



## CITY OF PALO ALTO OFFICE OF THE CITY CLERK

October 26, 2015

The Honorable City Council  
Palo Alto, California

### **Approval of Action Minutes for the May 18, 2015, May 26, 2015, May 27, 2015, June 1, 2015, and June 8, 2015 Council Meetings**

Staff is requesting Council review and approve the attached Action Minutes.

#### **ATTACHMENTS:**

- Attachment A: 05-18-15 DRAFT ACTION Minutes (DOC)
- Attachment B: 05-26-15 DRAFT ACTION minutes (DOC)
- Attachment C: 05-27-15 DRAFT ACTION Minutes (DOCX)
- Attachment D: 06-01-15 DRAFT ACTION Minutes (DOC)
- Attachment E: 06-08-15 DRAFT ACTION Minutes (DOC)

Department Head: Beth Minor, City Clerk





# CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Special Meeting  
May 18, 2015

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:34 P.M.

Present: Berman, Burt, DuBois, Filseth arrived at 5:56 P.M., Holman, Kniss, Scharff, Schmid, Wolbach

Absent:

## Special Orders of the Day

1. Proclamation Recognizing City of Palo Alto Fire Department Paramedic 40th Anniversary and National Emergency Medical Services Week May 17-23, 2015.
2. Selection of Applicants to Interview on June 4, 2015 for the Architectural Review Board.

**MOTION:** Council Member Scharff moved, seconded by Council Member Kniss to interview all applicants for the Architectural Review Board on June 4, 2015.

**MOTION PASSED:** 8-0 Filseth absent

## Agenda Changes, Additions and Deletions

**MOTION:** Council Member Burt moved, seconded by Vice Mayor Schmid to continue Agenda Item Number 12- PUBLIC HEARING: to Hear Objections to the Levy of Proposed Assessments on the Palo Alto Downtown Business Improvement District and Adoption of a Resolution Confirming the Report of the Advisory Board and Levying Assessment for Fiscal Year 2016 on the Downtown Palo Alto Business Improvement District to June 29, 2015 at 6:00 p.m. or thereafter.

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**MOTION PASSED:** 8-0 Filseth absent

## Consent Calendar

**MOTION:** Council Member DuBois moved, seconded by Council Member Berman, third by Council Member Wolbach to pull Agenda Item Number 8-Finance Committee Recommendation that Council: (1) Add a 25-Year Contract Term Option in Addition to the Palo Alto Clean Local Energy Accessible Now (CLEAN) Program's Existing 20-Year Contract Term Option; (2) Continue the CLEAN Program for Solar Resources at a Contract Price Reduced from 16.5¢/kWh to the Avoided Cost of the Solar Energy Generated (10.3 ¢/kWh to 10.4 ¢/kWh) with a Program Cap of 3 Megawatts; and (3) Expand the CLEAN Program's Eligibility to Non-Solar Renewable Energy Resources with a Program Cap of 3 Megawatts at a Contract Price Equal to the Avoided Cost of the Non-Solar Energy Generated (9.3 ¢/kWh to 9.4 ¢/kWh) to be heard on May 27, 2015.

