



CITY OF PALO ALTO CITY COUNCIL ACTION MINUTES

Regular Meeting
June 8, 2015

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:08 P.M.

Present: Berman, Burt, DuBois, Holman arrived at 6:28 P.M., Kniss, Scharff, Schmid, Wolbach

Absent: Filseth

Consent Calendar

MOTION: Council Member Scharff moved, seconded by Council Member Berman to approve Agenda Item Numbers 1-3.

1. Finance Committee Recommendation to Accept the Police Department: Palo Alto Animal Services Audit.
2. Approval of Amendment Three to Contract Number S13149754 With Renne Sloan Holtzman Sakai LLP Public Law Group to Add \$36,000 for a Total Amount Not to Exceed \$216,000 for Labor Negotiations Services and Extend the Contract Term by Six Months.
3. Approval of the 2015 Santa Clara County Multi-Jurisdictional Program for Public Information (PPI) to Provide Reduced Flood Insurance Premiums for Palo Alto Residents and Businesses Through the National Flood Insurance Program's Community Rating System (CRS).

MOTION PASSED: 7-0 Filseth, Holman absent

Special Orders of the Day

4. Appointment of One Candidate to the Architectural Review Board for One Unexpired Term Ending December 15, 2017.

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First Round of voting for one position on the Architectural Review Board with a term ending December 15, 2017:

Voting For Peter Baltay: DuBois, Schmid

Voting For Wynne Furth: Berman, Burt, Holman, Kniss, Scharff, Wolbach

Voting For Kenneth Huo:

Voting For Flore Schmidt:

Beth Minor, City Clerk announced that Wynne Furth with six votes was appointed to the Architectural Review Board for one unexpired term ending December 15, 2017.

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5. PUBLIC HEARING: Staff Recommendation that the City Council Adopt a Resolution Amending Rate Schedules W-1 (General Residential Water Service), W-2 (Water Service from Fire Hydrants), W-3 (Fire Service Connections), W-4 (Residential Master-Metered and General Non-Residential Water Service), and W-7 (Non-Residential Irrigation Water Service) to Increase Average Water Rates by 8 Percent.

Public Hearing opened at 6:28 P.M.

MOTION: Council Member Scharff moved, seconded by Vice Mayor Schmid to tentatively adopt a Resolution Amending Rate Schedules W-1 (General Residential Water Service), W-2 (Water Service from Fire Hydrants), W-3 (Fire Service Connections), W-4 (Residential Master-Metered and General Non-Residential Water Service), and W-7 (Non-Residential Irrigation Water Service) to increase average water rates by eight percent.

MOTION PASSED: 8-0 Filseth absent

6. PUBLIC HEARING AND PROPOSITION 218 HEARING: Adoption of Budget Amendment Ordinance for Fiscal Year 2016, Including Adoption of Operating and Capital Budgets and Municipal Fee Schedule; Adoption of Five Resolutions, Including: Adopting a Dark Fiber Rate Increase of 2.7 Percent and Amending Utility Rate Schedules EDF-1

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and EDF-2; Amending Utility Rate Schedule D-1 (Storm and Surface Water Drainage) to Increase Storm Drain Rates by 2.7 Percent Per Month Per Equivalent Residential Unit for Fiscal Year 2016; Adopting a Wastewater Collection Fee Increase of 9.0 Percent and Amending Utility Rate Schedules S-1, S-2, S-6, and S-7; Adopting a Refuse Rate Increase of 9.0 Percent Per Month Per Equivalent Residential Unit for Fiscal Year 2016 and Amending the Utility Rate Schedule R-1; Amending the Salary Schedule Attached to the 2014-2016 Compensation Plan for Management and Professional Employees, as Amended by Resolution No. 9053 to Add One New Position and Change the Title of Two Positions; Amending the 2013-15 Memorandum of Agreement Service Employees International Union (SEIU), Adopted by Resolution No. 9398 to Add One Position and Correct the Salary of One Position; and Amending the Terms for the Utility Management Professional Association, as Amended by Resolution Nos. 9492 & 9503 to Correct the Salary for One Position and Add Two New Positions; and Refer to the Finance Committee a Discussion of Changes to the Public Art Ordinance to Simplify the Calculation of the Public Art Fee and a Discussion of Usage and Replacement of Pool Vehicles.

