



CITY COUNCIL SUMMARY MINUTES

Regular Meeting
August 21, 2023

The City Council of the City of Palo Alto met on this date in the Council Chambers and by virtual teleconference at 5:30 P.M.

Present In Person: Burt, Kou, Lauing, Lythcott-Haims, Stone, Tanaka, Veenker

Present Remotely:

Absent:

Call to Order

Mayor Kou called the meeting to order in honor of Ukrainian Independence Week.

Interim City Clerk Mahealani Ah Yu and noted six were present.

Closed Session

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS Authority: Government Code Section 54956.8 Property: 4000 Middlefield Road, Palo Alto (Informally known as the Cubberley Site) Negotiating Party: Palo Alto Unified School District City Negotiators: (Ed Shikada, Chantal Cotton Gaines, Kristen O'Kane, Sunny Tong) Subject of Negotiations: Purchase, Exchange, and/or Lease Price and Terms of Payment

MOTION: Council Member Burt moved, seconded by Vice Mayor Stone to not go into Closed Session and direct staff to bring item back to Council in Open Session in a Public Hearing.

MOTION PASSED: 7-0

City Attorney Molly Stump clarified that the real property closed session discussion would only be about the property that is listed on the agenda and that the topics would be price and terms of sale.

Public Comment:

1. Nina Bell
2. Elaine Heal
3. Armand MacMurray
4. Frankie Farhat

SUMMARY MINUTES

Council Member Burt stated the Brown Act would only allow terms and price of real estate transactions to be discussed in a closed session. He was at a loss as to how they could have that discussion without having gone through the narrowing of alternatives of which method they would want to pursue to acquire the land and how much land. They were things addressed in the confidential memo and could not be discussed publicly at that time. However, he did not believe much of the memo did not need to be confidential and they should have that information shared in an open session. In addition to the question to how they could legally have this depth of discussion in a closed session, the need for public process was equally or more important. He stated whatever they do at Cubberley had been lingering out there for decades and would be a very important decision and positive move forward but the public input was not only their right but a value they placed in hearing all the different stakeholders and exploring all the alternatives as a public body.

Vice Mayor Stone stated his reason for seconding the motion was agreement on it being a transparency issue and a sequencing of events that was backwards. He thought they needed to start with the open public discussion with the Community, receive that input, make a policy decision and have a public meeting before getting into the details of terms and potential payments. He agreed with Ms. Heal's comments saying the process needed to be respected and open.

Council Member Veenker said that they all agree that something must be done about Cubberley and were all frustrated with the delay. She agreed with her colleagues that they needed to maximize transparency and community input. She liked what she read in the closed session memo but did not know they were at a point to have such a discussion.

Council Member Lythcott-Haims claimed she was inclined to support the motion, as well. Her one caveat was the request that they do not punt it very far.

Council Member Burt mentioned the Mayor appointed an ad-hoc committee on Cubberley, which had not met, which could provide a valuable role to the Council in fleshing out alternatives or recommendations and engaging with the public more. He did not envision that instead of a Council session but when they do have that, they should be thinking about what the appropriate role of the ad-hoc would be to help accelerate the process.

Mayor Kou added that the ad-hoc committee consisted of herself, Council Member Lythcott-Haims and Council Member Burt. She agreed it needed to be done in a more transparent and inclusive manner and asked Staff not to take too long in coming back for a public session with the Community.

Agenda Changes, Additions and Deletions

SUMMARY MINUTES

City Manager Ed Shikada noted that while there was no formal change to business, an amended agenda had been issued that included an informational report, AA1, reporting on the Palo Alto and Bloomington, Indiana Sibling Cities Annual Report for 2022 and upcoming events.

Consent Calendar

Council Member Tanaka registered a no vote on Agenda Item Number 6.

MOTION: Vice Mayor Stone moved, seconded by Mayor Kou to approve Agenda Item Numbers 2-6.