**MOTION PASSED:** 9-0

**MOTION:** Vice Mayor Schmid moved, seconded by Council Member Wolbach to approve Agenda Item Numbers 3-7, 9-10.

3. Approval of Final Payment and Withheld Retention in a Combined Total Amount of \$232,137 to Republic Intelligent Transport Services, Inc. (a Siemens Company) for Work Performed No. C12143538 for Phase II of the LED Light Conversion Project (EL-10009) and Adoption of a Budget Amendment Ordinance 5327 Entitled, "Budget Amendment Ordinance of the Council of the City of Palo Alto for Fiscal Year 2015 in the Amount of \$184,510 Offset with a Reduction in the Electric Fund Distribution Reserve."
4. Approve and Authorize the City Manager or Designee to Execute the Following Seven Third-Party Energy Efficiency Program Contracts in a Combined Not to Exceed Amount of \$6,625,000 and a Term for each through June 30, 2018: (1) CLEAResult Consulting, Inc., No. C15159135 in an Amount Not to Exceed \$910,000; (2) Eagle Systems International, Inc. DBA Synergy Companies, No. C15159126 in an Amount Not to Exceed \$540,000; (3) Eagle Systems International, Inc. DBA Synergy Companies, No. C15159125 in an Amount Not to Exceed \$450,000; (4) Ecology Action of Santa Cruz, No. C15159124 in an Amount Not to Exceed \$1,950,000; and the Following Three Contracts With a Shared Total Not to Exceed Amount of \$2,775,000

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- (5) Ecology Action of Santa Cruz, No. C15155144A, (6) Enovity, Inc., No. C15155144B, and (7) BASE Energy, Inc., No. C15155144C.
5. Resolution 9510 Entitled, "Resolution of the Council of the City of Palo Alto Modifying the Electric Special Project Reserve Guidelines."
  6. Adoption of the User Fee Cost Recovery Level Policy.
  7. Approval of Contract No. C1515321 with FOG Studio in the Amount of \$97,900 for Design Services for the Baylands Interpretive Center Improvements Project PE-15029.
  - ~~8. Finance Committee Recommendation that Council: (1) Add a 25-Year Contract Term Option in Addition to the Palo Alto Clean Local Energy Accessible Now (CLEAN) Program's Existing 20-Year Contract Term Option; (2) Continue the CLEAN Program for Solar Resources at a Contract Price Reduced from 16.5¢/kWh to the Avoided Cost of the Solar Energy Generated (10.3 ¢/kWh to 10.4 ¢/kWh) with a Program Cap of 3 Megawatts; and (3) Expand the CLEAN Program's Eligibility to Non-Solar Renewable Energy Resources with a Program Cap of 3 Megawatts at a Contract Price Equal to the Avoided Cost of the Non-Solar Energy Generated (9.3 ¢/kWh to 9.4 ¢/kWh).~~
  9. Resolution 9511 Entitled, "Resolution of the Council of the City of Palo Alto Authorizing Overtime and Portal to Portal Pay for Deployments Away from the City for the Palo Alto Fire Department."
  10. Request for Authorization to Increase Existing Contract with Newdorf Legal by an Additional \$55,000 for a Total Contract Not to Exceed Amount of \$160,000 for Legal Services Related to Litigation Matters.

**MOTION FOR AGENDA ITEM NUMBERS 3-7, 9-10 PASSED: 9-0**

## Action Items

11. Approval of a Construction Contract with Express Sign & Neon, Inc. for a Not to Exceed Amount of \$327,558 for the Wayfinding Portion of the City Hall Remodel Project PE-12017 (Continued from April 13, 2015).

**MOTION:** Council Member DuBois moved, seconded by Council Member Filseth to approve the contract and authorize the City Manager or his

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designee to execute deductive change orders and to delete the following elements:

- A. Eliminate the planned "POLICE" podium sign; and
- B. Eliminate the planned "CITY HALL" podium sign; and
- C. Eliminate renaming of garage levels from A, B and C, with a total cost saving of at least \$125,000.

Motion separated for the purpose of voting.

**AMENDMENT:** Council Member Burt moved, seconded by Council Member XX to replace in the Motion:

- i. Part A, "Eliminate the planned "POLICE" podium sign" with "Eliminate the podium and attach the "POLICE" sign to the building"; and
- ii. Part B, "Eliminate the planned "CITY HALL" podium sign" with "Eliminate the podium and attach the "CITY HALL" sign to the building."

**AMENDMENT RESTATED AND INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion at the end of Part A, "retain existing stairway sign."

**AMENDMENT RESTATED AND INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to replace in the Motion Part B, "Eliminate the planned "CITY HALL" podium sign" with "Eliminate the podium and attach the "CITY HALL" sign to the building."

