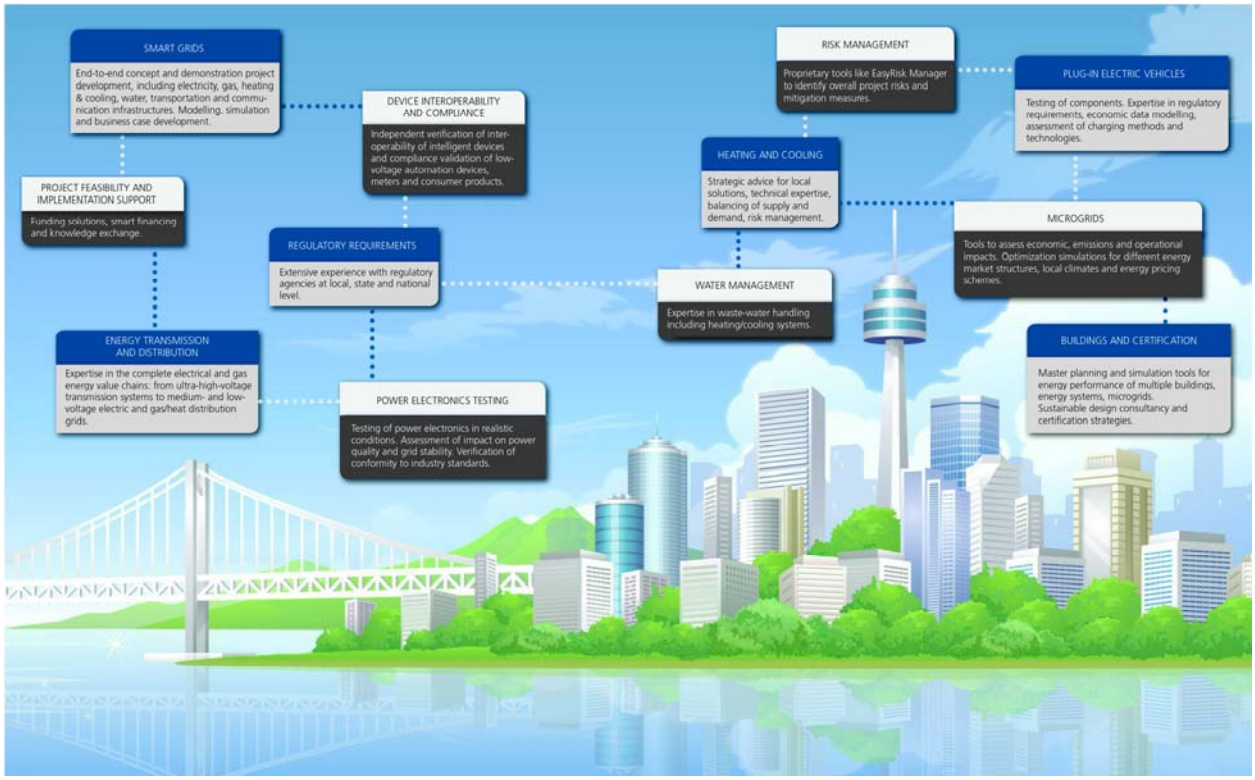


In another example, DNV GL is currently helping design the town of Paradise Valley to be self-sustaining and multi-generational, committed to a close relationship with nature, people, and the land. The community will foster sustainable lifestyles through proper design and education. This project includes achieving new urbanism design and sustainability goals including new renewable energy sources—solar, fuel cell, and energy-efficient building design. We are also developing strategies to limit the need for freeway travel such as providing onsite services, entertainment, and job opportunities; driving water conservation practices in landscape design

and irrigation; implementing dark night sky preservation actions; ensuring habitat preservation through compliance with the Multiple Species Habitat Conservation Plan; and designing an Eco-transit system.