Public Hearing opened at 7:31 P.M.

Council Member DuBois advised he would not be participating in the budget as it related to Stanford University because his wife is employed by Stanford University.

MOTION: Council Member Kniss moved, seconded by Council Member Scharff to tentatively approve the Police and Fire CIP Budgets related to Stanford University.

MOTION PASSED: 7-0 DuBois not participating, Filseth absent

Vice Mayor Schmid advised he would not be participating in the budget as it related to Single-Story Overlay (SSO) applications because he lives in a neighborhood that is considering an application for an SSO.

Council Member Wolbach advised he would not be participating in the budget as it related to Single-Story Overlay (SSO) applications because he lives in a neighborhood that is considering an application for an SSO.

MOTION: Council Member DuBois moved, seconded by Mayor Holman to:

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1. Direct Staff to evaluate capping the fee for Single-Story Overlays (SSO) at \$2,000 from residents per application for Fiscal Year 2016, bringing that to the Finance Committee before break; and
2. Direct the Policy and Services Committee to consider a new process and appropriate fee structure to allow neighborhoods to bring forth neighborhood conservation and preservation overlay zoning changes to preserve neighborhood character, which may include zoning overlays that include second stories.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion Part 1, "bringing that to the Finance Committee before break" with "to return to City Council on June 29, 2015 for further discussion."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to remove from the Motion Part 1, "at \$2,000."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion Part 1, "bringing that to the Finance Committee before break for further discussion" with "agenda as an action item that will consider referral of policy matters."

Motion separated for the purpose of voting.

MOTION PART 1 AS AMENDED PASSED: 6-0 Schmid, Wolbach not participating, Filseth absent

SUBSTITUTE MOTION: Council Member Scharff moved, seconded by Council Member Berman to direct Staff to place on the June 29, 2015 agenda an Action item that would consider referral of policy matters that relate to SSO.

SUBSTITUTE MOTION FAILED: 2-4 Berman, Scharff yes, Schmid, Wolbach not participating, Filseth absent

MOTION PART 2 PASSED: 5-1 Kniss no, Schmid, Wolbach not participating, Filseth absent

Council took a break at 9:37 P.M. and returned at 9:45 P.M.

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Vice Mayor Schmid and Council Members Wolbach returned to the meeting at 9:45 P.M.

MOTION: Council Member Burt moved, seconded by Mayor Holman to refer to the Finance Committee consideration of stronger encroachment fees for construction projects that impact portions or all of a city street or sidewalk.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion, "or all of City streets and sidewalks" with "or all of a city street or sidewalk."

MOTION AS AMENDED PASSED: 8-0 Filseth absent

MOTION: Council Member Kniss moved, seconded by Council Member Burt to keep the Code Enforcement-Lead position in the FY 2016 budget; and direct the City Manager to propose an alternate position be removed from the FY 2016 budget if required to maintain a budget surplus.

MOTION AS AMENDED PASSED: 8-0 Filseth absent

MOTION: Council Member Scharff moved, seconded by Council Member Kniss to tentatively approve the budget including \$50,000 for Automated External Defibrillators (AED), and amendments as discussed:

A. Budget Amendment Ordinance which includes:

1. City Manager's Fiscal Year 2016 Proposed Operating and Capital Budget; and
2. Amendments to the City Manager's Fiscal Year 2016 Proposed Operating and Capital Budget; and
3. Revised City Table of Organization; and
4. Fiscal Year 2016 Proposed Municipal Fee Changes; and

B. Resolution Adopting a Dark Fiber Rate Increase of 2.7 Percent and Amending Utility Rate Schedules EDF-1 and EDF-2; and

