

APPROVED MINUTES*
SUNNYVALE CITY COUNCIL
TUESDAY, JUNE 2, 2009

5:30 P.M. SPECIAL COUNCIL MEETING (Closed Session)

Closed Session pursuant to Government Code Section 54956.9(a):

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION.

Name of case: Randall Gilbert vs. City of Sunnyvale, Santa Clara County Superior Court Case No.1-03-CV-004823; Appellate Case No. H027237

6:30 P.M. SPECIAL COUNCIL MEETING (Study Session)

Local Agency Formation Commission (LAFCO) and Sunnyvale City Limits

7 P.M. COUNCIL MEETING

CALL TO ORDER

SALUTE TO THE FLAG

Mayor Spitaleri led the salute to the flag.

ROLL CALL

PRESENT:

Mayor Anthony Spitaleri
Vice Mayor Christopher Moylan
Councilmember John Howe
Councilmember Ron Swegles
Councilmember Melinda Hamilton
Councilmember David Whittum
Councilmember Dean J. Chu

ABSENT:

None

STAFF PRESENT:

City Manager Gary City Manager Luebbers
Assistant City Manager Robert Walker
City Attorney David Kahn
Director of Finance Mary Bradley
City Clerk Kathleen Franco Simmons

CLOSED SESSION REPORT FOR MAY 19, 2009

Closed Session pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiator

Property: Sunnyvale Town Center

Negotiating Parties: Gary City Manager Luebbers, Agency Director; Peter Pau and Ashley Powell, Sunnyvale Mixed Use LLC

Under Negotiation: Terms of ARDDOPA

Vice Mayor Moylan reported no action was taken, but direction was given.

CLOSED SESSION REPORT FOR MAY 26, 2009

Closed Session pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiator

Property: Sunnyvale Town Center

Negotiating Parties: Gary City Manager Luebbers, Agency Director; Peter Pau and Ashley Powell, Sunnyvale Mixed Use LLC

Under Negotiation: Terms of ARDDOPA

Vice Mayor Moylan reported no action was taken and no direction was given.

CLOSED SESSION REPORT FOR JUNE 2, 2009

Closed Session pursuant to Government Code Section 54956.9(a): – Conference with Legal Counsel, Existing Litigation.

Name of case: Randall Gilbert vs. City of Sunnyvale, Santa Clara County Superior Court Case No.1-03-CV-004823; Appellate Case No. H027237

Vice Mayor Moylan reported no action was taken, but direction was given.

SPECIAL ORDER OF THE DAY – Community Partnership Recognition: The International Culinary School at the Art Institute of California – Sunnyvale

PUBLIC ANNOUNCEMENTS

Councilmember Chu announced the Santa Clara County Youth Task Force is seeking scholarship recipients.

Councilmember Hamilton spoke regarding the Hands on the Arts event.

Councilmember Howe announced his wife was the recipient of the Mary Burns Award for Pulmonary Wellness and Rehabilitation Medicine for the second time in three years.

Councilmember Swegles announced Fire Station 2 will host a barbeque for the Make a Wish Foundation, June 3.

Nancy Tivol announced the “Dinner at the Dump” event hosted by Specialty Solid Waste and Recycling, June 27.

Councilmember Hamilton announced the Sunnyvale Art and Wine Festival this weekend.

Eugene Garcia announced a Raynor Park Health Fair June 13 hosted by Ranor Park Christian Church.

CONSENT CALENDAR

Items 1.I and 1.K were removed from the Consent Calendar.

MOTION: Vice Mayor Moylan moved and Councilmember Whittum seconded to approve the Consent Calendar with the exception of Item 1.I and 1.K. Councilmember Whittum disclosed with regard to Item 1.L, his home is within 500 feet so his vote on the Consent Calendar will not be a vote on Item 1.L. Councilmember Chu confirmed the motion includes the revised and amended minutes for April 28.

VOTE: 7-0

- 1.A. Approval of Council Meeting Minutes of April 28, 2009 as amended.
- 1.B. Approval of Council Meeting Minutes of May 18, 2009
- 1.C. Approval of Information/Action Items – Council Directions to Staff

Fiscal Items

- 1.D. RTC 09-141 List of Claims and Bills Approved for Payment by the City Manager - List No. 453 & 454

Staff Recommendation: Council review the attached lists of bills.

