



CITY OF PALO ALTO CITY COUNCIL ACTION MINUTES

Special Meeting
June 18, 2018

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:03 P.M.

Present: DuBois, Filseth, Fine, Holman, Kniss; Kou arrived at 5:05 P.M., Scharff; Tanaka arrived at 5:05 P.M., Wolbach

Absent:

Closed Session

1. PUBLIC EMPLOYMENT

Title: City Manager

Authority: Government Code Section 54957(b).

MOTION: Council Member Wolbach moved, seconded by Council Member Holman to go into Closed Session.

MOTION PASSED: 7-0 Kou, Tanaka absent

Council went into Closed Session at 5:03 P.M.

Council returned from Closed Session at 6:55 P.M.

Mayor Kniss announced no reportable action.

Agenda Changes, Additions and Deletions

None.

Minutes Approval

2. Approval of Action Minutes for the June 4, 2018 Council Meeting.

MOTION: Council Member Scharff moved, seconded by Vice Mayor Filseth to approve the Action Minutes for the June 4, 2018 Council Meeting.

MOTION PASSED: 9-0

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Consent Calendar

Council Member Tanaka registered a no vote on Agenda Item Number 11-Adoption of an Updated Salary Schedule and Revised Compensation Plan...

MOTION: Council Member DuBois moved, seconded by Council Member Wolbach to approve Agenda Item Numbers 3-13A.

3. Recommendation That the City Council Accept Audit Status Updates on Contract Oversight of Trenching Installation and Electric Substructure, Inventory Management, and Utility Metering.
4. Recommendation That the City Council Accept the Status Updates of the Cash Handling, Travel Expense Audit, the Cable Franchise and PEG Fees Audit and the Payments Audit.
5. Resolution 9773 Entitled, "Resolution of the Council of the City of Palo Alto Summarily Vacating Public Utility Easements at 333 West Charleston Road and 4202 Ruthelma Avenue."
6. Resolution 9774 Entitled, "Resolution of the Council of the City of Palo Alto Summarily Vacating Public Utility Easement at 405 Curtner Avenue."
7. Resolution 9775 Entitled, "Resolution of the Council of the City of Palo Alto Vacating Public Utility Easement at 4301-4329 El Camino Real."
8. Approval of Contract Amendment Number 4 With Cypress Security, Inc. Increasing the Amount by \$330,000 for a Total Not-to-Exceed Amount of \$3,662,216, and Extend the Term of the Agreement to September 30, 2018 for Guard Monitoring Services at Palo Alto Caltrain Locations.
9. Approval of Three General Services Contracts for Approximately \$2.0 Million per Year in Annual Expenses in the Wastewater Treatment Enterprise Fund: 1) Contract With Denali Water Solutions, LLC for Sludge Hauling Services in an Amount Not-to-Exceed \$2,181,000 for a 3-Year Term; 2) Contract With Lystek International Limited in an Amount Not-to-Exceed \$3,649,000; and 3) Contract With Synagro-WWT, Inc. in an Amount Not-to-Exceed \$3,415,000, Both for Offsite Sludge Treatment Services for a 5-Year Term.
10. Approval of Amendment Number 5 With C&S Engineers, Inc. to Contract Number C15155208A in the Amount of \$119,227 for

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Construction Administration Services on the Airport Apron Reconstruction, Capital Improvement Program Project AP-16000.

11. Adoption of an Updated Salary Schedule and Revised Compensation Plan for Unrepresented Limited Hourly Employees Effective July 1, 2017 - June 30, 2021.
12. Approval of an Agreement With Concordia LLC for 18 Months in the Amount Not-to-Exceed \$565,972 for Cubberley Community Center Master Plan and Visioning; Approval of a Cost Share Agreement With the Palo Alto Unified School District for up to \$332,986; and Approval of Budget Amendments to Fund the Master Plan.
13. Approval of Contract C18172547 With Integrated Design 360 for Development and Support of the Sustainability Implementation Plan, the Green Building Program, the Deconstruction and Source Separation Program, the Dewatering Monitoring Program and Utilities On-call Services Through June 30, 2019 for a Total Not-to-Exceed Amount of \$606,291.
- 13A. Resolution 9776 Entitled, "Resolution of the Council of the City of Palo Alto Calling a General Municipal Election for Tuesday, November 6, 2018, for Three Council Member Seats."