MOTION PASSED ITEMS 2-5: 7-0

MOTION PASSED ITEM 6: 6-1, Tanaka no

Council Member Tanaka said his no vote decision was consistent with his prior one and he had nothing more to say.

2. Approval of Minutes from August 7, 2023 Meeting
3. Approval of an Extraterritorial Utility Service and Offsite Infrastructure Agreement between City of Palo Alto and City of Mountain View in relation to Palo Alto Homekey project at 1237 San Antonio Road for connection to City of Mountain View Water and Sewer Utility Services.
4. Approval of Contract C24187741A with Vance Brown, Inc., not to exceed \$370,881, for Repair of the Lytton Plaza Fountain and Approval of a Budget Amendment in the Capital Improvement Fund (2/3 vote required); CEQA status - Categorically exempt per regulation 15301 (existing facilities).
5. Approval of Office of City Auditor FY2024 Task Orders; CEQA Status - Not a project
6. SECOND READING: Adoption of an **Ordinance 5592** Amending Section 9.68.010 (Purpose) and Section 9.68.040 (Just Cause Evictions Required) in Palo Alto Municipal Code Chapter 9.68, Rental Housing Stabilization, to Reduce the Minimum Time Period Required for Renters to Qualify for Just Cause Eviction Protections. CEQA status—exempt under CEQA Guidelines Section 15061(b)(3). (FIRST READING: August 7, 2023 PASSED 6-1, Tanaka no)

City Manager Comments

SUMMARY MINUTES

Ed Shikada, City Manager, presented slides noting upcoming dates including events and ongoing activities including groundbreaking for construction on Boulware Park, 2023 Annual Community Survey and Palo Alto Airport Day. His next slide discussed preparation for the rainy season and provided a website for resources and to sign up for emergency alerts. He followed with a slide discussing the Palo Alto-Bloomington Sibling Cities Event which provided a website for details. Finally, a slide noting upcoming agenda items with upcoming meeting dates was provided.

Council Member Burt added the groundbreaking for the teacher housing the following day at 10 across from the Courthouse with two others coming on future dates.

Action Items

7. Staff Recommends that Council Direct Staff to Explore Purchase of Property Contiguous to the Regional Water Quality Control Plant (RWQCP) to Meet Current and Future Needs of the RWQCP

Brad Eggleston, Public Works Director, stated they were seeking formal direction from the Council to explore opportunities to acquire additional land for the Regional Water Quality Control Plant. He referenced the Staff report that outlined reasons for the request. He provided a slide detailing Staff's recommendations to the Council for exploration and direction.

Karin North, Public Works Assistant Director, presented a slide that provided an overview of the current congested plant and workspace and planned additions and updates. Her next slide outlined the limited area they had for the expansions. She provided a slide that showed comparisons to other treatment plants. She followed with slides that discussed the long-term space planning/solution and the adjacent properties that were available and in consideration.

Mayor Kou reference slide 7 and queried if 2425 Embarcadero Way was being looked at.

Ms. North stated that was another parcel that would be investigated but there was no recent sale on it. If they received authorization, they were going to monitor any adjacent parcels.

Mayor Kou asked with these additions, at what point would they need more space again.

Ms. North answered they could not foresee when they would definitely need more space. They were trying to look out for 50 years but were not sure how regulations would change.

Council Member Veenker asked if it was correct that water consumption and waste water has declined in recent years in the regions they serve and what impact the capacity issues has on these and future plants.

Ms. North countered that flows had declined over time but it is a more concentrated waste stream so the treatment is more challenging. Moving forward and looking for other water options, there would potentially be more treatment needed in the future.

SUMMARY MINUTES

Mr. Eggleston added that Ms. North talked about the average dry weather flow of 39 but there was also a number of 80M gallons a day that had to do more with heavy rainfall and inflow and infiltration into the sewer system. Flow decreases in the summer time but potentially more intense winter storms and heavy rainfall lead to bigger events that have to be managed.

