



City of Palo Alto

City Council Staff Report

(ID # 5864)

Report Type: Action Items

Meeting Date: 6/15/2015

Summary Title: Fiscal Year 2016 Budget Adoption (continued from Jun 08, 2015)

Title: 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: 1) Adopting a Dark Fiber Rate Increase of 2.7 Percent and Amending Utility Rate Schedules EDF-1 and EDF-2; 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; 3) Adopting a Wastewater Collection Fee Increase of 9.0 Percent and Amending Utility Rate Schedules S-1, S-2, S-6, and S-7; 4) Adopting Residential Refuse Rate Increases Ranging Between 9.0 Percent and 19.0 Percent, and Amending Utility Rules and Regulations 2, 3, 11, and 24; 5) 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 (CONTINUED FROM JUNE 8, 2015)

From: City Manager

Lead Department: Administrative Services

Recommendation

Staff and the Finance Committee recommend that Council approve the following:

- A. Budget Amendment Ordinance which includes:
 1. **Exhibit 1:** the City Manager's Fiscal Year 2016 Proposed Operating and Capital Budget, previously distributed at the April 27th Council meeting
 2. **Exhibit 2:** Amendments to the City Manager's Fiscal Year 2016 Proposed Operating and Capital Budget
 3. **Exhibit 3:** Revised City Table of Organization
 4. **Exhibit 4:** Fiscal Year 2016 Proposed Municipal Fee Changes
- B. Resolution of the Council of the City of Palo Alto Adopting a Dark Fiber Rate Increase of 2.7 Percent and Amending Utility Rate Schedules EDF-1 and EDF-2
- C. Resolution of the Council of the City of Palo Alto 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
- D. Resolution of the Council of the City of Palo Alto Adopting a Wastewater Collection Rate Increase of 9.0 Percent and Amending Utility Rate Schedules S-1, S-2, S-6 and S-7
- E. Resolution of the City Council of Palo Alto Adopting Residential Refuse Rate Increases Ranging Between 9.0 Percent and 19.0 Percent Amending Utility Rules and Regulations 2, 3, 11, and 24
- F. Resolution of the Council of the City of Palo Alto 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. **Exhibit 1:** Amended Salary Schedule for the Management, Professional, and Confidential Unit
 2. **Exhibit 2:** Amended Salary Schedule for the Utilities Managers of Palo Alto Professional Association
 3. **Exhibit 3:** Amended Salary Schedule for the Service Employees International Union
- G. Refer to the Finance Committee 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.

Executive Summary

On June 8, 2015, the City Council will conduct the first budget hearing for the adoption of the Fiscal Year 2016 budget. To allow for additional discussion, this item will be continued from June 8, 2015 to June 15, 2015. Please refer to staff report ID #5813 for staff's report for the Fiscal Year 2016 Budget Adoption and attachments listed in the recommendation language and the supplemental information in this report.

Discussion

This item continues the discussion and Finance Committee and staff's recommendation to adopt the proposed operating budget, capital budget, and changes to the municipal fee schedule for Fiscal Year 2016.