**MOTION PART A RESTATED:** Eliminate the planned "POLICE" podium sign and retain existing stairway sign.

**MOTION PART A FAILED:** 3-5 DuBois, Filseth, Schmid, yes, Scharff not participating.

**MOTION PART B RESTATED:** Attach the planned "CITY HALL" sign to the building and modify the planned monument sign at Hamilton Avenue/Bryant Street to include "CITY HALL" text.

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**AMENDMENT B PASSED:** 6-2 Holman, Kniss no, Scharff not participating

**MOTION PART C RESTATED:** Eliminate renaming of garage levels from A, B and C.

**AMENDMENT C PASSED:** 7-1 Berman no, Scharff not participating

**MOTION AS AMENDED PASSED:** 8-0 Scharff not participating

~~12. PUBLIC HEARING: to Hear Objections to the Levy of Proposed Assessments on the Palo Alto Downtown Business Improvement District and Adoption of a Resolution Confirming the Report of the Advisory Board and Levying Assessment for Fiscal Year 2016 on the Downtown Palo Alto Business Improvement District.~~

13. Discussion and Direction Regarding a Possible Ordinance to Limit Formula Retail and Other Land Uses to Preserve Ground Floor Retail Along Commercial Areas on California Avenue and Some Intersecting Streets.

Council Member Kniss recused herself because her family owns property that may or may not put her in a conflict with this Agenda Item.

Council Member Kniss left the meeting at 7:29 P.M.

**MOTION:** Mayor Holman moved, seconded by Council Member Wolbach to direct Staff to prepare a draft Ordinance to be reviewed for recommendation by the Planning and Transportation Commission (PTC) with the following considerations included:

- A. Expanding the ground floor protections to include both sides of Cambridge Avenue, lanes between California Avenue and Cambridge Avenue, El Camino Real from Page Mill Road to Stanford Avenue, extending Park Boulevard south and any other locations as found to be feasible and desirable; and
- B. Linkages from the California Avenue area to the Fry's Electronics site; and
- C. Limiting formula retail; and

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- D. Addressing the permanency of Conditional Use Permits; and
- E. Limiting restaurants on California Avenue to the current percentage; and independently, also to any extended ground floor district; and
- F. Limiting the number of hair & nail salons on California Avenue; and
- G. Consider limiting number of financial institutions on California Avenue; and
- H. Adding the word “predominantly” and “generally open to the public” to the definition of Retail Service consistent with the Retail Urgency Ordinance; and
- I. Limiting new development, rehabilitations (off El Camino Real) to respect the historical pattern of narrow store fronts and square footages that tend to support smaller, local independent businesses; and
- J. Requiring that any demolition and major rehabilitation be required to conform to ground floor retail requirements; and
- K. Prohibiting opaque windows at the ground floor in ground floor protected areas for any use, including existing uses; and
- L. Any other such matter that the Planning and Transportation Commission finds beneficial to retail quality and retention; and
- M. If any of the resulting recommendations require additional research, Staff is to return to the Council with an Interim Ordinance implementing those items that do not result in delay.

**AMENDMENT:** Council Member Wolbach moved, seconded by Council Member Berman to add to the Motion at the beginning of Part E, “consider.”

**AMENDMENT RESTATED:** Council Member Wolbach moved, seconded by Council Member Berman to replace in the Motion Part E, “Limiting restaurants on California Avenue to the current percentage and, independently, also to any extended ground floor district” with “consider limiting restaurants on California Avenue.”



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**AMENDMENT RESTATED:** Council Member Wolbach moved, seconded by Council Member Berman to replace in the Motion Part E, "limiting restaurants on California Avenue to the current percentage; and independently, also to any extended ground floor district" with "looking at an appropriate limiting of restaurants on California Avenue."

**AMENDMENT PASSED:** 7-1 Holman no, Kniss absent

**AMENDMENT:** Council Member Wolbach moved, seconded by Council Member Scharff to add to the Motion, "analyze and if necessary propose changes to parking requirements to bring eating and drinking establishment parking requirements in line with other retail establishments."

