



CITY OF
**PALO
ALTO**

CITY COUNCIL
Regular Meeting
Monday, June 15, 2026
Council Chambers & Hybrid
5:30 PM
Amended Agenda

Amended Agenda Items Appear Below in RED (Time Estimates Updated)

Palo Alto City Council meetings will be held as “hybrid” meetings with the option to attend by teleconference or in person. Information on how the public may observe and participate in the meeting is located at the end of the agenda. The meeting will be broadcast on Cable TV Channel 76, live on YouTube <https://www.youtube.com/c/cityofpaloalto>, and streamed to Midpen Media Center <https://midpenmedia.org>.

VIRTUAL PARTICIPATION **CLICK HERE TO JOIN** (<https://cityofpaloalto.zoom.us/j/362027238>)
Meeting ID: 362 027 238 Phone:1(669)900-6833

PUBLIC COMMENTS

General Public Comment for items not on the agenda will be accepted in person for up to three minutes or an amount of time determined by the Chair. General public comment will be heard for 30 minutes. Additional public comments, if any, will be heard at the end of the agenda. Public comments for agenda items will be accepted both in person and via Zoom for up to three minutes or an amount of time determined by the Chair. Requests to speak will be taken until 5 minutes after the staff's presentation or as determined by the Chair. Written public comments can be submitted in advance to city.council@PaloAlto.gov and will be provided to the Council and available for inspection on the City's website. Please clearly indicate which agenda item you are referencing in your subject line. Multiple individuals who wish to speak on the same item may designate a spokesperson. Spokespersons must be representing five or more verified individuals who are present either in person or via zoom. Spokespeople will be allowed up to 10 minutes, at the discretion of the presiding officer. Speaking time may be reduced if the presiding officer reduces the speaking time for individual speakers.

PowerPoints, videos, or other media to be presented during public comment are accepted only by email to city.clerk@PaloAlto.gov at least 24 hours prior to the meeting. Once received, the Clerk will have them shared at public comment for the specified item. To uphold strong cybersecurity management practices, USB's or other physical electronic storage devices are not accepted. Signs and symbolic materials less than 2 feet by 3 feet are permitted provided that: (1) sticks, posts, poles or similar/other type of handle objects are strictly prohibited; (2) the items do not create a facility, fire, or safety hazard; and (3) persons with such items remain seated when displaying them and must not raise the items above shoulder level, obstruct the view or passage of other attendees, or otherwise disturb the business of the meeting.

TIME ESTIMATES

Listed times are estimates only and are subject to change at any time, including while the meeting is in progress. The Council reserves the right to use more or less time on any item, to change the order of items and/or to continue items to another meeting. Particular items may be heard before or after the time estimated on the agenda. This may occur in order to best manage the time at a meeting or to adapt to the participation of the public.

CALL TO ORDER

SPECIAL ORDERS OF THE DAY (5:30 - 5:40 PM)

1. Proclamation Expressing Appreciation to Bill Guttoff Upon His Retirement

AGENDA CHANGES, ADDITIONS AND DELETIONS

PUBLIC COMMENT (5:40 - 6:10 PM)

Members of the public may speak in-person ONLY to any item NOT on the agenda. 1-3 minutes depending on number of speakers. Public Comment is limited to 30 minutes. Additional public comments, if any, will be heard at the end of the agenda.

COUNCIL MEMBER QUESTIONS, COMMENTS, ANNOUNCEMENTS (6:10 - 6:20 PM)

Members of the public may not speak to the item(s).

ACTION ITEMS (Item 2: 6:20 - 7:05 PM; Item 3: 7:05 - 7:50 PM)

Include: Report of Committees/Commissions, Ordinances and Resolutions, Public Hearings, Report of Officials, Unfinished Business and Council Matters.