- 1.E. RTC 09-134 Authorization to Allocate FY 2008/09 State Public Library Foundation Monies, and Approve Budget Modification No. 33

Staff Recommendation: Approve Budget Modification No. 33 in the amount of \$46,830 and the expenditure of State Public Library Funds for use in the following special project category: Improvements to Library Services.

Contracts

- 1.F. RTC 09-131 Authorization to Modify Two Existing Contracts for Vehicle Fuel (F0805-73)

Staff Recommendation: Authorize modification of existing contracts with SC Fuels and Petro-Diamond, by extending the contract end date to January 31, 2010 and increasing the not-to-exceed amount by \$385,000 for the purchase of fuel for City vehicles.

- 1.G. RTC 09-144 Award of Bid No. F0804-61 for Asphaltic Materials for the Department of Public Works Pavement Operations Program

Staff Recommendation: Award a one-year contract for asphaltic materials on an "as needed" basis to Reed and Graham, Inc., of San Jose in substantially the same form as the attached draft Purchase Order.

- 1.H RTC 09-136 Amendment of Outside Counsel Agreement for Insurance Recovery for Costs Related to Environmental Remediation of the Sunnyvale Town Center

Staff Recommendation: Council Approve Amendment to Outside Counsel Agreement to increase amount not to exceed to \$250,000

- 1.I RTC 09-148 Authorization to Modify an Existing Contract for Design Services for the Tasman/Fair Oaks Streetscape and Sense of Place Project (F0805-83)

MOTION: Councilmember Hamilton moved and Councilmember Howe seconded to approve staff recommendation: Council modify an existing contract with Kimley-Horn Associates, Inc., in substantially the same form as the attached Amendment to Consultant Services Agreement, by increasing contract expenditures by \$31,000, the total not to exceed \$283,492.

VOTE: 7-0

Other

- 1.J RESOLUTION Fair Oaks Avenue Underground Utility District, Phase II – Setting Date
RTC 09-138 for Public Hearing on June 23, 2009

Staff Recommendation: Alternative No. 1: Approve the Resolution of Intent to create an Underground Utility District that sets a date of June 23, 2009 for public hearing.

- 1.K RTC 09-139 Norman Drive Traffic Calming Plan – Approval of Permanent Installation

Public comment opened at 7:24 p.m.

Yu-Kai Ng announced he had submitted a letter to the Public Works Department asking the City to vacate the street at Elizabeth Way and Norman Drive. Ng stated he was opposed to the roundabout because cars do not yield, the garbage truck enters through the wrong direction, there is constant trash, it's a haven for shopping carts, and people hit the curbs.

Councilmember Swegles noted his attendance at the neighborhood meetings discussing the roundabout and emphasized that the comments were positive. Councilmember Swegles explained that the present roundabout is too large and will be reduced which should alleviate some of the problems discussed by Ng.

Councilmember Hamilton verified Ng's reasons for requesting the City to vacate the right-of-way at that intersection were due to his driveway directly backing into that area and on many occasions there has been debris, graffiti, illegally parked vehicles, as well as people trespassing onto his property.

Councilmember Whittum requested staff to comment regarding the comments that were made and whether staff had heard about these issues previously.

Transportation/Traffic Manager Jack Witthaus stated it was clear when the temporary devices were installed that the roundabout was too large and that is why they are going to redesign the geometry. They will slightly shrink the size of the circle making it easier for vehicles to negotiate and will also create some pedestrian refuges to make it clear the area for vehicles versus pedestrians. Regarding wrong way vehicles Transportation/Traffic Manager Jack Witthaus noted there is proper signage at the site and that would be a violation of the law.

Vice Mayor Moylan requested specifics on the homeowner's request to transfer the property.

Director of Public Works Marvin Rose elaborated that the speaker was referring to the stub of street at the end of Elizabeth Way which actually goes to the school district. Director Rose explained there is a process for street vacation; the speaker can apply to have the street vacated; upon applying for and paying for the permit process, the City would notify all the utility companies and ask them if there were any utilities that would need to be protected. Staff would then review operationally from a traffic perspective and then have a hearing before Council.