Our work with leading municipalities starts with defining a community's goals and how to translate these into an economically and technically viable plan. DNV GL understands the challenges facing cities. We work with utilities and government agencies on sustainable community developments and state-of-the-art solutions across the energy value chain. Acting as an impartial partner and project manager, we support cities in creating a safe, sustainable future. Our innovative simulation and business modelling tools enable cities to evaluate:

- Potential costs, return on investment and system integration needs
- Building occupancy behaviors in response to pricing, comfort and improved electricity and gas supply reliability
- Innovative market mechanisms such as energy trading within smart grids
- Total energy consumption and GHG



To DNV GL, being a responsible corporate citizen is about how business is conducted every day. Corporate responsibility is integral to the company's purpose, values, vision and culture. DNV GL's commitment to corporate responsibility goes beyond compliance and is fundamentally about how the company contributes, through its services and operations, to achieving a sustainable future. Principles and ethics are embedded in our core values: build trust and confidence; never compromise on quality or integrity; a commitment to teamwork and innovation; care for our customers and each other; and embracing change and delivering results.

DNV GL has been a signatory to the United Nations Global Compact since 2003. Our corporate responsibility strategy is aligned with the Global Compact framework and we systematically work to integrate the ten principles in the areas of human rights, labor standards, environment and anticorruption (see www.unglobalcompact.org). DNV GL is also committed to report according to the Global Reporting Initiative (GRI). Since 2010, DNV GL has been committed to extending the scope and detail level of its sustainability reporting by targeting to reach A+ in the Global Reporting Index Application Level by 2014. The reporting for 2012 meets the requirements of level B in the GRI reporting system.

DNV GL AS is a private company headquartered in Norway and is the ultimate parent company of KEMA Services, Inc. KEMA Services, Inc.'s financial results, which demonstrate both stability and financial strength, are included in the consolidated audited results of DNV GL AS. To view a copy of the latest DNV GL AS audited financial statements please access the following hyperlink: http://www.dnvgl.com/Images/DNV%20GL%20Annual%20Report%202013v2.pdf.

To our knowledge and belief, KEMA Services, Inc. has not been involved in any litigation, arbitration, or administrative proceedings that would materially affect the performance of the services offered in the attached proposal.

1.2 About ESA

Environmental Science Associates (ESA) is a multidisciplinary environmental planning and consulting firm formed in 1969 shortly before the adoption of the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) with the mission of bringing sound science to the analysis of environmental issues. ESA helps clients integrate sustainable practices into their organizations or communities, through benchmarking, stakeholder engagement, strategy development, goal setting, and adaptive management. ESA staff has experience conducting audits and developing performance metrics for tracking and reporting the success of sustainability programs. ESA develops carbon footprints, water footprints, and other lifecycle analyses that underlie eco-efficiency initiatives and sustainability goals such as carbon neutral or zero waste. ESA implements programs and management systems that enable clients to improve performance and achieve their goals. ESA also helps clients with education, outreach, and external communication including public sustainability reports.

ESA has developed local and regional climate action plans (CAPs), Sustainability Plans, and energy action plans (EECAPs) for more than a dozen agency clients throughout California, including the City of Riverside, City/County Association of Governments of San Mateo County (C/CAG) (in collaboration with DNV GL), and the City of Pleasanton. ESA has extensive experience with all major GHG accounting protocols, including the Local Government Operations Protocol (LGOP), The ICLEI GHG Community Protocol, The Climate Registry's General Reporting Protocol, and CARB's AB 32 reporting regulation. ESA also has extensive experience developing CEQA strategies for mitigating GHG emissions in both programmatic and project-level EIRS, and developing "qualified" CAPs that can be used to streamline future CEQA review of new development projects.

ESA also provides technical assistance to local, regional, and state agencies to assess impacts and develop mitigation strategies for managing the effects of climate change and sea-level rise on both natural and developed resources. ESA has particular expertise in sea level rise vulnerability assessments, flood management studies, shoreline erosion assessment, coastal hazard mapping, habitat sustainability planning, and storm water management impacts. ESA develops strategies ranging from the landscape (system) scale to the regional scale, and down to the project (local) level, integrating the best science from multiple disciplines. ESA provides a range of technical and planning services at all phases of adaptation, including assessments and scoping studies and recommendations for solutions and management approaches.

