

Regular Meeting
December 12, 2006

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ADJOURNMENT: Meeting adjourned at 7:25 p.m.....6

Chairperson Cordell called the meeting to order at 7:01 p.m. in the Council Conference Room, 250 Hamilton Avenue, Palo Alto, California.

Present: Barton, Cordell, Drekmeier, Morton

1. Oral Communications

None.

2. Utility Advisory Commission's Oversight Responsibilities

Assistant City Manager Emily Harrison said when staff initially talked to the Utilities Advisory Commission (UAC) and Council about restructuring the Utilities Department, one of the concerns had been the lack of coordination between the Public Works Department and the Utilities Department enterprise funds. As part of the restructuring efforts, staff believes that expanding the Utilities Risk Oversight and Coordinating Committee (UROCC) to include the enterprise funds under Public Works made sense. The Public Works Enterprise Funds included the Regional Water Quality Control Plant, Storm Drain Fund, and Refuse Fund. Staff realized while it was helpful for the Public Works Director to know about the issues going on with the Utilities, the coordination could be accomplished in other ways. However, staff realized that the reclaimed water efforts were converging with the Water Utility mission.

Chairperson Cordell said the key recommendation on page 2 of the staff report (CMR: 356:06) read, "It was strongly felt there was no benefit or productivity to be gained from the addition of strategic oversight of the Public Works utilities since they operate in a different and far more stable environment than do the commodity-based enterprises of the Utilities Department. Furthermore, there is serious concern that such a change would weaken the primary role of the UROCC to manage risk in the commodity-based utilities."

Public Works Director Glenn Roberts said the staff memo spoke for itself.

Council Member Barton referred to page 2 of the staff report (CMR: 356:06), which indicated, "The UROCC concluded that the only value it could add..." Clarification was requested as to whether the "it" meant the UROCC or the UAC.

Ms. Harrison said it meant UROCC. Staff felt both the UROCC and the UAC were similar in adding value or not adding value.

Council Member Barton said the recommendation indicated reclaimed water would be added but he was unsure whether that meant wastewater or storm drainage.

Mr. Roberts referred to page 4 of the staff report (CMR: 356:06) which indicated, "reclaimed/recycled water as part of the UAC's oversight role would be appropriate."

Council Member Barton clarified an ordinance was necessary because the role of the UAC was already in the Palo Alto Municipal Code (PAMC).

Ms. Harrison said that was correct.

John Melton, UAC Chair and Storm Drain Oversight Committee Chair, said the UAC was fine with the Public Works Director's recommendation. Some Council Members said the UAC was so busy and overworked with the commodity utilities that no more burdens should be placed on the UAC. That was not the case. The UAC felt capable and comfortable with whatever additional duties or tasks might be assigned. Commissioner Rosenbaum suggested the P&S Committee might include permissive language in the ordinance that permitted the Council to assign future projects to the UAC with regard to Public Works Enterprise Funds.

Chairperson Cordell asked whether there had ever been a project that would have been efficacious to send to the UAC.

Mr. Roberts said there were two instances in the past where the Council chose to refer items to the UAC.

Chairperson Cordell said her concern was why an ordinance was necessary when, historically, items were referred to the UAC without an ordinance.

Mr. Roberts said he was not familiar with the specific language. The original Storm Drain proposal was referred by the Council to the UAC.

Ms. Harrison said, although no issue arose in the past, if there were a controversial issue and someone chose to take exception to the Council's ability to refer, having the latitude clear would be helpful.

Council Member Morton referred to page 2 of the staff report (CMR: 356:06), which indicated the current ordinance states that the UAC shall "Provide advice upon such other matters as the City Council may from time to time assign."

Mr. Melton said the Storm Drain Oversight Committee was formed earlier in the year with some difficulty due to getting enough volunteers to staff the Committee. The charter of the Committee was an auditing function, which many civic activists

did not care about. The Council might find itself with a committee that did not have enough volunteers.

Council Member Barton said the Storm Drain Oversight Committee was created out of the ordinance voted upon by the public and, therefore, would be difficult to change.

MOTION: Council Member Morton moved, seconded by Barton, to recommend the City Council confirms the current role of the Utilities Advisory Commission (UAC) in the Municipal Code for oversight of the Utilities Department with the addition of reclaimed water.

MOTION PASSED 4-0.

3. Payments to Boards and Commissions

Assistant City Manager Emily Harrison said the boards and commissions whose members received compensation did not submit receipts. Staff had no way of knowing how much would be incurred for mileage expenses.

Chairperson Cordell clarified the compensation would be for expenses for local mileage, telephone calls, and paperwork and questioned whether there were other things that the \$25 could be used for.

Ms. Harrison said staff did not audit the expenses.

Chairperson Cordell said she did not understand why some Boards and Commissions were compensated and others were not. Her concern was that either all got paid or none got paid.

Council Member Barton said the Utility Advisory Commission (UAC) included the reasons for compensation, but no amount was indicated.

Ms. Harrison said the UAC did not receive compensation for meetings. The UAC was unique in that members traveled quite a bit at the City's expense because of the City's relationships with Northern California Powers Association (NCPA), Western Power, and other agencies.

Council Member Drekmeier clarified the UAC members were authorized for reimbursement.

Ms. Harrison said UAC members' conference expenses and air fares were prepaid. Meals were picked up by the Utilities Director or the members were reimbursed.

Council Member Drekmeier questioned how neighboring cities handled compensation for boards and commissions.

Ms. Harrison said there was no polling done by staff.

Council Member Morton said \$10,000 would be added to the budget if each of the remaining committees were to receive compensation.

Chairperson Cordell said her suggestion would be to stop paying compensation to any of the boards or commissions. The change would take place as new members were added to boards and commissions.

Council Member Barton asked whether there were any other volunteer positions that received compensation.

Ms. Harrison said no.

MOTION: Council Member Cordell moved, seconded by Barton, that when board/commission members' terms expire that henceforth there would be no compensation for board/commission members and Resolution No. 4825 would be rescinded.

Chairperson Cordell said the issue would go to the City Attorney for appropriate wording. She wanted all board and commission members treated equally and fairly.

Council Member Drekmeier said all board and commission members should receive \$25 per month because they put a lot of time into their volunteer position.

MOTION FAILED 2-2, Cordell, Barton, yes.

MOTION: Council Member Drekmeier moved, seconded by Morton, to amend the resolution so that all board/commission members receive compensation of \$25 per month.

MOTION FAILED 2-2, Drekmeier, Morton, yes.

Chairperson Cordell asked that staff return with the financial impact of adding compensation to all board and commission members.

4. Discussion for Future Meeting Schedules and Agendas

ADJOURNMENT: Meeting adjourned at 7:25 p.m.

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