2. PUBLIC HEARING & PROPOSITION 218 HEARING: Finance Committee Recommends Adoption of Seven Resolutions: 1) Approving the Fiscal Year 2027 Water Utility Financial Forecast, Reserve Management Practices and Reserve Transfer, and Amending Water Rate Schedules W-1, W-2, W-3, W-4, and W-7; 2) Approving the Fiscal Year 2027 Wastewater Collection Utility Financial Forecast and Reserve Management Practices, and Amending Wastewater Collection Rate Schedules S-1, S-2, S-6 and S-7; 3) Amending Refuse Utility Rate Schedules R-1 and R-C; 4) Approving the Fiscal Year 2027 Electric Utility Financial Forecast and Reserve Transfer, Amending the Electric Reserve Management Practices and Electric Rate Schedules E-1, E-1 TOU, E-2, E-2-G, E-4, E-4-G, E-4 TOU, E-7, E-7-G, E-7 TOU, E-14, E-16, E-EEC-1, and E-NSE-1, and Directing the Use of Up To \$225,000 in Renewable Energy Certificate Exchange Net Revenues in Fiscal Year 2027 to Reduce Electric Customers' Photovoltaic Generation and Energy Storage System Installation Costs; 5) Approving the Fiscal Year 2027 Gas Utility Financial Forecast, Reserve Transfer, and General Fund Transfer, and Amending the Reserve Management Practices and Gas Rate Schedules G-1, G-2, and G-3; 6) Amending Utility Rate Schedules EDF-1, and EDF-2; 7) Amending Storm Water Utility Rate Schedule D-1; CEQA Status: Not a project under CEQA Guidelines Sections 15378(b)(4) and (5) and Exempt Under Section 15273(a)
3. PUBLIC HEARING: Adoption of an Ordinance Adopting the Operating and Capital Budgets, Revised Table of Organization, and Municipal Fee Schedule for Fiscal Year 2027; Adoption of a Resolution Proposing the Appropriations Limit for Fiscal Year 2027 - State Law/ City

Charter; Accept the Bi-Annual Actuarial Valuation Report of Palo Alto's Retiree Healthcare and Other Post-Employment Benefits (OPEB) as of June 30, 2025 and Approve Annual Actuarially Determined Contribution for Fiscal Years 2027 and 2028; Authorize the City Manager or their Designee to Negotiate and Execute a Memorandum of Understanding and Funding Agreement (or Lease Agreement Amendment) with the Palo Alto Museum to Provide Cost Sharing for Repairs to the Basement and Waterproofing in the Roth Building and Improvements to Heritage Park Drainage *Supplemental Report Added*

CONSENT CALENDAR (7:50 - 7:55 PM)

Items will be voted in one motion unless removed from the calendar by three Council Members.

4. Approval of Minutes from June 1, 2026 Meeting
5. Approve Submittal of the 2026 Annual Water Shortage Assessment Report; CEQA status: exempt.
6. Approve Conceptual Design for Alma Street-Charleston Road Railroad Crossing Near-Term Section 130 Safety Improvement Project – Direct Staff to Complete Final Design, Environmental Analysis, Project Specifications, and Engineering Cost Estimates based off of the Conceptual Design as Recommended by Rail Committee; CEQA status: Categorically Exempt under Section 15301-Class 1 minor alternations to existing facilities.
7. Adoption of a Resolution Authorizing the City Manager to Submit the City’s Prohousing Designation Program Application to the California Department of Housing and Community Development. CEQA Status: Not a Project.
8. Adoption of Amended Salary Schedules for Service Employees’ International Union, Utilities Management and Professional Association of Palo Alto, International Association of Fire Fighters, and Unrepresented Management and Professional Employees and Limited Hourly groups; and Adoption of Side letters for the International Association of Fire Fighters, Fire Chiefs’ Association, and Palo Alto Police Officers’ Association and Amendments to the FY 2027 Table of Organization to Reclassify 1.0 Economic Development Manager and 1.0 Treasury Manager - CEQA Status - Not A Project.
9. Approval of Construction Contract Number C26197272 with O’Grady Paving, Inc. in the Amount of \$3,802,573 for the Fiscal Year 2026 Street Resurfacing Project, Capital Improvement Program Projects PE-86070, PO-12001, PG-06001, PO-11001, and OS-09001; and Authorization for the City Manager or Their Designee to Execute Change Orders in an Amount Not-to-Exceed \$910,258 for Related, Additional but Unforeseen

Work Which May Develop During the Project; CEQA Status – Exempt under CEQA Guidelines Section 15301(c)