ESA has over 30 years working along the San Francisco Bay shoreline, including two recent projects that bracket the City's Bay shoreline. To the south, ESA recently completed a Sea Level Rise Study for the City of Mountain View's Shoreline Community that (1) assessed the increased flood vulnerability due to sea level rise, (2) planned an overall strategy for shoreline adaptation, and (3) developed conceptual designs for eleven projects for consideration in the City's Capital Improvement Program. To the north, ESA is currently assisting the San Francisquito Creek Joint Powers Authority with the design and CEQA review for their Strategy to Advance Flood Protection, Ecosystems, and Recreation Along the Bay (SAFER Bay) that will provide coastal flood protection for East Palo Alto and Menlo Park. ESA also has an extensive history working at Charleston Slough and the Palo Alto Baylands.

The City's staff is familiar with ESA's approach and projects; ESA created and presented a sea level rise vulnerability and adaption workshop to City staff in May 2013. This workshop was convened by Kirsten Struve at Environmental Control Programs and ESA staff was introduced by Palo Alto's Director of Public Works, Mike Sartor.

1.3 About MIG

MIG, Inc. is a multidisciplinary firm that specializes in strategic communications, marketing and graphic design, community engagement and outreach, and environmental planning and policy. Since 1981, MIG has designed and implemented social marketing and outreach programs for a variety of clients, including cities, counties, organizations, federal agencies, and public and private sector clients throughout the country. MIG provides a sophisticated, integrated approach to social marketing that combines elements of planning, operations, stakeholder participation, and organizational development. Tailored to the distinctive conditions of each project, MIG's methods create solutions that lead to dynamic campaigns and sustained behavior change.

For this project, MIG will provide public engagement and feedback services, coordination with the Comprehensive Plan, dashboards and scoreboards, and the marketing and communications plan.

- **Community Engagement and Public Involvement** – MIG has extensive experience designing community engagement and outreach programs that educate the community, encourage participation, engage stakeholders in evaluating alternatives, and provide agency staff with meaningful community input. MIG provides a multi-leveled, well-documented involvement process aimed at increasing public confidence in decision-making. MIG's community engagement process focuses on developing common

objectives and providing a full range of successful strategies for achieving those objectives.

- **Community Planning**– MIG offers a unique combination of community planning and urban design expertise that brings visioning and community interests together to frame land use, transportation and urban design issues. From concept development to final planning documents, MIG has a successful track record in the planning and design of environments that contribute to community livability and neighborhood vitality. Utilizing a variety of tools including land use exercises, GIS mapping and analysis, computer simulations and slide shows, MIG engages stakeholders and builds consensus to ensure that the end result is a successfully implemented project.

- **Strategic Planning** – With over 25 years of experience designing communications and outreach strategies, MIG is uniquely positioned to help the City create a program that fully engages your communities of interest, and increases customer satisfaction and participation. MIG has worked with public agencies throughout the Bay Area and across the nation to promote an assortment of programs ranging from transportation to energy efficiency to water quality. MIG understands that successful social and product marketing requires messaging that resonates and inspires—MIG's work does just that.

- **Marketing Communications and Social Marketing** – Convincing people to adopt new behaviors and accept new ideas involves intimately understanding how to speak to them on their own terms, reaching target audiences, prioritizing strategies and effectively implementing campaigns. MIG carefully identifies each audience and develops messages, materials and delivery methods that emphasize benefits, change attitudes or perceptions, and maintain positive client images.

- **Facilitation and Consensus Building –** MIG has expertise in promoting collaboration and facilitating consensus. MIG is internationally recognized for its facilitation expertise, developing and using innovative techniques to create an open atmosphere in which different viewpoints can be heard, acknowledged, addressed, and reconciled. MIG has helped diverse groups of public and private sector clients to build collaborative partnerships and work toward common goals. MIG has facilitated literally thousands of meetings, including citizens' advisory groups, board sessions, focus groups, management workshops, and strategic planning retreats.

1.4 About Nelson\Nygaard

Nelson\Nygaard Consulting Associates, Inc. is an internationally recognized firm committed to developing transportation systems that promote vibrant, sustainable, and accessible communities. Founded by two women in 1987, Nelson\Nygaard has grown from its roots in transit planning to a 115-person, full-service transportation firm with offices across the United States.