Council Member Veenker asked if the salt-treatment plant would fit within the footprint they were looking to create.

Ms. North said the salt-treatment facility location had already been identified within the existing parcel. This was looking for future space planning needs.

Council Member Veenker asked how this related to the Measure E site.

Ms. North answered they tried to identify all the updates going on at the sewage treatment plant in the informational report and one task was to look at the biosolids facility plant and updated technology and spacing requirements. They are complimentary but not specifically tied together.

Mr. Eggleston added that it was more likely these spaces would be used for Staff building and a lab freeing up other space in the industrial core of the treatment plant facility for things like solids handling facilities.

Council Member Veenker asked what the impact would be if they managed to get the two sites on the left and not the one on the right.

Ms. North stated they would take whatever land they could get. All the sites could be incorporated into the campus easily. They are currently leasing space at 1900 Embarcadero and are moving into that site currently.

Council Member Burt wanted to know the acreage for each parcel and if the intention would be to utilize the existing structures or to build new structures.

Mr. Eggleston gave those sizes as 1900 Embarcadero approximately 1¼ acres, the one adjacent right about 1 acre and 2425 slightly less than 1 acre. For the storage facility, they would build a new structure but the planning process was still pending for the other two.

Council Member Burt inquired how much of the 1900 they are currently leasing.

Ms. North answered that they lease about 22% of the building.

Council Member Burt asked what was envisioned as to where the construction staging would occur.

Ms. North stated airport land across the street was currently being leased and any bit of land within the sewage plant would be utilized and acquiring any one of these parcels would help with staging.

SUMMARY MINUTES

Council Member Burt was fascinated by the amount of leakage they reported into the storm drain system and wanted to know how much of that leakage was from their storm drains versus their partner agencies.

Mr. Eggleston stated it was rare to reach that level of flow.

Council Member wanted to know how much of that leakage was from their storm drains versus their partner agencies because that drives the capacity in the scale of the project. He felt the future capacity of the treatment plant should be looked at in relation to whatever they think the most cost-effective investment in the storm system would be. He asked for a deeper dive into the impacts of the wet weather infiltration and whether there are ways to be doing a combination of initiatives to right size the new facility when this returned to the Council. He also requested an analysis of what on the Measure E site would be retained for future environmental technologies and to what degree it might assist in reconstruction and how much that would mitigate what had to be bought.

Jamie Allen, Control Plant Manager, answered there were flow meters that show that information. He did not have that number available but stated they could look at the infiltration from each agency.

Vice Mayor Stone stated it was his understanding Measure E was the only site and they were trying to balance the desire of open space and park land with sustainability goals. He was interested to see if there is really a way to make that fit into the site when Staff comes back.

Council Member Lauing agreed with Vice Mayor Stone's comments. His understanding was the initial analysis was they did not know if there would be any implications on Measure E but it may mean there would be more space.

Mr. Eggleston answered anything that gives more space creates more flexibility to potentially do things without the Measure E site.

Council Member Lauing asked if there would be any use for the sites that were noncontiguous.

Ms. North stated they would look at all parcels that are adjacent or nearby. The one challenge is the 1900 purchase parcel and the Life Sciences buildings were a package deal.

Council Member Lauing stated that Legal Council said they were being authorized to explore this at this point but there were no numbers on the table and asked if he was correct in thinking the extent of their commitment was time resources.

Caio Arellano Assistant City Attorney answered that was the Staff recommendation. He added Measure E ballot language was explicit on what exactly could be located on that site and anything other than that mentioned would require them to go back to the voters and get separate approval so time was a constraint.

SUMMARY MINUTES

Council Member Tanaka assumed that as they got closer to trying to purchase some of the properties they would ask their neighbors to pay up.

Mr. Eggleston answered there would be some form of cost-sharing between the partners.

Council Member Tanaka understood from previous meetings the infrastructure cost was fixed between the different cities although the operating cost was variable and because the other cities have grown, they have higher uses. He assumed the structure split would be renegotiated to be actual usage versus fixed percentage.

