



CITY OF PALO ALTO CITY COUNCIL ACTION MINUTES

Regular Meeting
February 1, 2016

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:04 P.M.

Present: Berman, Burt, DuBois, Filseth, Holman, Kniss, Scharff, Schmid, Wolbach arrived at 6:25 P.M.

Absent:

Study Session

1. Study Session on National, State and Local Trends on the Impact of Arts and Culture.

Special Orders of the Day

2. Community Partner Presentation: West Bay Opera at the Lucie Stern Community Theater.

Agenda Changes, Additions and Deletions

Staff requests Council hear Agenda Item Numbers 13- Approval of a Twenty Five (25) Year Lease... and 14- PUBLIC HEARING: Adoption of an Emergency Ordinance... before Agenda Item Number 12- Adoption of an Ordinance to add Section 10.50.085...

Consent Calendar

MOTION: Vice Mayor Scharff moved, seconded by Council Member DuBois, third by Council Member Holman to pull Agenda Item Number 10- Agreement with Empowerment Institute... to be moved to a date uncertain.

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MOTION: Vice Mayor Scharff moved, seconded by Council Member DuBois to approve Agenda Item Numbers 3-9 including corrections contained in the At Places Memorandum for Agenda Item Number 3.

3. Budget Amendment Ordinance 5378 Entitled, "Budget Amendment Ordinance of the Council of the City of Palo Alto Closing the Fiscal Year 2015 Budget, Including Authorization of Transfers to Reserves, and Approval of the Fiscal Year 2015 Comprehensive Annual Financial Report (CAFR)."
4. Approval of the Fifth Amendment to Extend the Lease With Thoits Bros., Inc. at 285 Hamilton Avenue, Suite 100 for a Period of 14 Months and Approval of the Second Amendment to Extend the Sublease With Thoits Bros., Inc., 285 Hamilton Avenue, Suite 200 for a Period of 14 Months for use by the City Development Center.
5. Finance Committee Recommendation for Council to Review and Accept Information on the new Government Accounting Standards Board Pension Reporting Standards Known as GASB 68.
6. Approval of Police Department Purchase of Multi-Band Portable Radios for the Police and Fire Departments in an Amount not to Exceed \$625,000.
7. Amend the Fiscal Year 2016 Adopted Municipal Fee Schedule to add a Secondhand Dealer Licensing Fee.
8. Adoption of Annual Amendments to the Employment Agreements Between the City of Palo Alto and Council Appointed Officers (City Manager, City Attorney, City Auditor and City Clerk).
9. Ordinance 5379 Entitled, "Ordinance of the Council of the City of Palo Alto Amending Palo Alto Municipal Code Chapter 4.60 (Business Registration Program) to Exempt Very Small Businesses, Very Small Non-Profits, and Religious Organizations With no Ancillary Business on Site From the Business Registration Program (FIRST READING: January 19, 2016 PASSED: 8-0 Kniss absent)."
10. ~~Agreement with Empowerment Institute on Cool Block Small Pilot Program (Continued From January 25, 2016).~~

MOTION PASSED: 9-0

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11. Approval of 2016 Basement Construction Dewatering Program Changes and Other Related Issues.

MOTION: Vice Mayor Scharff moved, seconded by Council Member Kniss to:

- A. Approve the five "Group 1" Basement Construction Dewatering Program changes for the 2016 construction season on a pilot basis; and
- B. Continue working with the Santa Clara Valley Water District (SCVWD) in an effort on developing a further understanding of the north county groundwater systems, impacts of groundwater pumping, and opportunities for enhanced groundwater recharge. Direct Staff to provide an update on the work plan for this effort to the Policy and Services Committee in the first quarter of 2016; and
- C. Direct Staff to prepare a report for the Policy and Services Committee in the first half of 2016 to discuss Group 3 matters and the development of a potential recommendation to Council to direct additional work in one or more of these areas.