Eugene Garcia, President of the Raynor Park Neighborhood Association, stated the feeling in the neighborhood is positive and this item is a victory for them. Garcia explained there has been a little opposition and added the reduction in the roundabout size addresses most of the concerns.

Public hearing closed at 7:36 p.m.

Councilmember Swegles moved and Councilmember Chu seconded to approve staff recommendation: Alternative No. 1: Approve the permanent installation of the Traffic Calming Plan consisting of the following elements:

- Establish shoulder striping along Norman Drive using thermoplastic;
- Replace the existing temporary traffic circle with a smaller hardscaped traffic circle and raise and hardscape the northeast and southeast corners of the intersection of Elizabeth Way/Norman Drive

VOTE: 7-0

- 1.L RESOLUTION Resolution of Intention to Levy and Collect Assessment for the
RTC 09-147 Downtown Parking Maintenance District for Fiscal Year (FY) 2009-2010
and for each fiscal year thereafter; Approval of the Preliminary
Engineer's Report; Authorize the Mailing of Proposed Assessment
Ballots; and Set a Public Hearing for July 28, 2009.

Staff Recommendation: Take the following four actions to give the City the necessary authority to levy and collect the assessment for public parking facilities from property owners within the District for FY 2009-2010, and for each fiscal year thereafter:

- Adopt a Resolution of Intention
- Approve the Preliminary Engineer's report
- Set the July 28, 2009 Council meeting as the required public hearing
- Authorize mailing of Notice of Proposed Assessment and ballots

- 1.M RTC 09-145 FY 2008/2009 Department of Employment Development Expenditure and Revenue Update and Approval of Budget Modification No. 37

Staff Recommendation: Alternative No. 1: Approve Budget Modification No. 37. This action would bring the anticipated expenditures for the Department of Employment Development into alignment with anticipated funding resources for FY 2008/2009.

- 1.N RTC 09-142 FY 2008/2009 Department of Employment Development Approval of Budget Modification No. 38 to Incorporate Recovery Act Funding

Staff Recommendation: Alternative No. 1: Approve Budget Modification No. 38. This action would bring the anticipated expenditures for the Department of Employment Development into alignment with funding resources for FY 2008/2009, to incorporate ARRA funding.

STAFF RESPONSES TO PRIOR PUBLIC COMMENTS

None

PUBLIC COMMENTS

Jim Telfer announced the commencement for the 2009 Leadership Sunnyvale Class will be held on June 11, 2009 at Advanced Micro Devices (AMD), 1 AMD PI, Sunnyvale, CA 94085.

Chester Hargett spoke regarding speeders in his mobile home park, Casa de Amigos. Hargett cited an example where property damage had occurred due to excessive speed. Hargett attempted to draw attention to this issue before someone was seriously injured. He also informed Council of the mobile home park's management's unwillingness to address their concerns.

Director of Public Safety Don Johnson clarified the enforceability of speeding in mobile home parks and provided possible Council actions and Public Works activity.

PUBLIC HEARINGS/GENERAL BUSINESS

2. RTC 09-140 Public Hearing – Annual Review of Fees and Charges for FY 2009/2010

Finance Manager-Treasury Therese Balbo presented the staff report.

Councilmember Swegles advised not to raise golf fees elaborating that he could go to many other courses and by increasing fees the City could wind up reducing the volume of rounds per year.

Mayor Spitaleri questioned the raising of rates due to time and motion studies. Mayor Spitaleri cited the example of fingerprint rates based on the time and motion study and wondered what increased in the process of fingerprinting that required the fee increase. Additionally, Mayor Spitaleri inquired about the raised vehicle release fees and adult entertainment fees.

Director of Finance Mary Bradley explained that the Department of Public Safety did an excellent and thorough job of documenting and analyzing these particular fees this year, determining that those fees were a little under-collected.

Mayor Spitaleri requested clarification on the City's proposed fix-it tickets fees. Mayor Spitaleri stated he understood the primary issue with fix-it tickets to be that you are not charged with a fine if you correct the problem and have it signed off by a police officer. Mayor Spitaleri questioned how non-residents were charged and residents were not.

