



City/School Liaison Committee Special Meeting Minutes



Special Meeting
June 21, 2018

Chairperson Holman called the meeting to order at 8:04 A.M. in the Community Meeting Room, 250 Hamilton Avenue, Palo Alto, California.

Present: City of Palo Alto Representatives
Karen Holman, Council Member, Committee Chair
Eric Filseth, Vice Mayor
Rob de Geus, Deputy City Manager, Staff Liaison

Palo Alto Unified School District Representatives
Todd Collins, Board Member
Cathy Mak, District Chief Business Officer, Staff Liaison

Absent: Ken Dauber, Board Member, Board President

Oral Communications

Christy Moision announced Bike Palo Alto was a family-friendly community event that promoted bicycling as an alternative to driving. The Parent Teacher Association (PTA) utilized Bike Palo Alto as a kickoff event for the fall Walk and Roll Week. Council Members and Board Members were invited to participate in Bike Palo Alto.

Minutes Approval

2. Approval of Minutes from the May 17, 2018 City/School Liaison Committee Meeting.

MOTION: Vice Mayor Filseth moved, seconded by Board Member Collins that the City School Liaison Committee approve the minutes as presented.

MOTION PASSED: 3-0 Dauber absent

3. Review Recent City Council / PAUSD Board Meetings:
 - a. CITY Examples Including but not Limited to: - City Manager Recruitment, Traffic Safety/Bike Boulevard, Rail Grade Separation Alternatives to be Evaluated, Budget Adoption/Utility Rates, Potential Ballot Measures;

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b. PAUSD Examples Including but not Limited to:

- Superintendent Contract
- Special Education Update
- Pre-Kindergarten – Grade 12 Computer Science Curriculum
- Social Emotional Learning Implementation
- Local Control and Accountability Plan (LCAP)
- Funding in Amount of \$600,00 for Teacher Housing
- Proposed PAUSD Budget 2018-19
- Resolution on Community Relations
- Resolution Ordering a School Bond Election
- Board Term Limits
- Resolution on Preparation of Documents for November 6, 2018, School Board Election
- Cubberley Community Center

Vice Mayor Filseth reported recruitment for a City Manager was underway. After ten years with the City, James Keene planned to retire in December 2018. More than 100 people attended a community meeting regarding bike boulevard infrastructure the prior week. The Council voted to proceed with a ballot measure to increase the Transient Occupancy Tax (TOT) by 1.5 percent to fund infrastructure projects. If the TOT increase provided sufficient funding, Council Members were interested in funding projects from the Parks and Recreation Master Plan, improvements to the Animal Shelter, and expansion of Boulware Park as well as infrastructure projects.

Chair Holman advised that the City had retained a new consultant to handle community outreach for the grade separation project. The City would form a Community Advisory Panel and a Technical Advisory Committee as part of the community outreach effort. The main topic of conversation at the Council's June 19 meeting was the Churchill Avenue crossing and potential impacts of a Churchill project on Embarcadero Road. The Council eliminated the hybrid options, retained a partial closure, and added protections for Embarcadero. The Council held a lengthy discussion of ways to consider grade separations comprehensively.

Rob de Geus, Deputy City Manager, added that the focus of the discussion was the proposed hybrid options for the Churchill crossing. The challenges with hybrid options were lowering or raising the roadway sufficiently and impacts to surrounding properties. The number of properties impacted by the hybrid options would be significant.

Chair Holman clarified that the properties were privately owned residences.

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Mr. de Geus indicated the Council would narrow the number of options to a handful for further study. The Council also focused on the property impacts of hybrid options for the Charleston and Meadow crossings.

Chair Holman noted the Council had scheduled a meeting for July 30.

Board Member Collins asked if closure of Churchill was likely.

Mr. de Geus answered yes. The Churchill crossing could be closed partially or completely.

Board Member Collins inquired about the timing of construction.

Mr. de Geus suggested construction could be complete in ten years.