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- C. Resolution Amending Utility Rate Schedule D-1 (Storm and Surface Water Drainage) to Increase Storm Drain Rates by 2.7 Percent Per Month Per Equivalent Residential Unit for Fiscal Year 2015; and
- D. Resolution Adopting a Wastewater Collection Rate Increase of 9.0 Percent and Amending Utility Rate Schedules S-1, S-2, S-6 and S-7; and
- E. Resolution Adopting a Refuse Rate Increase of 9.0 Percent and Amending Utility Rate Schedule R-1; and
- F. Resolution Amending Salary Schedules for the Management, Professional, and Confidential Unit, the Utilities Managers of Palo Alto Professional Association, and the Service Employees International Union:
 - 1. Amended Salary Schedule for the Management, Professional, and Confidential Unit; and
 - 2. Amended Salary Schedule for the Utilities Managers of Palo Alto Professional Association; and
 - 3. Amended Salary Schedule for the Service Employees International Union; and
- G. Refer to the Finance Committee a discussion of changes to the Public Art Ordinance to simplify the calculation of the Public Art Fee and a discussion of usage and replacement of pool vehicles.

MOTION PASSED: 8-0 Filseth absent

MOTION: Council Member DuBois moved, seconded by Council Member Scharff to direct Staff and the Finance Committee to return in six months with an update on the Animal Shelter.

MOTION PASSED: 8-0 Filseth absent

MOTION: Council Member DuBois moved, seconded by Council Member Burt to direct Staff to investigate increasing the Business Registry late fee monthly for for-profit organizations and remain the same for non-profit organizations.

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SUBSTITUTE MOTION: Council Member Scharff moved, seconded by Council Member Berman to direct Staff to investigate increasing Business Registry participation, up to and including increasing late fees.

SUBSTITUTE MOTION PASSED: 8-0 Filseth absent

MOTION: Council Member Scharff moved, seconded by Council Member Kniss to continue Agenda Item Number 7- Review of a Draft Scope of Work for the Fry's Master Plan and Adoption of a Resolution Regarding the Use of Regional Transportation Funding to June 22, 2015.

MOTION PASSED: 7-1 Wolbach no, Filseth absent

~~7. Review of a Draft Scope of Work for the Fry's Master Plan and Adoption of a Resolution Regarding the Use of Regional Transportation Funding.~~

Council Member Questions, Comments and Announcements

Council Member Kniss attended an event this past Friday at Moffett Federal Airfield where Congresswoman Anna Eshoo announced her selections for the United States Air Force Academy, United States Naval Academy, United States Military Academy (West Point). Council Member Kniss noted that four of the eleven individuals selected were women.

Council Member Scharff announced Congresswoman Anna Eshoo and Assembly Member Rich Gordon will hold a public meeting on Santa Clara County sea level rise challenges and opportunities on June 19, 2015. Council Member Scharff will moderate a panel during the event.

Mayor Holman reported her attendance at a meeting this past Friday with Governor Edmund Brown at San José City Hall for a drought update. She also attended the NewCo event at Survey Monkey earlier this evening. NewCo organizes open house type events at entrepreneurial businesses in Silicon Valley. Approximately 40 to 50 percent of participating businesses are located in Palo Alto. Participation is not limited to technology companies but also includes companies such as Deborah's Palm. She encouraged Council Members and members of the public to attend NewCo events.

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Closed Session

MOTION: Vice Mayor Schmid moved, seconded by Council Member DuBois to go into Closed Session.

MOTION PASSED: 8-0 Filseth absent

Council went into Closed Session at 10:38 P.M.

8. CONFERENCE WITH CITY ATTORNEY- EXISTING LITIGATION
Clear Light Ventures, Inc., et al. v. City of Palo Alto, et al. (Verizon Wireless; Little League Baseball of Palo Alto, Inc.), Santa Clara Superior Court Case No. 1-15-CV-278025.

Council returned from Closed Session at 10:45 P.M.

Mayor Holman announced that the City Council authorized the filing of an immediate appeal in the case of Clear Light Ventures v. City of Palo Alto, Santa Clara Superior Court Case No. 1-15-CV-278025 (8-0, Filseth absent).

Adjournment: The meeting was adjourned at 10:45 P.M.