AMENDMENT: Council Member Schmid moved, seconded by Council Member XX to add to Part A of the Motion, "add a sixth change, 'each site will be metered and there will be an excess charge for water not used over 3.5 million gallons at a rate of \$.02 per gallon.'"

AMENDMENT RESTATED AND INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to Part A of the Motion, "add a sixth change, 'dewatering flow will be metered.'"

AMENDMENT: Council Member Schmid moved, seconded by Council Member XX to add to the Motion, "replace in Draft Requirements for Submittal of a Determination... 'avoidance measures are also to be employed to the extent practical' with 'above 6 million gallons per household avoidance measures will be employed in somewhat practical.'"

AMENDMENT FAILED DUE TO THE LACK OF A SECOND

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MOTION RESTATED: Vice Mayor Scharff moved, seconded by Council Member Kniss to:

- A. Approve the five "Group 1" Basement Construction Dewatering Program changes for the 2016 construction season on a pilot basis and add a sixth change, "dewatering flow will be metered"; and
- B. Continue working with the Santa Clara Valley Water District (SCVWD) in an effort on developing a further understanding of the north county groundwater systems, impacts of groundwater pumping, and opportunities for enhanced groundwater recharge. Direct Staff to provide an update on the work plan for this effort to the Policy and Services Committee in the first quarter of 2016; and
- C. Direct Staff to prepare a report for the Policy and Services Committee in the first half of 2016 to discuss Group 3 matters and the development of a potential recommendation to Council to direct additional work in one or more of these areas.

MOTION AS AMENDED PASSED: 7-2 Holman, Schmid no

At this time Council heard Agenda Item 13.

- 13. Approval of a Twenty Five (25) Year Lease Agreement Between the City of Palo Alto and the Museum of American Heritage (MOAH) for the City Owned Property at 351 Homer Avenue, Palo Alto.

MOTION: Council Member Holman moved, seconded by Council Member Filseth to authorize the City Manager or his designee to negotiate and enter into a new twenty five (25) year lease agreement between the City of Palo Alto and Museum of American Heritage (MOAH) for the City owned property at 351 Homer Avenue, Palo Alto upon expiration of the current lease agreement in 2017.

MOTION PASSED: 9-0

- 14. PUBLIC HEARING: Adoption of an Emergency Ordinance of the Council of the City of Palo Alto Adding Chapter 9.16 (Medical Marijuana Cultivation and Delivery) to Title 9 (Public Peace, Morals and Safety) of the Palo Alto Municipal Code to Prohibit Medical Marijuana Cultivation and Delivery in Palo Alto Pursuant to California Assembly Bills 243 and

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266 and Senate Bill 643. This Action is Exempt Under Section 15061(b)(3) of the California Environmental Quality Act.

Public Hearing opened at 10:00 P.M.

Public Hearing closed at 10:06 P.M.

MOTION: Council Member DuBois moved, seconded by Council Member Kniss to continue this Agenda Item to a February Council Meeting if necessary.

MOTION PASSED: 9-0

12. Adoption of an Ordinance to add Section 10.50.085 (Eligibility Areas) and to Amend Section 10.50.090 (Modification or Termination of Districts) of the Palo Alto Municipal Code Relating to Residential Parking Programs; Adoption of a Resolution Amending Resolution 9473 to Implement Phase 2 of the Downtown Residential Preferential Parking (RPP) District Pilot Program; Approval of Contract Amendment to SP Plus for \$94,000 for Additional Services for Parking Permits and On-Site Customer Service, Approval of Contract Amendment to SERCO for \$60,000 for Enforcement of Expanded Area of Downtown RPP District, Approval of Contract Amendment to McGuire Pacific Constructors for \$154,500 for Construction Services for Expanded Area of Downtown RPP District, Approval of Budget Amendments in the General Fund, Residential Parking Permit Fund, and Capital Improvement Fund, Approval of the RPP Administrative Guidelines. These Actions are Exempt From the California Environmental Quality Act (CEQA) Pursuant to Sections 15061(b)(3) and 15301 of the CEQA Guidelines.