**AMENDMENT TO THE AMENDMENT INCORPORATED WITH THE CONSENT OF THE MAKER AND SECONDER** to replace in the Amendment, "to bring eating and drinking establishment parking requirements in line with other retail establishments" with "commensurate with parking demands of restaurant use."

**AMENDMENT AS AMENDED PASSED:** 7-1 Filseth no, Kniss absent

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "for the California Avenue area" after "draft Ordinance."

**AMENDMENT:** Council Member DuBois moved, seconded by Council Member XX to add to the Motion Part A, "consideration of California Avenue side of California Avenue" before "other locations."

**AMENDMENT WITHDRAWN BY THE MAKER**

**AMENDMENT:** Council Member DuBois moved, seconded by Council Member XX to add to the Motion, "limit other retail users to no more than a defined percentage of the California Avenue district."

**AMENDMENT RESTATED AND INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "limit other retail users to no more than a defined percentage on California Avenue."

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**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "clarify that we do not want parking transferring from restaurant use to office use."

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** removed from the Motion Part A, "El Camino Real from Page Mill Road to Stanford Avenue."

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion Part A, "to Grant Avenue" after "Boulevard south."

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to remove from the Motion Part B, "linkages from the California Avenue area to the Fry's Electronics site."

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to replace in the Motion Part J, "any demolition" with "any construction resulting from demolition."

**AMENDMENT:** Council Member DuBois moved, seconded by Council Member Scharff to add to the Motion "as a separate consideration, update Municipal Code Section 18.16.050."

**AMENDMENT PASSED:** 8-0 Kniss absent

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion at the end of Part L, "(excluding medical uses)."

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "Direct Staff to analyze and return to Council with mechanisms to make non-conforming uses conforming on California Avenue."

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to replace in the Motion Part J, "requiring" with "prioritize the requirement."

**AMENDMENT:** Council Member Scharff moved, seconded by Council Member Filseth to remove "Limiting new development, rehabilitations (off El

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Camino Real) to respect the historical pattern, where it exists, of narrow store fronts and square footages that tend to support smaller, local independent businesses."

**AMENDMENT PASSED:** 5-3 Burt, DuBois, Holman no, Kniss absent

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion at the end of Part B, "on California Avenue."

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the end of "p" "and to do so on a less urgent basis than the above directives."

**MOTION AS AMENDED PASSED:** 8-0 Kniss absent

14. Composition and Purpose of an Advisory Committee for the Comprehensive Plan Update.

**MOTION:** Council Member DuBois moved, seconded by Council Member Scharff to:

1. Approve the formation of a Citizens' Advisory Committee (CAC) representing diverse interests to assist with the Comprehensive Plan Update; and
2. Direct the City Manager to solicit applications and appoint members of the Committee consistent with purpose and parameters recommended by Staff with additional requirements:
  - A. Must be Palo Alto resident; and
  - B. Consideration for parents at a variety of schools and levels of education; and
  - C. Individuals representing a wide variety of neighborhoods; and
  - D. Add expertise in Historic Resources; and
  - E. Add retail business owner; and

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- F. Favor participants that fit more than one interest / area of expertise;
3. CAC will work on policies and programs according to Comprehensive Plan Vision Statements and Goals set by City Council. Staff is directed to bring topics to CAC and then to Council ideally within a month of each other to keep the groups in sync.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to replace in the Motion Part 3, "CAC will work on policies and programs according to Comprehensive Plan Vision Statements and Goals set by City Council" with "The Council will address critical issues, choices, options, and measures and provide guidance to the CAC who will work on policies and programs according to the Comprehensive Plan vision statement and goal guidance by the Council."

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to replace in the Motion Part 3, "ideally" with "approximately."

