



## CITY OF PALO ALTO OFFICE OF THE CITY CLERK

October 21, 2019

The Honorable City Council  
Attention: Finance Committee  
Palo Alto, California

### **Approval of Action Minutes for the September 23 and October 7, 2019 Council Meetings**

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

#### **ATTACHMENTS:**

- Attachment A: 09-23-2019 DRAFT Action Minutes (PDF)
- Attachment B: 10-07-2019 DRAFT Action Minutes (PDF)

Department Head: Beth Minor, City Clerk





# CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Special Meeting  
September 23, 2019

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:02 P.M.

Present: Cormack, DuBois; Filseth arrived at 5:05 P.M.; Fine arrived at 5:50 P.M.; Kniss, Kou, Tanaka

Absent:

## Closed Session

1. CONFERENCE WITH CITY ATTORNEY-POTENTIAL LITIGATION  
***THIS ITEM HAS BEEN REMOVED.***
2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Authority: Government Code Section 54956.8  
Property: Cubberley Conveyance Property and Leased Site,  
4000 Middlefield Road, Palo Alto, CA  
Assessor's Parcel Nos. 147-08-052 and 053  
Agency Negotiators: Ed Shikada, Kristen O'Kane, Molly Stump,  
Terence Howzell, Kiely Nose, David Ramberg, and Sunny Tong  
Negotiating Parties: City of Palo Alto and Palo Alto Unified School  
District (PAUSD).

**MOTION:** Council Member Cormack moved, seconded by Council Member DuBois to go into Closed Session.

**MOTION PASSED:** 5-0 Filseth, Fine absent

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

Council returned from Closed Session at 6:12 P.M.

Mayor Filseth announced no reportable action.

## Study Session

3. Study Session Regarding Recycled Water Expansion Opportunities and Potential Regional Treated Wastewater Transfer From the Regional Water Quality Control Plant (RWQCP) to Santa Clara Valley Water District.

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## NO ACTION TAKEN.

### Minutes Approval

4. Approval of Action Minutes for the September 9, 2019 Council Meeting.

**MOTION:** Mayor Filseth moved, seconded by Council Member Cormack to approve the Action Minutes for the September 9, 2019 Council Meeting.

**MOTION PASSED:** 7-0

### Consent Calendar

Council Member Kniss advised she would not participate in Agenda Item Number 5 as she owns property that falls within the Williamson Act.

**MOTION:** Council Member DuBois moved, seconded by Council Member Cormack to approve Agenda Item Numbers 5-7.

5. Review and Approval of the Annual Williamson Act Contract Renewals Within Palo Alto City Limits; and Find This Action Exempt From Review Under the California Environmental Quality Act (CEQA) Pursuant to Section 15317 (Open Space Contracts or Easements) of the CEQA Guidelines.
6. Approval of Amendment Number 1 to Contract Number C18169608 With Clean Harbors Environmental Services, Inc. to Allow Consumer Price Index Increases to all Rates on an Annual Basis for Household Hazardous Waste Management and Emergency Response Services.
7. Approval of Amendment Number 2 to Contract Number C15152204 With Questica Inc. for the City's Budgeting Software for Five Additional Years in a Not-to-Exceed Amount of \$399,556.

**MOTION PASSED FOR AGENDA ITEM NUMBER 5:** 6-0 Kniss not participating

**MOTION PASSED AGENDA ITEM NUMBERS 6-7:** 7-0

Council took a break at 7:55 P.M. and returned at 8:20 P.M.

### Action Items

- 7A. Caltrain Business Plan - Direction to Staff Regarding Comments on the Draft Long Range Service Vision (Continued From September 16, 2019).

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**MOTION:** Vice Mayor Fine moved, seconded by Council Member Kniss to thank Caltrain for their continued work on their business plan and emphasize that grade separation up and down the corridor are the most critical problem to solve in order for the business plan to proceed.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to change the last word in the Motion from "proceed" to "succeed".

**MOTION PASSED:** 7-0

8. Colleagues' Memo From Council Members DuBois and Kou Regarding Affordable Housing Plan to Advance Housing Goals That Address Socio-economic Diversity and Affordability.

**MOTION:** Council Member DuBois moved, seconded by Council Member Kou to direct Staff to prioritize exploring elements of the City's affordable housing activities and accelerate bringing them to Planning and Transportation Commission and Council as each item is ready, including the following priorities contained in the Colleague's Memo:

- A. Applying/implementing an inclusionary Below Market Rate (BMR) program for rental units (Palmer Fix) Evaluate and recommend inclusionary percentage in the range of 15-25 percent of the units in rental residential developments with over 5 units (make same as ownership) must be affordable. Consider specifying income level requirements as well (percentage at each income range) Based on state law, affordable rental units would remain affordable for at least 55 years; could come in phases if possible to implement Palmer Fix quickly;
- B. Increase development impact fees to \$64 per square feet for commercial projects; explore leveraging recent nexus studies including Palo Alto's and Santa Clara County's study for the Stanford General Use Permit application to contain costs and time for an updated nexus study;
- C. Clarify/update our Ordinances to ensure that when density bonuses are applied to mixed use projects the bonus is focused on the housing portion to the extent legally permissible. Evaluate and recommend inclusionary percentage in the range of 20-25 percent of density bonus is applied to the project;
- D. Explore feasibility of in-lieu fees or off-site replacement if existing residential units are removed from the housing stock;

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- E. Explore protections and regulations in low density zoning such as cottage cluster developments and existing duplexes in the R-1, R-2 RMD and commercial districts to preserve “missing middle housing” and preserve transitions between R1 and higher density; and
- F. Explore citywide protections and regulations to prevent existing housing to be converted to commercial/hotel use.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to amend the Motion Part A to state, “continue prioritizing the City’s work on the Palmer Fix.”