MOTION FOR AGENDA ITEM NUMBERS 3-10, 12-13A PASSED: 9-0

MOTION FOR AGENDA ITEM NUMBER 11 PASSED: 8-1 Tanaka no

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14. PUBLIC HEARING: Adoption of Budget Ordinance for Fiscal Year 2019, Including Adoption of Operating and Capital Budgets and Municipal Fee Schedule.

Council Member Tanaka left the meeting at 8:30 P.M.

Public Hearing opened at 9:02 P.M.

Public Hearing closed at 9:12 P.M.

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

- A. Adopt the Fiscal Year 2019 Budget Appropriation Ordinance, which includes:

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- i. The City Manager's Fiscal Year 2019 Proposed Operating and Capital Budgets, previously distributed at the April 30, 2018 City Council meeting;
 - ii. Amendments to the City Manager's Fiscal Year 2019 Proposed Operating Budget (as described in Staff Report, Attachment A, Exhibit 2);
 - iii. Amendments to the City Manager's Fiscal Year 2019 Proposed Capital Budget (as described in Staff Report, Attachment A, Exhibit 3);
 - iv. Fiscal Year 2019 Proposed Municipal Fee Changes (as described in Staff Report, Attachment A, Exhibit 4);
 - v. Fiscal Year 2019 City Table of Organization (as described in Staff Report, Attachment A, Exhibit 5);
- B. Accept the June 30, 2017 actuarial valuation of Palo Alto's Retiree Healthcare Plan and approve full funding of the annual Actuarially Determined Contributions (ADC) for Fiscal Years 2019 and 2020;
- C. Approve amending Salary Schedules for:
- i. Management and Professional Group (MGMT); and
 - ii. Service Employees International Union – Hourly (SEHL).

MOTION PASSED: 7-1 Kou no, Tanaka absent

Council Member DuBois left the meeting at 10:22 P.M.

Council took a break from 10:22 P.M. to 10:27 P.M.

15. Resolution 9777 Entitled, "Resolution of the Council of the City of Palo Alto Placing an Initiative Measure on the November 6, 2018 Ballot to Amend Title 5 of the Palo Alto Municipal Code to Limit Health Care Costs That Hospitals, Medical Clinics and Other Health Care Providers may Charge Patients and Other Payers."

MOTION: Council Member Scharff moved, seconded by Mayor Kniss to adopt a Resolution calling an election to submit the Initiative to the voters at the next general municipal election on November 6, 2018 on the Palo Alto Accountable and Affordable Health Care Initiative including the following Ballot Question: "Shall the Palo Alto Municipal Code be amended to regulate and limit the amount that hospitals, medical clinics and other health care

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providers in Palo Alto may charge patients or other individuals, primary insurers, secondary insurers, and other payers, excluding government payers.”

MOTION PASSED: 7-0 DuBois, Tanaka absent

16. Resolution 9778 Entitled, “Resolution of the Council of the City of Palo Alto Placing a Measure on the November 6, 2018 General Election Ballot to Increase the City’s Transient Occupancy Tax (TOT) by Two Percentage Points.”

MOTION: Council Member Fine moved, seconded by Council Member Scharff to:

- A. Adopt a Resolution to submit a measure to the voters at the general municipal election on November 6, 2018, to increase the City’s Transient Occupancy Tax (TOT) by two (2) percentage points; and
- B. Direct Staff to use ballot language conforming to constitutional requirements that would become effective if a statewide measure to amend the California Constitution and impose new procedures on local tax measures is adopted by California voters at the November 6, 2018 election.

AMENDMENT: Mayor Kniss moved, seconded by Council Member Holman to replace in the Motion Part A, “two (2) percentage points” with “one and a half (1.5) percentage points.”

AMENDMENT PASSED: 5-2 Fine, Kou no, DuBois, Tanaka absent

MOTION AS AMENDED RESTATED: Council Member Fine moved, seconded by Council Member Scharff to:

- A. Adopt a Resolution to submit a measure to the voters at the general municipal election on November 6, 2018, to increase the City’s Transient Occupancy Tax (TOT) by one and a half (1.5) percentage points; and
- B. Direct Staff to use ballot language conforming to constitutional requirements that would become effective if a statewide measure to amend the California Constitution and impose new procedures on local tax measures is adopted by California voters at the November 6, 2018 election.

MOTION AS AMENDED PASSED: 6-1 Kou no, DuBois, Tanaka absent

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State/Federal Legislation Update/Action

None.

Adjournment: The meeting was adjourned at 11:55 P.M.