Molly Stump, City Attorney advised Council Members Berman, Filseth, and Holman live within the Residential Preferential Parking Permit (RPP) District and Vice Mayor Scharff owns a business property within the RPP District, requiring their recusal from this Agenda Item.

Mayor Burt advised he would not participate in this Agenda Item because he lives within 500 feet of the proposed RPP District expansion.

Following random selection pursuant to California Code of Regulations Section 18705 (Legally Required Participation), Council Member Filseth will participate in this Agenda Item.

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At this time Council heard Council Member Questions, Comments and Announcements.

Council Member Questions, Comments and Announcements

Vice Mayor Scharff announced the California State Assembly formed a committee titled Regional Planning in the San Francisco Bay Area that will address the planned merger of Association of Bay Area Governments (ABAG) and the Metropolitan Transit Commission (MTC), the lack of affordable housing, the environment, transportation, and other regional issues. He suggested this Committee may have some influence over local control regarding these issues.

Council Member Holman announced four Council Members attended an event led by Lieutenant Governor Gavin Newsom regarding a potential initiative relating to gun and ammunition safety.

Council Member DuBois announced he will be working on a Colleagues Memorandum relating to parking permitting in the Evergreen Park neighborhood.

Mayor Burt attended the 85th anniversary of the Palo Alto Players. He learned that the Lucie Stern Community Theater was built for the Palo Alto Players and the group was the first community theater group on the Peninsula.

At this time Council returned to Agenda Item 12.

12. Adoption of an Ordinance to add Section 10.50.085 (Eligibility Areas) and to Amend Section 10.50.090 (Modification or Termination of Districts) of the Palo Alto Municipal Code Relating to Residential Parking Programs; Adoption of a Resolution Amending Resolution 9473 to Implement Phase 2 of the Downtown Residential Preferential Parking (RPP) District Pilot Program; Approval of Contract Amendment to SP Plus for \$94,000 for Additional Services for Parking Permits and On-Site Customer Service, Approval of Contract Amendment to SERCO for \$60,000 for Enforcement of Expanded Area of Downtown RPP District, Approval of Contract Amendment to McGuire Pacific Constructors for \$154,500 for Construction Services for Expanded Area of Downtown RPP District, Approval of Budget Amendments in the General Fund, Residential Parking Permit Fund, and Capital Improvement Fund, Approval of the RPP Administrative Guidelines.

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These Actions are Exempt From the California Environmental Quality Act (CEQA) Pursuant to Sections 15061(b)(3) and 15301 of the CEQA Guidelines.

Mayor Burt, Vice Mayor Scharff, Council Member Berman, and Council Member Holman left the meeting at 10:15 P.M.

MOTION: Council Member DuBois moved, seconded by Council Member Wolbach to:

- A. Adopt an Ordinance to add Section 10.50.085 (Eligibility Areas) and amend Section 10.50.090 (Modification or Termination of Districts) of Title 10 of the Palo Alto Municipal Code relating to Residential Parking Programs; and
- B. Adopt a Resolution amending Resolution 9473 to implement Phase 2 of the Downtown Residential Preferential Parking (RPP) District Pilot Program; and
- C. Adopt the RPP Administrative Guidelines; and
- D. Approve and authorize the City Manager or his designee to execute a Contract Amendment with SP Plus for \$94,000 for Additional Services for Parking Permits and On-Site Customer Service; and
- E. Approve and authorize the City Manager or his designee to execute a Contract Amendment with SERCO for \$60,000 for Enforcement of Expanded Area of Downtown RPP District; and
- F. Approve and authorize City Manager or his designee to execute a Contract Amendment with McGuire Pacific Constructors for \$154,500 for Construction Services for Expanded Area of Downtown RPP District; and
- G. Amend the Fiscal Year 2016 Budget Appropriation Ordinance for:
 - i. The Capital Fund by:
 - a. Increasing the transfer from the General Fund by \$64,329; and