In keeping with the values set by our founders, Nelson\Nygaard puts people first. We recognize that transportation is not an end by itself but a platform for achieving broader community goals of mobility, equity, economic development, and healthy living. Our hands-on, national

experience informs but doesn't dictate local solutions. Built on consensus and a multimodal approach, our plans are renowned as practical and implementable.

Nelson\Nygaard specializes in:

- **Transit Systems** – Feasibility and fare studies, corridor studies, new services and facilities, redesign services for bus, bus rapid transit, streetcar, rail, and ferry
- **Multimodal Networks** – Complete streets, downtown and regional mobility, transit-oriented development, transportation demand management, healthy communities
- **Paratransit and Mobility Management** – Human services coordination, paratransit and rural transportation plans, mobility manager training, accessibility evaluations
- **Campus Access** – Commute and trip reduction, employee and student incentives, marketing campaigns, financial analyses for universities, tech companies, and hospitals
- **Walking and Bicycling** – Facilities and network design, bike sharing, safe routes to school and transit, calmed streets, walk audits
- **Taxi and On-Demand Services** – Regulations, entry control, rate setting for taxi, livery, peer-to-peer, and private-for-hire
- **Parking Management** – Regulations, pricing strategies, shared parking, governance, technology selection, demand management
- **Traffic Analysis** – Road diets and traffic calming, traffic impact simulation, trip reduction, GHG analysis, climate action plans

Recognized for projects around the world, Nelson\Nygaard has received awards and honors from professional organizations and government agencies including the American Planning Association, the Federal Transit Administration, the Association of Environmental Professionals, the American Society of Landscape Architects, the Congress for the New Urbanism, and the Canadian Institute of Planners.

Attachment 3

ORDINANCE NO. XXXX

ORDINANCE OF THE COUNCIL OF THE CITY OF PALO ALTO AMENDING THE BUDGET FOR FISCAL YEAR 2015 IN THE GENERAL FUND, ELECTRIC OPERATING FUND, GAS OPERATING FUND, WASTEWATER COLLECTION FUND, WATER FUND, REFUSE FUND, STORM DRAINIAGE FUND, WASTEWATER TREATMENT FUND, AND VEHICLE REPLACEMENT FUND AS A RESULT OF AWARD OF A CONTRACT FOR THE SUSTAINABILITY AND CLIMATE ACTION PLAN TO KEMA SERVICES, INC. (HERETO REFERENCED AS DNV) IN THE AMOUNT OF $211,845 PLUS A 10 PERCENT CONTINGENCY AMOUNT OF $21,185. IN THE GENERAL FUND, EXPENDITURES FOR CONTRACT SERVICES WILL INCREASE IN THE OFFICE OF SUSTAINABILITY BY $233,030, OFFSET BY A REDUCTION TO THE BUDGET STABILIZATION RESERVE IN THE AMOUNT OF $137,490, AND AN INCREASE TO TRANFERS TO THE GENERAL FUND IN THE AMOUNT OF $95,540. TRANSFERS TO THE GENERAL FUND FROM THE ELECTRIC OPERATING FUND WILL INCREASE BY $23,302, OFFSET BY A REDUCTION TO THE OPERATIONS RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE GAS OPERATING FUND WILL INCREASE BY $11,651, OFFSET BY A REDUCTION TO THE OPERATIONS RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE WASTEWATER COLLECTION FUND WILL INCREASE BY $11,651, OFFSET BY A REDUCTION TO THE OPERATIONS RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE WATER FUND WILL INCREASE BY $11,651, OFFSET BY A REDUCTION TO THE OPERATIONS RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE REFUSE FUND WILL INCREASE BY $9,320, OFFSET BY A REDUCTION TO THE RATE STABILIZATION RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE STORM DRAINAGE FUND WILL INCREASE BY $9,321, OFFSET BY A REDUCTION TO THE RATE STABILIZATION RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE WASTEWATER TREATMENT FUND WILL INCREASE BY $9,322, OFFSET BY A REDUCTION TO THE RATE STABILIZATION RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE VEHICLE REPLACEMENT FUND WILL INCREASE BY $9,322, OFFSET BY A REDUCTION TO THE ENDING FUND BALANCE.