**AMENDMENT:** Council Member Wolbach moved, seconded by Council Member Scharff to remove from the Motion Part 3, "and direct Staff to bring topics to CAC and then to Council approximately within a month of each other to keep the groups in sync."

**AMENDMENT FAILED:** 3-5 Berman, Scharff, Wolbach yes, Kniss absent

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to replace in the Motion Part A, "must be Palo Alto resident" with "voting members must be Palo Alto residents."

**AMENDMENT:** Council Member Berman moved, seconded by Council Member Wolbach to add to the Motion at the beginning of Part A, "all but two."

**AMENDMENT FAILED:** 3-5 Berman, Scharff, Wolbach no, Kniss absent

**AMENDMENT:** Mayor Holman moved, seconded by Council Member DuBois to add to the Motion, "expand Natural Resources Conservation category to include expertise in open space and habitat."

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**AMENDMENT PASSED:** 5-3 Berman, Scharff, Wolbach no, Kniss absent

**MOTION AS AMENDED PASSED:** 8-0 Kniss absent

Inter-Governmental Legislative Affairs

None.

Council Member Questions, Comments and Announcements

None.

Adjournment: The meeting was adjourned at 11:46 P.M.



# CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Special Meeting  
May 26, 2015

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:07 P.M.

Present: Berman, Burt, DuBois, Filseth, Holman, Kniss, Scharff, Schmid, Wolbach

Absent:

## Action Items

1. Adoption of Findings and Final Decision in the Matter of the Appeal by the Buena Vista Mobilehome Park Residents Association of the Hearing Officer's Decision Approving the Application for Closure of the Buena Vista Mobilehome Park and Establishing Mitigation Measures and Additional Conditions of Approval.

**MOTION:** Council Member Scharff moved, seconded by Council Member Kniss to approve the application to close the Buena Vista Mobilehome Park and adopt the modified Findings and Final Decision, including the modification to the section on Market Survey of Average Apartment Rents to clarify that the use of 2-bedroom comparables applies to Buena Vista units with more than three residents, and the addition of a peer reviewer for the appraisal of Buena Vista units; and

- A. Staff is to choose the peer review appraiser; and
- B. In the Findings, under the heading: Limited Supplemental Review by Hearing Officer:
  - i. In the first sentence maintain, "Within 30 days of receiving"; and
  - ii. In the second sentence maintain, "shall have 15 days to rebut"; and

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C. In the Findings, under the heading: Approval of Closure Application:

- i. After the last sentence, add "The time within which judicial review must be sought is governed by California Code of Civil Procedure Section 1094.6."

**MOTION PASSED:** 9-0

Adjournment: The meeting was adjourned at 6:54 P.M.



# CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Special Meeting  
May 27, 2015

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:37 P.M.

Present: Berman arrived at 7:12 P.M., Burt, DuBois arrived at 8:17 P.M., Filseth, Holman, Scharff arrived at 7:57 P.M., Schmid, Wolbach

Absent: Kniss

Palo Alto Youth Council:

Present: Aspegren, Cheng, Chiu, Hristov, Ji, Kemp, Ben Owens, Bryant Owens, Pujji, Saini, Sales, Sharma, Xie, Yu, Bahl, Keyani, Olmstead, Phan, Wang

Absent: Krawczyk

Public Art Commission:

Present: Beard Ross, Gordon, Migdal, Miyaji, Taylor, Zelkha

Absent: Olmsted Silverstein

## Study Session

1. Joint Study Session with the Palo Alto Youth Council.
2. Joint Study Session with the Public Art Commission.

## Special Orders of the Day

3. Appointment of Candidates to the Human Relations Commission.

First Round of voting for three positions on the Human Relations Commission with terms ending April 30, 2018:

Voting For Theresa Chen: Berman, Burt, DuBois, Holman, Scharff, Schmid, Wolbach

Voting For Anita Gat: Burt



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Voting For Shelly Gordon Gray: DuBois, Holman

Voting For Diane Morin: Berman, Scharff, Wolbach

Voting For Sea Reddy:

Voting For Valerie Stinger: Berman, Burt, Filseth, Holman, Scharff, Schmid, Wolbach

Voting For Mark Weiss: DuBois, Schmid

Beth Minor, City Clerk announced that Theresa Chen with seven votes and Valerie Stinger with seven votes have both been appointed to the Human Relations Commission.