Director Bradley cited that in 2006 when the fee was originally enacted, it was discovered due to Sunnyvale's free fix-it ticket policy, people from all over Santa Clara County were visiting Sunnyvale specifically to circumvent paying the fix-it ticket fees from all the surrounding cities. In 2006 the fees were determined at \$29 for non-residents and free for residents, however, Director Bradley explained that the City cost to process those citations whether City residents or not is the same. Director Bradley stated in the spirit of fiscal sub-element where it was recommended fees should be fair and recover costs, it was determined to charge the full fee for both residents and non-residents.

Mayor Spitaleri also questioned the Adult Entertainment fees noting a few years back this fee went from a \$300 fee to a \$3000 fee; and the fee has also been steadily increasing due to this time and motion study. Mayor Spitaleri requested specifics on these studies and why they keep rising.

Director Bradley responded she had the time and analysis study with her and would provide that to Council.

Vice Mayor Moylan followed up the Mayor's questioning requesting clarification on the Adult businesses.

Director of Public Safety Don Johnson detailed the reasoning behind the additional fees for inspections of Adult businesses stating it has been well documented by the courts and studies that these businesses have a disproportionate amount of police activity. Director Johnson explained that was the impetus behind those increased fees.

Director Johnson expanded that as his officers go into these establishments they are finding violations of the municipal code, summing up the reasons behind these inspections.

Vice Mayor Moylan questioned the rationale behind charging these businesses additional fees when these inspection services benefit the community and not the businesses themselves.

Director Johnson explained it is similar to that of fire inspection fees where the inspection itself provides safety to the general public but additionally proactively reduces the potential of future fire costs and risks to the business.

Vice Mayor Moylan stated that it is an inspection and not an undercover operation. He stated there are other nuisance businesses in town that are far worse. Vice Mayor Moylan stated the City doesn't say a business is a nuisance and charges them for every Public Safety Officer sent over there.

Director Johnson replied that a year or two ago, Council passed the extraordinary response fee specifically to charge those businesses for that purpose.

Public hearing opened at 8:00 p.m.

Bob Obrey, Chair of the Sunnyvale Arts Commission, conveyed the unanimous vote of the Commission to support approval of the 2009/10 resource allocation plan as presented.

Alice Ohannesian brought to Council's attention the fire inspection fees for apartments. Ohannesian acknowledged the importance of the fire health and safety check but stated she felt the fee was too high for a three unit complex.

Jim Griffith, Chair of the Sunnyvale Library Board of Trustees, stated he was speaking for himself, and he approves of the increases to the two proposed library fees including the nickel per day increase for overdue library books. Griffith noted his knowledge of the surrounding cities' libraries and how they were looking at rate increases also.

Public hearing closed at 8:06 p.m.

Mayor Spitaleri verified the apartment fire inspection fees were based on a per unit tiered structure as shown on page 36 of the proposed fee schedule.

Councilmember Swegles verified that this is a public hearing with no action to be taken; this is the time for any questions, comments, or alternative suggestions one might have.

MOTION: Councilmember Whittum moved and Councilmember Hamilton seconded for staff to look at raising park dedication fees to three acres per thousand.

Councilmember Whittum detailed the previous open space element stating as the City moves up in density, in numbers of residential units, the City actually falls behind in open space. Councilmember Whittum added that Sunnyvale actually has one of the lowest rates of open space compared to neighboring cities.

Councilmember Hamilton seconded the comments of Councilmember Whittum noting that parks are disappearing fast and stated it is time to consider park land on par with residential.

Councilmember Chu stated he is opposed to the motion, suggesting it is premature to make a rate change without the entire parks of the future discussion on July 14.

Councilmember Whittum addressed the process by which the park dedication fees can be changed and additionally noted impact fees and the Nexus study.

Councilmember Hamilton stated with dwindling park space and with further reductions in park space looming, this is far beyond overdue. She stated she didn't see any reason to wait and encouraged her colleagues to vote for this tonight.

Mayor Spitaleri agreed with Councilmember Chu, stating he would like to deal with the entire report/study all together and at that time Council could decide to change the park dedication fees if they so chose.