The Council of the City of Palo Alto does ordain as follows:

SECTION 1. The Council of the City of Palo Alto finds and determines as follows:

A. Pursuant to the provisions of Section 12 of Article III of the Charter of the City of Palo Alto, the Council on June 16, 2014 did adopt a budget for Fiscal Year 2015; and

B. Staff discussed provisional plans for the Sustainability and Climate Action Plan (S/CAP) with Council at the Earth Day study session, April 21, 2014, and did not include the S/CAP in the FY 2015 budget, but planned to come back to Council after conducting a competitive solicitation; and

C. Staff issued the RFP for the S/CAP on June 2, 2014 that was intentionally both challenging in the scope it proposed and flexible in how it invited consultants to explore innovative and integrative strategies; and

D. A multi-departmental evaluation panel unanimously selected the DNV team (with partners ESA, Nelson\Nygard and MIG) because of the strength of the team, their specific experience in the work required, their grasp of Palo Alto's vision, and the merits of their proposal and plan; and

E. Staff recommends that a contract for $211,845 be awarded to DNV to complete the S/CAP; and

F. Funding for this project, discussed in detail in Section 2, reflects the scale, scale of impact, and the estimated scale of involvement of each department and associated funds in completing the project.

SECTION 2. The net sum of Two Hundred Thirty-Three Thousand, Thirty Dollars is hereby appropriated for Contract Services Expenditures for the Office of Sustainability in the General Fund, offset by a decrease to the Budget Stabilization Reserve and an increase to Transfers to the General Fund. The Reduction to the General Fund Budget Stabilization Reserve is One Hundred Thirty-Seven Thousand Four-Hundred Ninety Dollars, and the increase to Transfers to the General Fund is Ninety-Five Thousand Five Hundred Forty Dollars split among several funds, as described below. The decrease to the Budget Stabilization Reserve reflects funding for the following departments: 15% ($34,953) from Planning and Community Environment; 10% ($23,304) from Development Services; 10%

($23,304) from Community Services; 10% ($23,304) Administrative Services; 10% ($23,304) from the City Manager's Office; and 4% ($9,321) from Public Works. Increased transfers to the General Fund from the Utilities Funds will fund 25% ($58,255) of the project, which will be split across four funds: Electric, Gas, Wastewater Collection, and Water. Transfers to the General Fund from the Electric Operating Fund will increase by Twenty-Three Thousand Three Hundred Two Dollars, with a corresponding decrease to the Operations Reserve. Transfers to the General Fund from the Gas Operating Fund will increase by Eleven Thousand Six Hundred Fifty-One Dollars, with a corresponding decrease to the Operations Reserve. Transfers to the General Fund from the Wastewater Collection Fund will increase by Eleven Thousand Six Hundred Fifty-One Dollars, with a corresponding decrease to the Operations Reserve. Transfers to the General Fund from the Water Fund will increase by Eleven Thousand Six Hundred Fifty-One Dollars, with a corresponding decrease to the Operations Reserve. Increased transfers to the General Fund from the Public Works Funds will fund 16% ($37,285) of the project, which will be split across four funds: Refuse, Storm Drainage, Wastewater Treatment, and Vehicle Replacement. Transfers to the General Fund from the Refuse Fund will increase by Nine Thousand Three Hundred Twenty Dollars, with a corresponding decrease to the Rate Stabilization Reserve. Transfers to the General Fund from the Storm Drainage Fund will increase by Nine Thousand Three Hundred Twenty-One Dollars, with a corresponding decrease to the Rate Stabilization Reserve. Transfers to the General Fund from the Wastewater Treatment Fund will increase by Nine Thousand Three Hundred Twenty-Two Dollars, with a corresponding decrease to the Rate Stabilization Reserve. Transfers to the General Fund from the Vehicle Replacement Fund will increase by Nine Thousand Three Hundred Twenty-Two Dollars, with a corresponding decrease to the Ending Fund Balance.