Board Member Collins reported the Palo Alto Unified School District (PAUSD) Board of Education (Board) voted to place a measure for term limits on the ballot.

Vice Mayor Filseth reiterated the Council's action regarding a TOT increase. The Council also passed the Fiscal Year 2019 Budget. The budget totaled more than \$600 million; the General Fund comprised a little more than \$200 million of that amount. The Council instituted pension reform by recalculating pension expenses and by focusing on the incremental cost of each year's pensions for current employees. As a result, General Fund pension expenses increased by \$8 million, and the Council directed the City Manager to reduce expenses structurally by \$4 million with the intention of applying the savings to pension expenses. The Council did not recognize the remaining \$4 million as new debt but would revisit the issue in the future.

Board Member Collins asked why the accrual of the second \$4 million was delayed.

Vice Mayor Filseth explained that the City was not required to show it as new debt on the operating statement, but it would appear on the balance sheet in the future. In addition, the amounts were calculated in arrears.

Board Member Collins clarified that the Council calculated the liability using the appropriate inputs and used that amount rather than the amount the California Public Employees Retirement System (CalPERS) required.

Vice Mayor Filseth responded yes, but the Council focused on the liability instead of the expense.

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Audrey Gold advised that she had requested and was awaiting approval to celebrate the renaming of Terman Middle School to Ellen Fletcher Middle School as part of the Bike Palo Alto event.

Cathy Mak, District Chief Business Officer, provided the name of a PAUSD employee for Ms. Gold to contact.

Board Member Collins did not believe there would be an issue with the request. Graduation and promotion ceremonies were held approximately two weeks prior. During promotion ceremonies, students welcomed the audience in every language spoken in the homes of the schools. The Board passed its Fiscal Year 2019 Budget, which included reductions to fund a revenue shortfall and new program choices and reallocation of funding for top priorities. The new Superintendent would begin his employment on July 1. Ms. Hendricks would remain with PAUSD in a capacity to be determined. The Board approved a ballot measures to issue \$460 million in bonds and to enact term limits. In addition, the Board adopted a Resolution acknowledging the negative community feelings engendered by renaming two schools.

Vice Mayor Filseth reported two ballot measures driven by citizens were presented to the Council. One ballot measure proposed reducing the office growth limit by 50 percent. The Council would discuss the ballot measure and potentially call an election at a meeting scheduled for July 30. The second measure called for the City to regulate healthcare charges of medical, dental, and other healthcare providers located within the City of Palo Alto. The City had no expertise and no capacity to regulate healthcare charges.

Board Member Collins explained that the item regarding funding for teacher housing was removed from the Board's agenda.

Vice Mayor Filseth noted the Council's Consent Calendar for the following week's meeting contained an item authorizing the City Manager to reserve \$3 million for teacher housing.

Board Member Collins indicated the Local Control Accountability Plan (LCAP) was a State-mandated plan to utilize funding for underserved populations. The LCAP was becoming the strategic plan for the Board.

4. City and District Staff Comments and Announcements.

Rob de Geus, Deputy City Manager, announced the Chili Cook-Off was planned for July 4. The Peers Park dog park opened the prior week. The City Council and the Palo Alto Unified School District (PAUSD) Board of

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Education (Board) approved the contract for the Cubberley Community Center Master Plan, and planning would begin over the summer. Summer camps were underway for more than 5,000 children. The City had begun a transition from human security to camera security around the train tracks. Regarding the Churchill bike safety project, the City had submitted a formal request for an easement to PAUSD. City Staff would meet with the PAUSD Landscape Committee and respond to concerns raised about the project.

Board Member Collins reported the crossing at Castilleja and Churchill raised safety concerns. He suggested the project be separated into the crosswalk and the landscaping so that the crosswalk could proceed independent of the landscaping issue.

Mr. de Geus explained that separating the two components of the project could be challenging because of grant funding for the project. He concurred with addressing safety issues as quickly as possible.