VOTE: 3-4 (Swegles, Spitaleri, Chu, Howe dissented)

Motion failed.

MOTION: Councilmember Howe moved and Councilmember Chu seconded to remove the fix-it ticket cost of \$29 for the citizens of Sunnyvale.

Councilmember Chu offered a friendly amendment to change “remove” to “reduce”, and to bring it back with the fee schedule on June 23.

Councilmember Howe accepted the amendment.

Councilmember Howe stated that he believes fix-it tickets should be free for the citizens of Sunnyvale and if the issue is that others come here because it is free, we shouldn't penalize the citizens of Sunnyvale for that.

VOTE: 5-2 (Moylan and Hamilton dissented)

MOTION: Councilmember Chu moved and Councilmember Hamilton seconded to request staff to bring back a recommendation for fire inspection fees for apartments of four or fewer units.

Mayor Spitaleri offered a friendly amendment asking staff to also provide information regarding what other cities charge.

Councilmember Chu accepted the amendment.

VOTE: 7-0

3. RESOLUTION Adoption of Proposed Fiscal Year 2009/2010 Rates for Water,
RTC 09-135 Wastewater and Solid Waste Utilities

Revenue Systems Supervisor Tim Kirby provided the staff report.

Councilmember Howe discussed fund activities in depth and how different fees are categorized.

Councilmember Howe inquired about street sweeping costs when a portion of the City doesn't receive these services, such as condominiums, apartment complexes, or mobile home parks.

Revenue Systems Supervisor Kirby explained the cost of covering street sweeping is included in wastewater and solid waste rates. However, referring to private streets, those fees are also incurred in their utility charges without receiving the services.

Councilmember Howe inquired about the tiered structure for water usage and the timelines involved.

Revenue Systems Supervisor Kirby explained he has started looking at the tier structures already but will look more thoroughly beginning July 1. Revenue Systems Supervisor Kirby stated he will be bringing a consultant on board to assist with the data analysis to look at the water demand patterns and anticipated completion within two months before the calendar year ends.

Councilmember Swegles questioned and Revenue Systems Supervisor Kirby explained that even though Santa Clara Valley Water District took a zero percent rate increase this year, due to significant pressure from south county retailers, they will have a larger increase next year and will be unable to avoid raising rates.

Councilmember Swegles determined that by raising rates a little now, Sunnyvale will not be required to raise rates as dramatically next year, smoothing the effect of the increases.

Councilmember Chu inquired of the water rate increase, as to how much is supply-related versus infrastructure costs within the City.

Revenue Systems Supervisor Kirby explained that due to San Francisco giving the City a very large increase with the projected increases over the next few years of 17.6%, 17.2%, 21.1% and 13.6% respectively, the City is not only raising rates for now but raising rates to smooth the impact of those substantial increases; with the majority of the increase of seventy five percent, due to purchased water costs.

Public hearing opened at 8:35 p.m.

Cheryl Orth, asked Council to consider another tier of water rates differentiating mobile homes from apartments. Orth explained as a mobile home owner she is required to maintain her landscaping and almost annually must power wash her home. She explained these are water uses that an apartment would not generate.

Micki Falk stated she protests the proposed rate increase. Falk elaborated that due to increases in sales tax, gasoline tax, higher tuition, Silicon Valley layoffs, higher food and living costs, another fee hike is too much. Falk provided an article from the San Jose Mercury that showed an over abundance of water. Falk added that other cities such as Cupertino, Santa Clara, and Los Gatos, will still have conservation rules in place; but, in agreement with the director for the city of Santa Clara, stated why raise rates if we don't have to. Falk suggested cutting the pay for Council and all the City employees noting a similar proposal brought forth by a San Jose Councilmember.

Councilmember Hamilton clarified with Revenue Systems Supervisor Kirby that cities such as Cupertino, Los Gatos, and Saratoga, do not buy water from the San Francisco Public Utilities Commission (SFPUC) and are primarily serviced by California Water Company or by the San Jose Water Company. California Water Company receives a small allocation of their water from San Francisco but San Jose Water pumps water from the ground exclusively and pays the Santa Clara Valley Water District.