10. Approval of Amendment Number 1 to Purchase Order C26195416 with Carahsoft in the Amount of \$375,246 for Additional SAP Business Data Cloud Capacity Units and Related Non-Productive Memory Extension; CEQA Status - Not a Project
11. Approval of a First Amendment to Lease With 1900 Embarcadero Property Owner, LP, to Continue Occupying an Approximate 5,469 Square Foot Portion of the Office Building at 1900 Embarcadero Road, Through June 30, 2031, at a Total Base Rent of \$1,306,605; CEQA Status – Exempt under CEQA Guidelines Section 15301
12. Approval of Amendment No. 4 to Contract Number C23184827 with Nomad Transit, LLC (Via) in the Amount of \$152,000 for a total not to exceed \$5,053,550 to Extend the City of Palo Alto On-Demand Transit Service for Four Months through October 31, 2026; Approval of Amendment No. 3 to extend the Cost Sharing Agreement with Stanford University to Partially Fund Palo Alto Link Service up to \$200,000 in FY 2027 through October 31, 2026; and Approval of a three-year Contract with the Palo Alto Transportation Management Association (PATMA), in the Amount of \$500,000; CEQA status – not a project.
13. Approval of Contract Amendment Number 5 to Contract S20178065 with OIR Group, in the Amount of \$40,000 and for a one-year extension to continue Independent Police Auditing Services in Palo Alto. CEQA Status – Not a Project.
14. Approval of Professional Services Contract Number C26195541 with HDA Architects, Inc. in an Amount Not-to-Exceed \$221,650 to Provide Architectural Design Services for the Animal Shelter Renovation – Capital Improvement Program Project PE-19002; CEQA Status – Exempt under CEQA Guidelines Section 15301(e)
15. Approval of Professional Services Contract Number C26196545 with Michael Baker International (MBI) for \$116,000 in FY 2027 and a Not-to Exceed Amount of \$464,000 to Provide Administration and Consulting Services for the City’s Community Development Block Grant (CDBG) Program for a Term of Four-Years Through June 2030. CEQA Status: Exempt in Accordance with CEQA Guidelines Section 15061(b)(3).
16. PUBLIC HEARING / QUASI-JUDICIAL. 929 Laurel Glenn Dr [25PLN-00005]: Adoption of a Record of Land Use Action Approving a Major Site and Design Application for the Construction of a New 6,581-Square-Foot Single-Family Residence and Associated Site Improvements on a Vacant 4.23-Acre Site. CEQA Status: Exempt Per CEQA Guidelines

Section 15303. Zoning District: Open Space (OS).

17. QUASI-JUDICIAL. Approval of a Record of Land Use Action to Add the Property Located at 855 Hamilton Avenue to the City's Historic Resources Inventory as a Category 2 Resource Based on Owner Interest Identified Through the 2023 Reconnaissance Survey. CEQA Status: Not a Project.
18. ~~QUASI-JUDICIAL. 3200 Park/340 Portage: Final Map and Street Naming [26PLN-00009]: Request for a Final Map to Subdivide One Existing 3.92 Acre Parcel for Condominium Purposes, Consistent with the Approved Development Agreement, and to Name the New Private Streets. Zone District: PC-5597. CEQA Status: Council Adopted Resolution 10123 Certifying the EIR for the Project on September 12, 2023 (SCH # 2021120444).~~
Item Removed Off Agenda
19. FIRST READ: Adopt an Ordinance to Amend College Terrace Residential Preferential Parking Program Fixed Permit Terms, Sale and Grace Periods in PAMC 10.46.060; CEQA status: categorically exempt.
20. FIRST READING: Adoption of an Ordinance to Amend Palo Alto Municipal Code Title 18 (Zoning) Section 18.18.120 (Noncomplying Uses and Facilities) to Allow Existing Floor Area to be Replaced in New Buildings Without Increasing the Degree of Existing Non-Compliance as Recommended by the Economic Development Committee. CEQA Status: Exempt from CEQA per Section 15061(b)(3) (Common Sense Exemption).
21. FIRST READING: Adoption of an Ordinance to Amend Various Sections of Title 16 (Building Regulations) and Title 18 (Zoning) of the Palo Alto Municipal Code to Implement Retail Vitality Policies in the Comprehensive Plan, Including Changes to the Zoning Map for Parcels Zoned CN(GF) as Recommended by the Economic Development Committee. CEQA Status: The Ordinance is Consistent with and Represents Implementation of Adopted Policies in the Comprehensive Plan, for Which an Environmental Impact Report (Comprehensive Plan EIR) was Certified on February 5, 2016.
22. SECOND READING: Ordinance of the Council of the City of Palo Alto Amending the Sign Code (PAMC section 16.20.160) to Allow Certain Signs in Conjunction with Parklets (FIRST READING: June 1, 2025; PASSED: 6-1, Lu no)
23. SECOND READING and Adoption of Temporary Ordinances Implementing Senate Bill (SB) 79, and Introduction and Adoption of Interim Urgency Ordinances Excluding Certain Historic Resource Sites and Transit-Oriented Development (TOD) Eligible Sites from