Second Round of voting for one position on the Human Relations Commission with a term ending April 30, 2018:

Council Member Filseth abstained.

Voting For Shelly Gordon Gray: Burt, DuBois, Holman, Schmid

Voting For Diane Morin: Berman, Scharff, Wolbach

Ms. Minor advised that no candidate received the required five votes.

Third Round of voting for one position on the Human Relations Commission with a term ending April 30, 2018:

Council Member Filseth abstained.

Voting For Shelly Gordon Gray: Burt, DuBois, Holman, Schmid, Wolbach

Voting For Diane Morin: Berman, Scharff

Ms. Minor announced that Shelley Gordon Gray with five votes has been appointed to the Human Relations Commission.

## Action Items

4. Resolution 9512 Entitled, "Resolution of the Council of the City of Palo Alto for the Finance Committee Recommendation that Council: (1) Add a 25-Year Contract Term Option in Addition to the Palo Alto Clean Local Energy Accessible Now (CLEAN) Program's Existing 20-Year Contract Term Option; (2) Continue the CLEAN Program for Solar Resources at a Contract Price Reduced from 16.5¢/kWh to the Avoided Cost of the Solar Energy Generated (10.3 ¢/kWh to 10.4 ¢/kWh) with

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a Program Cap of 3 Megawatts; and (3) Expand the CLEAN Program's Eligibility to Non-Solar Renewable Energy Resources with a Program Cap of 3 Megawatts at a Contract Price Equal to the Avoided Cost of the Non-Solar Energy Generated (9.3 ¢/kWh to 9.4 ¢/kWh) (Continued from May 18, 2015)."

**MOTION:** Council Member Burt moved, seconded by Council Member DuBois to:

- A. Adopt a Resolution to make the following changes and amend the CLEAN Program Eligibility Rules and Regulations accordingly:
  - i. Add a 25-Year Contract Term Option in Addition to the CLEAN Program's Existing 20-Year Contract Term Option; and
  - ii. Continue the program for solar at the cost of 16.5 ¢/kWh for 3 MW as previously approved by the Council; and
  - iii. Expand the CLEAN Program to allow non-solar eligible renewable energy resources to participate, and offer such resources as contract price equal to their avoided cost of 9.3 cents per kilowatt-hour (¢/kWh) for a 20-year contract, and 9.4 ¢/kWh for a 25-year contract term, with a program limit of 3 MW; and
  - iv. Council will review a gradual reduction in the future rates of the CLEAN program; Staff will return to the Finance Committee with a recommended, graduated rate reduction plan for subsequent tranches; and
- B. To direct lease income on City owned garages from the CLEAN program to Utilities to offset costs of the program to electric rate payers.

**AMENDMENT:** Council Member Scharff moved, seconded by Vice Mayor Schmid to replace in the Motion Part A Subsections (ii) and (iii), "3 MW" with "2 MW."

**AMENDMENT FAILED:** 4-4 Filseth, Holman, Scharff, Schmid yes, Kniss absent

**MOTION PASSED:** 6-2 Filseth, Scharff no, Kniss absent

**MOTION:** Council Member Burt moved, seconded by Council Member Wolbach to approve the amended CLEAN Program Power Purchase Agreement (PPA) to implement the recommended changes to the CLEAN Program and delegate authority to the City Manager to make any such additional changes as are approved by the City Attorney's Office, and are otherwise necessary to implement any of the recommended changes identified in this Staff Report that are approved by Council or are otherwise necessary to implement Council's action on this item.

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**MOTION PASSED:** 8-0 Kniss absent

Adjournment: The meeting was adjourned at 10:48 P.M.



# CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Regular Meeting  
June 1, 2015

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:07 P.M.

Present: Berman, Burt, DuBois arrived at 9:22 P.M., Filseth, Holman, Kniss, Scharff, Schmid, Wolbach

Absent:

## Study Session

1. Discussion of the City of Palo Alto 2014 Performance Report, National Citizen Survey™, and Citizen Centric Report.

## Special Orders of the Day

2. Presentation by Matt Schlegel Regarding His Running in the Tsuchiura, Japan Marathon.

## Agenda Changes, Additions and Deletions

None.

## Consent Calendar

**MOTION:** Council Member Kniss moved, seconded by Council Member Berman to approve Agenda Item Numbers 3-7 with inclusion of At-Place Memorandum changes to Agenda Item Number 5- Approval of a Settlement Agreement With Palo Alto Police Officers' Association (PAPOA) Regarding Retirement Medical Benefits; Adoption of Resolution Amending the Memorandum of Understanding Between the City and PAPOA; Adoption of Resolution Fixing the Employer Contribution Under the Public Employees Medical and Hospital Care Act.

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3. Approval of First Amendment to Contract No. S15157589, With Khalid Salman A Mohammed for the Support and Maintenance of SAP Payroll and Human Capital Management (HCM) Modules to Add \$116,000 for a Total Amount Not to Exceed \$200,000.
4. Request Approval of Authorization of Indemnity Agreement With Santa Clara Stadium Authority to Allow Provision of Requested Law Enforcement Services to Levi's Stadium Relating to Super Bowl 50 to be Held at Levi's Stadium on February 7, 2016.
5. Approval of a Settlement Agreement With Palo Alto Police Officers' Association (PAPOA) Regarding Retirement Medical Benefits; Adoption of Resolution 9513 Entitled, "Resolution of the Council of the City of Palo Alto Amending the Memorandum of Understanding Between the City and PAPOA;" and Adoption of Resolution 9514 Entitled, "Resolution of the Council of the City of Palo Alto Fixing the Employer Contribution Under the Public Employees Medical and Hospital Care Act."
6. Approval of an Amendment to Contract No. C12141854 With the City of Inglewood for Handling, Processing, and Collections of Parking Citations and Fees.
7. Resolution 9515 Entitled, "Resolution of the Council of the City of Palo Alto Fixing the Employer's Contribution Under the Public Employees Medical and Hospital Care Act (PEMHCA) With Respect to Non-CalPERS Elected Council Members."

**MOTION PASSED:** 8-0 DuBois absent

## Action Items

8. PUBLIC HEARING: Approval of a Record of Land Use Action (RLUA) to Allow the Demolition of an Existing 10,800 sq. ft. Two-Story Mid-Century Modern Office Building and Construction of a New 24,466 sq. ft. Three-Story Office Building for an Increase of 13,666 Net New sq. ft. The New Building Would Have One Level of Below Grade Parking and a Roof Terrace and is Located in the Community Commercial (CC(2)) Zone District at 2555 Park Boulevard. The Requested Action Includes Approval of Architectural Review and Approval of a Design Enhancement Exception Request to Allow Two Stair Towers and a Roof Top Canopy Structure to Exceed the Height Limit by Ten and Thirteen

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Feet Respectively; Adoption of a Resolution 9516 Entitled, "Resolution of the Council of the City of Palo Alto Certifying the Final Environmental Impact Report (EIR) and a Statement of Overriding Considerations. The Planning and Transportation Commission Has Recommended Approval of the EIR. Environmental Impact Assessment: Certification of an Environmental Impact Report and Statement of Overriding Considerations.

Public Hearing opened at: 8:34 P.M.

Public Hearing closed at: 10:19 P.M.