Councilmember Hamilton stated that because they are not buying their water from the San Francisco Water District with their rates increasing 15.4%, 17.6%, 17.2%, 21.1% and 13.6%, over the next five years, those other cities are not subject to the water rate smoothing that Sunnyvale is required to do.

Paul Werner stated he protests the utility rate increase and submitted a document. Werner questioned the validity of the rate increases compared to those in the past and expressed concern regarding the disparity. Werner noted an article from the Palo Alto Daily Sun regarding Menlo Park approving a water contract where rates are to remain virtually unchanged.

In addition, Werner also questioned the salaries and benefits for city employees. Werner referred to unions from other cities that agreed to forego their raises and wanted to see what Sunnyvale employees would do. Werner stated that everybody should share the burden and not only the Sunnyvale taxpayer.

Mayor Spitaleri shared that all the Sunnyvale bargaining units presented to defer all their wage increases, from top to bottom, as all the other cities have done.

Councilmember Whittum inquired regarding the solid waste rates in terms of the amount of that increase results from labor costs increases.

Director of Finance Mary Bradley explained that the solid waste rate is due primarily to the contracts with the contract haulers, Specialty Solid Waste, who manage the Sunnyvale Smart Station. There are very little City labor costs involved.

Solid Waste Program Manager Mark Bowers explained that Sunnyvale is in the second year of the new Smart Station contract so any increase in the labor rates due to the adjustments that Council made to the minimum wage rates in that contract were already reflected in previous solid waste increases and aren't necessarily a big factor in this particular rate adjustment.

Councilmember Whittum verified that the debt service is a contributing issue towards the solid waste rate increase.

Kelly Cash, suggested solid waste and trash tiered pricing structures. As a person who travels a great deal, he uses little water, sewer, and trash, stating he didn't believe it was fair that he should be paying for flat rate sewer and trash charges.

Sue Morales provided comments regarding neighbors with a lack of landscaping upkeep. Morales expressed concern that as the water rates increase people might mow and water their lawns even less, with the neighborhood further suffering. Morales requested more Code Enforcement presence in her area.

Debbie Giannecchini, a recent manufactured-home buyer at Adobe Wells, stated she contests the tiered pricing which categorize them as apartments. Giannecchini stated she rented an apartment for 11 years and now has moved to a home that is over twice the square footage, including a back yard, side yard, and a front yard with a pond. Giannecchini noted that she is required by the complex to power-wash her home. Giannecchini stated that her water habits have drastically changed and she doesn't want the standardized pricing as an apartment. She suggested a possible tier structure for modular homes.

Councilmember Swegles suggested contracted power washers that provide their own water could provide the necessary power washing that is requested by the mobile home complex.

Alice Ohannesian, owner of 6-unit apartment complex, explained apartment owners will only be able to pay for a portion of these rate increases leaving the tenants to foot the bulk of bill. Ohannesian asked Council to consider who is paying for all these rate increases.

Councilmember Swegles stated from his former apartment management knowledge, these rate increases are usually directly passed on to the renters.

Ohannesian stated she wasn't in support of passing these expenses on, and expressed she empathizes with the hardships of those hit during these bad economic times, with people losing their jobs and families to raise.

Margo, member of the Plaza Del Rey Mobile Home Park, stated she protests the rate increases and asked Council to consider rate reductions for those who conserve. Margo stated she's an avid environmentalist, recycling everything, thusly leaving little or no garbage. Margo detailed how she reduces water usage yet is always charged the same because her park is not individually metered. Margo stated she felt it was unfair that she is doing her part to conserve water but subsidizes her neighbors who use vast amounts.

Councilmember Swegles explained Mobile Home Park trash rates are already reduced compared to those of single family residences due to the rates being broken down amongst all the units.

Revenue Systems Supervisor Kirby added that included in trash collection rates are costs for the recycling and yard waste services as well.

Public hearing ended at 9:08 p.m.

Councilmember Whittum sponsored and Vice Mayor Moylan co-sponsored a study issue to look into the possibility of a two-tier waste water charge tied to actual amounts of water used for residential customers, as commercial customers are already linked.

Councilmember Whittum inquired whether rates that have increased over the past year have resulted in a rise in illegal dumping.