Government Code Section 65912.157 and Authorizing Corresponding Zoning Map Updates. CEQA Status: Exempt Under Government Code Section 65912.160(c)(2).
Supplemental Report Added

- a. SECOND READING and Adoption of Temporary Ordinances Implementing SB 79 (Staff Recommendations 1 & 2)
- b. Introduction and Adoption of Interim Urgency Ordinances Excluding Certain Historic Resource Sites from Government Code Section 65912.157 (Staff Recommendation 3)
- c. Introduction and Adoption of Interim Urgency Ordinances Excluding Certain Transit-Oriented Development (TOD) Eligible Sites from Government Code Section 65912.157 (Staff Recommendation 4)

CITY MANAGER COMMENTS (7:55 - 8:05 PM)

BREAK (15 MINUTES)

CLOSED SESSION (8:20 - 8:40 PM)

- AA1. CONFERENCE WITH LEGAL COUNSEL—POTENTIAL LITIGATION (one case)
Subject: Initiation of litigation in one case
Authority: Government Code Section 54956.9(d)(4) *New Item Added*

ACTION ITEMS (8:40 - 10:10 PM)

Include: Report of Committees/Commissions, Ordinances and Resolutions, Public Hearings, Report of Officials, Unfinished Business and Council Matters.

- 24. Adopt a Resolution Approving the 2026 Bicycle and Pedestrian Transportation Plan (BPTP); CEQA Status: Exempt Pursuant to Public Resources Code Section 21080.20.

ADJOURNMENT

INFORMATION REPORTS

Information reports are provided for informational purposes only to the Council and the public but are not listed for action or discussion during this meeting's agenda.

- A. Third Quarter Fiscal Year 2026 Financial Status Report

- B. Independent Police Auditor's (IPA) Report of Review of Investigations as of November 2025 and Police Department Use of Force Report for June 1, 2025 – November 30, 2025
- C. Semiannual Update on the Status of Capital Improvement Program Projects; CEQA Status – Not a Project
- D. City of Palo Alto's Energy Risk Management Report for the first half of Fiscal Year 2026 (July 1, 2025 - December 31, 2025) CEQA Status – Not a Project

OTHER INFORMATION

[Standing Committee Meetings this week](#)

Finance Committee June 16, 2026 CANCELED

[Public Comment Letters](#)

[Schedule of Meetings](#)

SUPPLEMENTAL / AMENDED AGENDA ITEMS

- 3. PUBLIC HEARING: Adoption of an Ordinance Adopting the Operating and Capital Budgets, Revised Table of Organization, and Municipal Fee Schedule for Fiscal Year 2027; Adoption of a Resolution Proposing the Appropriations Limit for Fiscal Year 2027 - State Law/ City Charter; Accept the Bi-Annual Actuarial Valuation Report of Palo Alto's Retiree Healthcare and Other Post-Employment Benefits (OPEB) as of June 30, 2025 and Approve Annual Actuarially Determined Contribution for Fiscal Years 2027 and 2028; Authorize the City Manager or their Designee to Negotiate and Execute a Memorandum of Understanding and Funding Agreement (or Lease Agreement Amendment) with the Palo Alto Museum to Provide Cost Sharing for Repairs to the Basement and Waterproofing in the Roth Building and Improvements to Heritage Park Drainage *Supplemental Report Added*

- 18. ~~QUASI JUDICIAL: 3200 Park/340 Portage: Final Map and Street Naming [26PLN 00009]: Request for a Final Map to Subdivide One Existing 3.92 Acre Parcel for Condominium Purposes, Consistent with the Approved Development Agreement, and to Name the New Private Streets. Zone District: PC 5597. CEQA Status: Council Adopted Resolution 10123 Certifying the EIR for the Project on September 12, 2023 (SCH # 2021120444).~~