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to amend the Motion Part B to state, “Direct Staff to do a nexus study for commercial projects.”

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to amend the Motion Part C to state, “Direct Staff to transmit to Council an informational report on the state and local density bonus Ordinance.”

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to amend the Motion Part E to state, “Focus on the Housing Work Plan and Comprehensive Plan language related to low density zoning such as cottage cluster developments and existing duplexes in the R-1, R-2 RMD and commercial districts.”

**MOTION AS AMENDED RESTATED:** Council Member DuBois moved, seconded by Council Member Kou to direct Staff to prioritize exploring elements of the City’s affordable housing activities and accelerate bringing them to Planning and Transportation Commission and Council as each item is ready, including the following priorities contained in the Colleague’s Memo:

- A. Continue prioritizing the City’s work on the Palmer Fix;
- B. Direct Staff to do a nexus study for commercial projects;
- C. Direct Staff to transmit to Council an informational report on the state and local density bonus Ordinance;
- D. Explore feasibility of in-lieu fees or off-site replacement if existing residential units are removed from the housing stock;
- E. Focus on the Housing Work Plan and Comprehensive Plan language related to low density zoning such as cottage cluster developments and existing duplexes in the R-1, R-2 RMD and commercial districts; and

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- F. Explore citywide protections and regulations to prevent existing housing to be converted to commercial/hotel use.

**MOTION AS AMENDED PASSED:** 7-0

State/Federal Legislation Update/Action

None.

Adjournment: The meeting was adjourned at 11:00 P.M.



# CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Special Meeting  
October 7, 2019

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:04 P.M.

Present: Cormack, DuBois, Filseth, Fine, Kniss, Kou, Tanaka

Absent:

## Study Session

1. Study Session With Stanford Research Park Transportation Management Association (TMA).

## **NO ACTION TAKEN.**

The City Council took a break at 6:22 P.M. and returned at 6:30 P.M.

## Agenda Changes, Additions and Deletions

Mayor Filseth announced Staff requested Agenda Item Number 11, "Adoption of a Resolution Approving an Updated Standard Form Master Renewable Energy Certificate (REC)...", be continued to a date uncertain.

## Minutes Approval

2. Approval of Action Minutes for the September 16, 2019 Council Meeting.

**MOTION:** Mayor Filseth moved, seconded by Vice Mayor Fine to approve the Action Minutes for the September 16, 2019 Council Meeting.

**MOTION PASSED:** 7-0

## Consent Calendar

Council Member Cormack registered a no vote on Agenda Item Numbers 7 and 17.

Council Member Tanaka registered a no vote on Agenda Item Numbers 3, 4, 7, and 14.

Council Member Kou registered a no vote on Agenda Item Numbers 7 and 14.



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**MOTION:** Mayor Filseth moved, seconded by Council Member Kniss to approve Agenda Item Numbers 3-10, 12-17.

3. Approval of Contract Number C19173550 With Accela, Inc., for Five Additional Years for Annual Software Maintenance and Support Services for Accela Citizen Access and Accela Automation Online Permitting Programs for a Total Not-to-Exceed Amount of \$791,344.
4. Approval of Contract Number C14151181 With SAP Public Services, Inc. for Licensing and Support for the Upgrade of the City's SAP Enterprise Resource Planning (ERP) System for a One-time fee of \$227,504 and an Annual Support Fee of \$50,051; and Approval of Contract Number C20175911 With Labyrinth Solutions Inc. (LSI), for Upgrade, Migration, Online Hosting and Support Services, and As-needed Technical/Functional Support Services, for the Upgrade of the City's SAP ERP System in an Amount Not-to-Exceed \$2,585,000.
5. Approval of Contract Number C19173686 With Open Cities for Five Years for the Next Generation City Website in the Amount of \$267,200.
6. Resolution 9859 Entitled, "Resolution of the Council of the City of Palo Alto Establishing the Southgate Residential Preferential Parking (RPP) Program as a Continuing Program With Modifications, Including Increasing the Number of Employee Parking Permits and Limiting the Number of Daily Parking Permits Available to Employees."
7. Approval of an Exemption From Competitive Solicitation and Approval of Contract Number C20176858 With Sandis Civil Engineers for a Maximum Not-to-Exceed Amount of \$121,000 for Design Services Related to the Churchill Avenue Enhanced Bikeway Project (PL-14000).
8. Approval of the Electric Overhead Construction Services Contract Number C20172366A With Hot Line Construction, Inc. for a Total Not-to-Exceed Amount of \$4,500,000 Over Three Years.
9. Approval of a Purchase Order With National Auto Fleet Group in an Amount Not-to-Exceed \$576,745 for the Purchase of two 2019 Chevrolet G4500 Type III Ambulances, Utilizing a Cooperative Purchase Agreement, Funded Under Capital Improvement Program Project (VR-19000).
10. Approval of Amendment Number 1 to Contract Number C15152971 With Contract Sweeping Services, Inc. for Street Sweeping Services, in Order to Extend the Term by six Months (Through April 24, 2020) and Increase

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the Rate Schedule by the Applicable Consumer Price Index (CPI) During the Additional six Months.