Solid Waste Program Manager Bowers explained he had not heard or seen any evidence of an increase in illegal dumping. Solid Waste Program Manager Bowers expressed concern over that possibility but explained that as of yet, he hasn't seen any spike.

Councilmember Whittum requested staff to look at the incremental cost to the City if the lowest tier for the mobile home water rate changed from 0-4 CCF (one hundred cubic feet) to 0-6 CCF.

Councilmember Whittum sponsored and Councilmember Howe co-sponsored a study issue to encourage mobile home rules regarding water usage to be more environmentally friendly.

Councilmember Swegles verified with Revenue Systems Supervisor Kirby that included in the trash service are the two On-Call Curbside Collection pickups per year.

Councilmember Hamilton questioned the possibility of piping in recycled water for mobile home power washing, parks, etcetera.

Revenue Systems Supervisor Kirby stated there is always a possibility of running recycled water anywhere through Sunnyvale. However, it's the cost issue of laying underground piping involved. Revenue Systems Supervisor Kirby added the recycled water "purple pipes" are primarily in the North End of the city in the industrial areas.

Director of Public Works Marvin Rose stated they are always looking at expanding the reclaimed water system. Director Rose explained mobile home parks are predominantly in North Sunnyvale with the problem being that they are predominantly south of Highway 237.

Mayor Spitaleri inquired what the recommendation would be if Sunnyvale didn't consider the Santa Clara Valley Water Districts rate increases for future years and only considered if they projected a zero percent increase now.

Revenue Systems Supervisor Kirby explained that Sunnyvale looks at rates over multiple years, and that if there were no increase from the Santa Clara Valley Water District he would recommend reducing the rate increase by 0.5%. Revenue Systems Supervisor Kirby elaborated that water rates are designed to cover costs of service and Sunnyvale projects a 20-year water forecast, receiving multiple-year projections from both the City's suppliers. Revenue Systems Supervisor Kirby added Sunnyvale accounts for the anticipated future rate increase by smoothing their impact.

Mayor Spitaleri stated if the City chooses to adopt a 7.5% water rate increase this year then the City would have to deal with the increase next year, whatever the rate may be.

MOTION: Councilmember Swegles moved and Councilmember Hamilton seconded to approve staff recommendation: Approve Alternative 1, to adopt the attached resolution increasing water rates by 8%, wastewater rates by 7.5%, and solid waste rates by 5.5% for FY 2009/2010.

Councilmember Swegles stated he understood the Mayor's frustration. Councilmember Swegles noted he serves on four different water committees including a state committee and he sees first hand. Councilmember Swegles explained Sunnyvale takes the care to reduce the City's usage and then hears the SFPUC tell the City that it did such a good job they have to increase Sunnyvale's rates because the City is not using as much water as before. Councilmember Swegles added that the City has been asked to reduce its usage by fifteen percent and winds up having to increase the rates because the SCPUC cannot manage their business properly and pass their costs on to us. Councilmember Swegles stated he asked the SFPUC why can't they smooth the adjustment, to which they replied their fixed costs are permanent and cannot be changed.

Councilmember Chu proposed a friendly amendment to change the increase of the water rate to 7.5%. The maker of the motion declined to accept the amendment.

FORMAL AMENDMENT TO THE MOTION: Councilmember Chu moved and Councilmember Howe seconded a motion to change the water rate increase to 7.5%.

Councilmember Chu stated if Sunnyvale can pass on a delay that was given by the Santa Clara Valley Water District then Council should try and pass that onto the residents especially during these tough economic times.

Councilmember Howe added that currently there are a lot of people unemployed, social security is not rising and that a 0.5% rate reduction is better than nothing. Councilmember Howe explained that it is very important for the City to take every opportunity to cut costs given this economy and encouraged Council to support this motion even if it is just a symbolic gesture.

Councilmember Whittum opposed the amendment stating he believes the City's rates should cover the costs. Councilmember Whittum suggested looking at steepening the tiers to allow people that are on fixed incomes the ability to better control their costs.