Item Removed Off Agenda

23. SECOND READING and Adoption of Temporary Ordinances Implementing Senate Bill (SB) 79, and Introduction and Adoption of Interim Urgency Ordinances Excluding Certain Historic Resource Sites and Transit-Oriented Development (TOD) Eligible Sites from Government Code Section 65912.157 and Authorizing Corresponding Zoning Map Updates. CEQA Status: Exempt Under Government Code Section 65912.160(c)(2).
Supplemental Report Added
- a. SECOND READING and Adoption of Temporary Ordinances Implementing SB 79 (Staff Recommendations 1 & 2)
 - b. Introduction and Adoption of Interim Urgency Ordinances Excluding Certain Historic Resource Sites from Government Code Section 65912.157 (Staff Recommendation 3)
 - c. Introduction and Adoption of Interim Urgency Ordinances Excluding Certain Transit-Oriented Development (TOD) Eligible Sites from Government Code Section 65912.157 (Staff Recommendation 4)
- AA1. CONFERENCE WITH LEGAL COUNSEL—POTENTIAL LITIGATION (one case)
Subject: Initiation of litigation in one case
Authority: Government Code Section 54956.9(d)(4) *New Item Added*

PUBLIC COMMENT INSTRUCTIONS

Members of the Public may provide public comments to teleconference meetings via email, teleconference, or by phone.

1. **Written public comments** may be submitted by email to city.council@PaloAlto.gov.
2. **For in person public comments** please complete a speaker request card located on the table at the entrance to the Council Chambers and deliver it to the Clerk prior to discussion of the item.
3. **Spoken public comments for agendized items using a computer or smart phone** will be accepted through the teleconference meeting. To address the Council, click on the link below to access a Zoom-based meeting. Please read the following instructions carefully.
 - You may download the Zoom client or connect to the meeting in- browser. If using your browser, make sure you are using a current, up-to-date browser: Chrome 30 , Firefox 27 , Microsoft Edge 12 , Safari 7 . Certain functionality may be disabled in older browsers including Internet Explorer. Or download the Zoom application onto your smart phone from the Apple App Store or Google Play Store and enter in the Meeting ID below.

- You may be asked to enter an email address and name. We request that you identify yourself by name as this will be visible online and will be used to notify you that it is your turn to speak.
 - When you wish to speak on an Agenda Item, click on “raise hand.” The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called to speak.
 - When called, please limit your remarks to the time limit allotted. A timer will be shown on the computer to help keep track of your comments.
4. **Spoken public comments for agenda items using a phone** use the telephone number listed below. When you wish to speak on an agenda item hit *9 on your phone so we know that you wish to speak. You will be asked to provide your first and last name before addressing the Council. You will be advised how long you have to speak. When called please limit your remarks to the agenda item and time limit allotted.

CLICK HERE TO JOIN Meeting ID: 362-027-238 Phone: 1-669-900-6833

Americans with Disability Act (ADA) It is the policy of the City of Palo Alto to offer its public programs, services and meetings in a manner that is readily accessible to all. Persons with disabilities who require materials in an appropriate alternative format or who require auxiliary aids to access City meetings, programs, or services may contact the City’s ADA Coordinator at (650) 329-2550 (voice) or by emailing ada@PaloAlto.gov. Requests for assistance or accommodations must be submitted at least 24 hours in advance of the meeting, program, or service.

California Government Code §84308, commonly referred to as the "Levine Act," prohibits an elected official of a local government agency from participating in a proceeding involving a license, permit, or other entitlement for use if the official received a campaign contribution exceeding \$500 from a party or participant, including their agents, to the proceeding within the last 12 months. A “license, permit, or other entitlement for use” includes most land use and planning approvals and the approval of contracts that are not subject to lowest responsible bid procedures and have a value over \$50,000. A “party” is a person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use. A “participant” is a person who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use, and has a financial interest in the decision. The Levine Act incorporates the definition of “financial interest” in the Political Reform Act, which encompasses interests in business entities, real property, sources of income, sources of gifts, and personal finances that may be affected by the Council’s actions. If you qualify as a “party” or “participant” to a proceeding, and you have made a campaign contribution to a Council Member exceeding \$500 made within the last 12 months, you must disclose the campaign contribution before making your comments.