SECTION 3. The General Fund Budget Stabilization Reserve is hereby reduced by One Hundred Thirty-Seven Thousand Four-Hundred Ninety Dollars ($137,490) to Thirty-One Million Six Hundred Eighty-Three Thousand Dollars ($31,683,000).

SECTION 4. As provided in Section 2.04.330 of the Palo Alto Municipal Code, this ordinance shall become effective upon adoption.

SECTION 5. The Council of the City of Palo Alto hereby finds that this is not a project under the California Environmental Quality Act and, therefore, no environmental impact assessment is necessary.

INTRODUCED AND PASSED:
AYES:
NOES:
ABSTENTIONS:
ABSENT:

ATTEST:

APPROVED:

City Clerk

Mayor

APPROVED AS TO FORM:

City Manager

City Attorney

Chief Sustainability Officer

Director of Administrative Services

Attachment 3

ORDINANCE NO. XXXX

ORDINANCE OF THE COUNCIL OF THE CITY OF PALO ALTO AMENDING THE BUDGET FOR FISCAL YEAR 2015 IN THE GENERAL FUND, ELECTRIC OPERATING FUND, GAS OPERATING FUND, WASTEWATER COLLECTION FUND, WATER FUND, REFUSE FUND, STORM DRAINIAGE FUND, WASTEWATER TREATMENT FUND, AND VEHICLE REPLACEMENT FUND AS A RESULT OF AWARD OF A CONTRACT FOR THE SUSTAINABILITY AND CLIMATE ACTION PLAN TO KEMA SERVICES, INC. (HERETO REFERENCED AS DNV) IN THE AMOUNT OF $211,845 PLUS A 10 PERCENT CONTINGENCY AMOUNT OF $21,185. IN THE GENERAL FUND, EXPENDITURES FOR CONTRACT SERVICES WILL INCREASE IN THE OFFICE OF SUSTAINABILITY BY $233,030, OFFSET BY A REDUCTION TO THE BUDGET STABILIZATION RESERVE IN THE AMOUNT OF $137,490, AND AN INCREASE TO TRANFERS TO THE GENERAL FUND IN THE AMOUNT OF $95,540. TRANSFERS TO THE GENERAL FUND FROM THE ELECTRIC OPERATING FUND WILL INCREASE BY $23,302, OFFSET BY A REDUCTION TO THE OPERATIONS RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE GAS OPERATING FUND WILL INCREASE BY $11,651, OFFSET BY A REDUCTION TO THE OPERATIONS RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE WASTEWATER COLLECTION FUND WILL INCREASE BY $11,651, OFFSET BY A REDUCTION TO THE OPERATIONS RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE WATER FUND WILL INCREASE BY $11,651, OFFSET BY A REDUCTION TO THE OPERATIONS RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE REFUSE FUND WILL INCREASE BY $9,320, OFFSET BY A REDUCTION TO THE RATE STABILIZATION RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE STORM DRAINAGE FUND WILL INCREASE BY $9,321, OFFSET BY A REDUCTION TO THE RATE STABILIZATION RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE WASTEWATER TREATMENT FUND WILL INCREASE BY $9,322, OFFSET BY A REDUCTION TO THE RATE STABILIZATION RESERVE. TRANSFERS TO THE GENERAL FUND FROM THE VEHICLE REPLACEMENT FUND WILL INCREASE BY $9,322, OFFSET BY A REDUCTION TO THE ENDING FUND BALANCE.