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- b. Increasing the Residential Preferential Parking Project (PL-15003) in the amount of \$64,329; and
 - ii. The Residential Parking Permit Programs Fund by:
 - a. Increasing the transfer from the General Fund by \$94,000; and
 - b. Increasing the Downtown Residential Preferential Parking Contractual Services budget by \$94,000; and
 - iii. The General Fund by:
 - a. Increasing the transfer to the Capital Fund by \$64,329; and
 - b. Increasing the transfer to the Residential Parking Permit Programs Fund by \$94,000; and
 - c. Decreasing the Transportation Contingency fund by \$158,329; and
- H. Decrease Employee permits by 200 per year for ten years; and
- I. Return to Council with a program to meter non-resident hang tags, daily scratchers, and five day scratchers distributed by zones both in streets and parking garages; and
- J. Sell no employee decals outside of the Phase 1 boundaries initially and return with a discussion of hangtags and scratchers.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion Part G, "direct Staff to return with a Resolution to" and remove Part B.

AMENDMENT: Council Member Schmid moved, seconded by Council Member XX to add to the Motion, "report back to Council quarterly."

AMENDMENT WITHDRAWN BY THE MAKER

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SUBSTITUTE MOTION: Council Member Kniss moved, seconded by Council Member XX to continue this Agenda Item for two weeks.

SUBSTITUTE MOTION FAILED DUE TO THE LACK OF A SECOND

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion Part G, "with" with "within approximately two weeks with."

MOTION RESTATED: Council Member DuBois moved, seconded by Council Member Wolbach to:

- A. Adopt an Ordinance to add Section 10.50.085 (Eligibility Areas) and amend Section 10.50.090 (Modification or Termination of Districts) of Title 10 of the Palo Alto Municipal Code relating to Residential Parking Programs; and
- B. Adopt the RPP Administrative Guidelines; and
- C. Approve and authorize the City Manager or his designee to execute a Contract Amendment with SP Plus for \$94,000 for Additional Services for Parking Permits and On-Site Customer Service; and
- D. Approve and authorize the City Manager or his designee to execute a Contract Amendment with SERCO for \$60,000 for Enforcement of Expanded Area of Downtown RPP District; and
- E. Approve and authorize City Manager or his designee to execute a Contract Amendment with McGuire Pacific Constructors for \$154,500 for Construction Services for Expanded Area of Downtown RPP District; and
- F. Amend the Fiscal Year 2016 Budget Appropriation Ordinance for:
 - i. The Capital Fund by:
 - a. Increasing the transfer from the General Fund by \$64,329; and
 - b. Increasing the Residential Preferential Parking Project (PL-15003) in the amount of \$64,329; and

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- ii. The Residential Parking Permit Programs Fund by:
 - c. Increasing the transfer from the General Fund by \$94,000; and
 - d. Increasing the Downtown Residential Preferential Parking Contractual Services budget by \$94,000; and
- iii. The General Fund by:
 - d. Increasing the transfer to the Capital Fund by \$64,329; and
 - e. Increasing the transfer to the Residential Parking Permit Programs Fund by \$94,000; and
 - f. Decreasing the Transportation Contingency fund by \$158,329; and
- G. Direct Staff to return within approximately two weeks with a Resolution to:
 - i. Decrease Employee permits by 200 per year for ten years; and
 - ii. Return to Council with a program to meter non-resident hang tags, daily scratchers, and five day scratchers distributed by zones both in streets and parking garages; and
 - iii. Sell no employee decals outside of the Phase 1 boundaries initially and return with a discussion of hangtags and scratchers.

MOTION AS AMENDED PASSED: 5-0 Berman, Burt, Holman, Scharff not participating

Inter-Governmental Legislative Affairs

None.

Adjournment: The meeting was adjourned at 12:38 P.M.