Cathy Mak, District Chief Business Officer, advised that the summer break was the prime time for capital projects on campuses. Capital projects included installation of solar panels at seven school sites, major renovations at Henry M. Gunn High School, replacement of existing lighting with energy efficient products, and repairing building roofs.

Chair Holman asked if installation of solar panels at Palo Alto High School had been removed from the list of capital projects.

Ms. Mak replied yes.

5. Summary of Contracts and Support Services provided between City and PAUSD.

Rob de Geus, Deputy City Manager, reported the list was compiled at the City Manager's request and was a work-in-progress. Staff was reviewing all services and evaluating their costs and revenues. As demonstrated by the list, the City was very supportive of public schools.

Chair Holman inquired regarding the timeframe for Staff to complete assigning costs and revenues.

Mr. de Geus advised that preliminary estimates showed the total cost of services was in the millions of dollars. August was probably too soon for Staff to complete the exercise, but they were working to present the information to the Council as part of the General Fund reduction discussion.

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Chair Holman requested Mr. de Geus present as much information as possible in August.

Mr. de Geus noted some of the services were subject to contracts between the City and the Palo Alto Unified School District (PAUSD). Costs for many of the services could be determined by August.

Board Member Collins felt it was appropriate for the City to support schools and for PAUSD to support the City. A clear accounting would help the City/School Liaison Committee (Committee) understand the services and their net impacts. He did not believe the PAUSD Board of Education (Board) had ever viewed its relationship with the City from a monetary standpoint and reviewing the list would take some time.

Mr. de Geus added that the coordination of services and use of facilities was another area for potential savings and/or efficiencies for both agencies.

Board Member Collins did not believe the City and Board worked together as closely as perceived by the public. Working together more effectively would benefit everyone.

6. Future Meetings and Agendas.

Chair Holman suggested the new Palo Alto Unified School District (PAUSD) Superintendent introduce himself to the City/School Liaison Committee (Committee) or the City Council.

Board Member Collins hoped the City Manager would be present.

Vice Mayor Filseth inquired whether the City Manager should attend a Committee meeting or a PAUSD Board of Education (Board) meeting.

Board Member Collins answered both. He did not recall a City Manager attending a Board meeting.

Vice Mayor Filseth reiterated the search for a new City Manager.

Chair Holman wanted to hold a Town Hall with the Board or have the Council attend a Board meeting to hear from students and parents about issues.

Board Member Collins agreed to discuss it with his colleagues. A working meeting with public input would be good.

Chair Holman related the format of previous Town Hall meetings.

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Rob de Geus, Deputy City Manager, found value in the exchange of information and perspectives with the Board.

Board Member Collins believed the Board and the City could collaborate on the Board's community relations initiative, which affected the community as a whole.

Chair Holman suggested a member of the City's Human Relations Commission (HRC) attend a discussion of the initiative.

Board Member Collins shared his comments to the Board regarding the Board investing in the Cubberley Community Center master planning process. He hoped the Board and the City would engage with the process and each other. Perhaps the Committee could also engage in the process through monthly updates.

Chair Holman remarked that Staff could provide the Committee with timelines, actions, and updates in written form.

Vice Mayor Filseth believed the two agencies should work together as one agency, especially concerning Cubberley Community Center.

Board Member Collins volunteered to explore collaboration methods used in other jurisdictions.

Chair Holman added an item regarding the Stanford University General Use Permit to the August agenda. Future agenda items could be a review of State mandates, the City's 125th anniversary, the May Fete Parade's 100th anniversary, and student participation in City internship programs. She and Board Member Collins had discussed a parade for the high schools' spirit floats and student pop-up music events. Perhaps Board Member Collins would work with Chair Holman, Mr. de Geus, and Ms. Mak to prepare agendas for the remainder of the year.

Board Member Collins agreed to do so.

ADJOURNMENT: The meeting was adjourned at 9:29 A.M.