**MOTION:** Council Member Scharff moved, seconded by Council Member Kniss to continue Agenda Item Number 9- Discussion and Direction to Staff Regarding Establishment of an Office/R&D Annual Growth Limit Applicable to Downtown, the California Avenue Area, and the El Camino Corridor on an Interim Basis to a date certain.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to replace in the Motion, "to a date certain" with "June 15, 2015 as the first Action Agenda Item."

**MOTION AS AMENDED PASSED:** 9-0

**MOTION:** Council Member Filseth moved, seconded by Council Member Kniss to deny the Design Enhancement Exception (DEE).

**MOTION WITHDRAWN BY THE MAKER**

**MOTION:** Council Member Filseth moved, seconded by Council Member Kniss to deny the Design Enhancement Exception (DEE).

**MOTION PASSED:** 8-0 DuBois abstaining

**MOTION:** Council Member Scharff moved, seconded by Council Member Berman to Certify the Final Environmental Impact Report and Adopt a Resolution of Statement of Overriding Considerations a project specific Mitigation Monitoring and Reporting Program.

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**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "Amend the Statement of Overriding Considerations to include:

1. First bullet: 'Development of a new office building on the site supports related planning initiative such as Pedestrian Transit-Oriented Development overlay and Bicycle and Pedestrian Transportation Plan'; and
2. Second bullet: 'Replace the existing office building at the 2555 Park Boulevard site with a modern building that meets current standards for structural design'; and
3. Fifth bullet: 'Creating a pedestrian and bicycle friendly street frontage with wide sidewalks and amenities.'"

**MOTION AS AMENDED PASSED:** 6-2 Schmid, Holman no, DuBois abstaining

**MOTION:** Council Member Wolbach moved, seconded by Council Member Scharff to:

- A. Adopt a Record of Land Use Action approving the Architectural Review application for a new office building for the property located at 2555 Park Boulevard, with the following amendment:
  1. Add a condition of approval Selecting Parking Option Number Two – the applicant shall be required to submit a Transportation Demand Management (TDM) plan including the provision of Caltrain Go Passes to all building occupants annually for the life of the building/occupancy.

**MOTION PASSED:** 8-0 DuBois abstaining

**MOTION:** Council Member Burt moved, seconded by Council Member Scharff to add a condition of approval: Direct Staff to review the site line exiting Grant Avenue onto Park Boulevard to ensure adequate bicycle and vehicular safety.

**MOTION PASSED:** 8-0 DuBois abstaining

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**MOTION:** Council Member Burt moved, seconded by Council Member Wolbach to add a condition of approval: Direct Staff to Review the daylight impact on the single family home adjacent to 2555 Park Boulevard with the Planning and Community Environment Director, who will have discretion to consult with a subcommittee of the Architectural Review Board or the Architectural Review Board for review.

**MOTION PASSED:** 8-0 DuBois abstaining

**MOTION:** Mayor Holman moved, seconded by Council Member Burt to add a condition of approval: Require the two break rooms combined square footage to remain as amenity space for the life of the project.

**MOTION PASSED:** 8-0 DuBois abstaining

~~9. Discussion and Direction to Staff Regarding Establishment of an Office/R&D Annual Growth Limit Applicable to Downtown, the California Avenue Area, and the El Camino Corridor on an Interim Basis~~

## Council Member Questions, Comments and Announcements

Council Member Burt reported his attendance at the Caltrain Local Policy Maker Group meeting. Information from the meeting will be distributed to Council Members.

Council Member Kniss advised that the Bay Area Air Quality Management District has released several air quality reports pertaining to wood smoke, tar sands, and other topics.

Adjournment: The meeting was adjourned in memory of Ewing Bettles at 12:24 A.M.





# CITY OF PALO ALTO CITY COUNCIL DRAFT 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.

# DRAFT ACTION MINUTES

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.

## Action Items

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

# DRAFT ACTION MINUTES

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:

# DRAFT ACTION MINUTES

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

# DRAFT ACTION MINUTES

- 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.

# DRAFT ACTION MINUTES

**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.

# DRAFT ACTION MINUTES

## 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.