The Council of the City of Palo Alto does ordain as follows:

SECTION 1. The Council of the City of Palo Alto finds and determines as follows:

A. Pursuant to the provisions of Section 12 of Article III of the Charter of the City of Palo Alto, the Council on June 16, 2014 did adopt a budget for Fiscal Year 2015; and

B. Staff discussed provisional plans for the Sustainability and Climate Action Plan (S/CAP) with Council at the Earth Day study session, April 21, 2014, and did not include the S/CAP in the FY 2015 budget, but planned to come back to Council after conducting a competitive solicitation; and

C. Staff issued the RFP for the S/CAP on June 2, 2014 that was intentionally both challenging in the scope it proposed and flexible in how it invited consultants to explore innovative and integrative strategies; and

D. A multi-departmental evaluation panel unanimously selected the DNV team (with partners ESA, Nelson\Nygard and MIG) because of the strength of the team, their specific experience in the work required, their grasp of Palo Alto's vision, and the merits of their proposal and plan; and

E. Staff recommends that a contract for $211,845 be awarded to DNV to complete the S/CAP; and

F. Funding for this project, discussed in detail in Section 2, reflects the scale, scale of impact, and the estimated scale of involvement of each department and associated funds in completing the project.

SECTION 2. The net sum of Two Hundred Thirty-Three Thousand, Thirty Dollars is hereby appropriated for Contract Services Expenditures for the Office of Sustainability in the General Fund, offset by a decrease to the Budget Stabilization Reserve and an increase to Transfers to the General Fund. The Reduction to the General Fund Budget Stabilization Reserve is One Hundred Thirty-Seven Thousand Four-Hundred Ninety Dollars, and the increase to Transfers to the General Fund is Ninety-Five Thousand Five Hundred Forty Dollars split among several funds, as described below. The decrease to the Budget Stabilization Reserve reflects funding for the following departments: 15% ($34,953) from Planning and Community Environment; 10% ($23,304) from Development Services; 10% ($23,304) from Community Services; 10% ($23,304) Administrative Services; 10% ($23,304) from the City Manager's Office; and 4% ($9,321) from Public Works. Increased transfers to the General Fund from the Utilities Funds will fund 25%

($58,255) of the project, which will be split across four funds: Electric, Gas, Wastewater Collection, and Water. Transfers to the General Fund from the Electric Operating Fund will increase by Twenty-Three Thousand Three Hundred Two Dollars, with a corresponding decrease to the Operations Reserve. Transfers to the General Fund from the Gas Operating Fund will increase by Eleven Thousand Six Hundred Fifty-One Dollars, with a corresponding decrease to the Operations Reserve. Transfers to the General Fund from the Wastewater Collection Fund will increase by Eleven Thousand Six Hundred Fifty-One Dollars, with a corresponding decrease to the Operations Reserve. Transfers to the General Fund from the Water Fund will increase by Eleven Thousand Six Hundred Fifty-One Dollars, with a corresponding decrease to the Operations Reserve. Increased transfers to the General Fund from the Public Works Funds will fund 16% ($37,285) of the project, which will be split across four funds: Refuse, Storm Drainage, Wastewater Treatment, and Vehicle Replacement. Transfers to the General Fund from the Refuse Fund will increase by Nine Thousand Three Hundred Twenty Dollars, with a corresponding decrease to the Rate Stabilization Reserve. Transfers to the General Fund from the Storm Drainage Fund will increase by Nine Thousand Three Hundred Twenty-One Dollars, with a corresponding decrease to the Rate Stabilization Reserve. Transfers to the General Fund from the Wastewater Treatment Fund will increase by Nine Thousand Three Hundred Twenty-Two Dollars, with a corresponding decrease to the Rate Stabilization Reserve. Transfers to the General Fund from the Vehicle Replacement Fund will increase by Nine Thousand Three Hundred Twenty-Two Dollars, with a corresponding decrease to the Ending Fund Balance.

SECTION 3. The General Fund Budget Stabilization Reserve is hereby reduced by One Hundred Thirty-Seven Thousand Four-Hundred Ninety Dollars ($137,490) to Thirty-One Million Six Hundred Eighty-Three Thousand Dollars ($31,683,000).

SECTION 4. As provided in Section 2.04.330 of the Palo Alto Municipal Code, this ordinance shall become effective upon adoption.

SECTION 5. The Council of the City of Palo Alto hereby finds that this is not a project under the California Environmental Quality Act and, therefore, no environmental impact assessment is necessary.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

ATTEST:

APPROVED:

City Clerk

Mayor

APPROVED AS TO FORM:

City Manager

City Attorney

Chief Sustainability Officer

Director of Administrative Services