Mr. Eggleston answered the issue with the capital capacity versus operation share split was one thing being studied in the long-range facilities plan update.

Council Member Tanaka asked if all the workers needed to be onsite as there is currently a lot of vacant office space in the City.

Ms. North stated that the people currently at 1900 were mostly inspectors and on the site at the sewage treatment plant because the collect samples that must be dropped off at the lab. The majority of the Staff need close proximity to one another.

Council Member Tanaka thought the point about understanding the flows from the other cities made sense. He was curious why they should buy rather than get a long-term lease.

Ms. North answered she viewed buying as future-proofing the facility for hopefully 50 years.

Mayor Kou asked if they would be presenting the expansion to the partners, as well.

Ms. North stated they already talked to their partners about the adjacent parcels and they have typically been supportive.

Mayor Kou referenced risks mentioned in the report that might be involved regarding acquiring the land in advance of completing the long-range facility plan.

Ms. North answered they are currently out for bid for updating their long-range facility plan and also trying to acquire land. If the land is acquired while they are in the process of the long-range facility plan, it could hopefully be incorporated into the planning documents.

Mayor Kou encouraged that if acquired, they should consider honoring the existing leases. She believed it would be a benefit for the City to have ownership of certain pieces of land for its own use.

MOTION: Council Member Lauing moved, seconded by Council Member Burt to direct staff to:

SUMMARY MINUTES

1. Explore the purchase of property contiguous to the Regional Water Quality Control Plant (RWQCP) to meet current and future space needs and if purchase not available, explore long-term lease options as secondary;
2. Explore funding options to enable purchase of one or more of the three properties contiguous to the RWQCP; and
3. Return to Council with recommendations for purchase of property contiguous to the RWQCP and to report on the stormwater infiltration and potential use of the 5-acres of the Measure E site.

MOTION PASSED: 7-0

Public Comment:

1. Andrea Gara (6) speaking on behalf of: Larry Klein, Hilary Glann, Kfir Shmuel Dolev, Kat Snyder, and Shreya Vardhan. She provided slides about Finances for City-Wide Electrification outlining a Staff summary of policy tools and key actions, Staff predictions on policy tools and velocity, S/CAP commitment costs and S/CAP report. She next presented slides talking about what has changed since that model to include federal incentives and information on California's GoGreen financing program. She touched on the principle of right-sizing. The next slide spoke about prediction of rising natural gas prices. She urged Council to name a natural gas sunset date by December 31, 2030.
2. Nels Delander, Field Representative for NorCal Carpenter's union, spoke of the importance of area standards for construction workers in order to make a livable wage and mandatory health coverage. He opined all future projects should utilize local hire and apprentices should be included in all future projects.
3. Aram James (Zoom) referenced page 6 of the Daily Post for Thursday, August 17, 2023, "The Trial of the Black Lives Matter Mural". He believed it to be a frivolous lawsuit. He believed having an all-white command staff in Palo Alto and having Zach Perron on the payroll was an Antioch waiting to happen. He did not believe the City Council or City Manager were watching over the police officers. He opined systemic racism has gone back for as long as he has lived in Palo Alto and that Police Chief Andrew Binder thumbed his nose at the first RIPA data he looked at.

Public Comment: Consent Calendar (Items 2-6)

1. Ben Cintz – Item 6 – stated there is a requirement under the City Ordinances that there be a notice of tenant's rights included in every rental or lease requiring that tenants and

SUMMARY MINUTES

owners participate in mandatory mediation. He did not see anything to indicate that process was not working. I believed the enactment of additional regulations requiring further notice from the property owner to the tenant and would serve as a complete bar to an eviction action or action for rent was imposing too much regulation. He was unable to find a Notice of Tenant's Rights for Palo Alto. He believed the current and the state's regulations should be enforced but imposing this was creating an unreasonable burden.

Adjournment: The meeting was adjourned at 7:05 P.M.