- ~~11. Adoption of a Resolution Approving an Updated Standard Form Master Renewable Energy Certificate (REC) Purchase and Sale Agreement, Approving Master REC Agreements With Three Counterparties, and Modifying the Approval Process for Future Individual REC Master Agreements, Thus Amending Section 2 and Recital J of Resolution Number 9652.~~
12. Approval of a Five-year General Services Agreement With Universal Semiconductor Inc. d/b/a Universal Security Company in the Amount of \$472,282 for Security Guard Services at the Municipal Services Center (MSC).
13. Approval of a Purchase Order With National Auto Fleet Group in an Amount Not-to-Exceed \$379,429 for the Purchase of a 2020 Peterbilt 337 Cable Puller With Crane, Utilizing a Cooperative Purchase Agreement.
14. Approval of Amendment Number 1 to Contract Number C18168707 With Metropolitan Planning Group to Increase Compensation by \$250,000 for a Total Not-to-Exceed Amount of \$750,000 for the Existing Three-year Contract Supporting Planning Review; and Finding This Project Exempt From Environmental Review in Accordance With Section 15061 of the California Environmental Quality Act (CEQA) Guidelines.
15. Approval of Contract Number C20176719 With Alex Kushner General Inc. in the Amount of \$614,909 for the Animal Shelter Renovation Capital Improvement Program Project (PE-19002).
16. Approval of Amendment Number 1 to Contract Number S18165157 With Smart Energy Systems, LLC., d/b/a SEW for Professional Services for the new Utilities Customer Portal, to add an Additional \$215,500 and Extend the Contract Term for two Additional Years, for the Total Not-to-Exceed Amount of \$346,123 Over the Five-year Term.
17. Direction to Staff to Negotiate an Agreement With Palo Alto Unified School District to Continue Leasing Cubberley Community Center for an Additional Five Years With Additional Terms as Provided in a Draft Term Sheet Negotiated by the Parties.

**MOTION PASSED FOR AGENDA ITEM NUMBER 3:** 6-1 Tanaka no

**MOTION PASSED FOR AGENDA ITEM NUMBER 4:** 6-1 Tanaka no

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**MOTION PASSED FOR AGENDA ITEM NUMBERS 5-6, 8-10, 12-13, 15-16:** 7-0

**MOTION PASSED FOR AGENDA ITEM NUMBER 7:** 4-3 Cormack, Kou, Tanaka no

**MOTION PASSED FOR AGENDA ITEM NUMBER 14:** 5-2 Kou, Tanaka no

**MOTION PASSED FOR AGENDA ITEM NUMBER 17:** 6-1 Cormack no

## Action Items

18. Approval of the 2019 Workplan to Address the Council Priority "Transportation and Traffic."

**MOTION:** Council Member Cormack moved, seconded by Mayor Filseth to approve the 2019 Workplan to address the Council Priority "Transportation and Traffic."

**MOTION PASSED:** 6-0 Kniss absent

19. Approval of the Recommended City Positions for the 2019 League of California Cities Resolutions.

**MOTION:** Vice Mayor Fine moved, seconded by Council Member XX to direct the Council appointed voting delegate to abstain on the two resolutions up for consideration at the annual League of California Cities (LOCC) conference to be held in Long Beach, CA from October 16-18, 2019.

## **MOTION FAILED DUE TO THE LACK OF A SECOND**

**MOTION:** Mayor Filseth moved, seconded by Council Member Kou to direct the Council appointed voting delegate to support the two resolutions up for consideration at the annual League of California Cities (LOCC) conference to be held in Long Beach, CA from October 16-18, 2019.

**SUBSTITUTE MOTION:** Council Member Cormack moved, seconded by Vice Mayor Fine to direct the Council appointed voting delegate to abstain from Resolution 1 and support Resolution 2 up for consideration at the annual League of California Cities (LOCC) conference to be held in Long Beach, CA from October 16-18, 2019.

**SUBSTITUTE MOTION PASSED:** 6-1 Kou no

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## Closed Session

20. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Title: City Manager  
Authority: Government Code Section 54957 (b)

**MOTION:** Mayor Filseth moved, seconded by Council Member Kniss to go into Closed Session.

**MOTION PASSED:** 7-0

Council went into Closed Session at 8:29 P.M.

Council returned from Closed Session at 10:20 P.M.

Mayor Filseth announced no reportable action.

Adjournment: The meeting was adjourned at 10:21 P.M.