Mayor Spitaleri supported the amendment to the motion stating the City should give a break, no matter how little whenever possible. Mayor Spitaleri stated he understood Council might have to come back next year with more increases but as long as the City can cover its costs, that being essential, then the City should provide every little bit of help it can.

Councilmember Whittum verified with Revenue Supervisor Kirby that the reduced 7.5% rate increase covers Sunnyvale's cost. It was confirmed that due to the potential large increase next year, Sunnyvale's fiscal policy of smoothing the recommended rate increase would lessen the future blow.

Revenue Systems Supervisor Kirby explained the smoothing and Sunnyvale's fiscal policy further by stating he is looking at multiple years and the SFPUC increases are so large in effect Sunnyvale would be reserving money to smooth that. Revenue Systems Supervisor Kirby explained it is Sunnyvale's fiscal policy to do so and that although the Santa Clara Valley Water District has implemented a zero percent increase this year they are likely to come back with much steeper increases in the coming years.

Councilmember Swegles stated he opposes the motion citing his knowledge from the water committees that he serves on that this is a small increase compared to what is going to come down the pipeline.

Councilmember Chu clarified that he suggested lowering the rate increase because of the new information provided from the Santa Clara Valley Water District which lowered their forecast.

Councilmember Hamilton verified with Revenue Systems Supervisor Kirby the water rate increase projections that he believes the rates would be at least those forecast because of the Santa Clara Valley Water District postponing and pushing this year's increase to future years.

Vice Mayor Moylan stated that it is Sunnyvale's fiscal policy to plan for more than one year at a time. Vice Mayor Moylan explained that Sunnyvale is in such good financial shape, better than most other cities, because Sunnyvale plans several years ahead and resists the understandable impulse for the quick fix.

Vice Mayor Moylan stated he would really hate to see Sunnyvale's water users get pounded next year if they roll the dice this year. Vice Mayor Moylan added the people that made the amendment make a good argument but Sunnyvale's tradition of fiscal discipline is a stronger one.

VOTE ON FORMAL AMENDMENT: 3-4 (Whittum, Swegles, Moylan, Hamilton dissented)

Amendment failed.

VOTE ON ORIGINAL MOTION: 6-1 (Howe dissented)

Councilmember Whittum proposed a study issue for the next time rate calculations come to council next year, looking at examples of tiered rates, with the lowest tier being fixed, and to steepen the scale for rates for solid waste and water; including looking at upgrading the lowest tier for mobile homes from four CCF to six CCF. Councilmember Swegles offered to co-sponsor the study issue. Councilmember Swegles requested to expand the study to also look at graywater. Councilmember Whittum agreed. Councilmember Hamilton suggested the matter be proposed as direction to staff when they do the rates review for next year.

MOTION: Councilmember Whittum moved and Councilmember Hamilton seconded to provide direction to staff to present examples during the next rate review with tiered rates per the discussion. Councilmember Chu requested to look at inclusion of infrastructure charges versus a usage charge.

VOTE: 7-0

Break for recess at 9:42 p.m.

Reconvened with all present at 9:52 p.m.

4. RTC 09-146 Annual Public Hearing on FY 2009/2010 Budget and Resource Allocation Plan and Establishment of Appropriations Limit

Budget Analyst Drew Corbett presented the staff report.

Councilmember Swegles verified with City Manager Luebbbers that the Green@Home program is not included in the budget plan review for this evening but that they were a potential candidate for funding from the stimulus packages.

Councilmember Whittum distributed comments recommending budget cuts to a few areas, including: council speech writing, \$10,000; residents' satisfaction survey, \$20,000; postage costs of mailing the quarterly reports, \$90,000; and canceling the Mary Avenue Auto Bridge for fifty five million dollars. Councilmember Whittum recommended adding back a few services as well.

Public hearing opened: 9:59 p.m.

Farrukh Shah Khan, President of the Pakistani American Culture Center (PACC), noted the PACC is a non-profit organization with its mission to share Pakistani music, arts, poetry, and language with the Silicon Valley community. Khan added the first PACC started in Sunnyvale on Fair Oaks Avenue and organizes major Pakistani events at Baylands Park. Kahn explained the Basant Kite Festival was extremely successful with approximately 1,000 participants and was covered by the San Jose Mercury News. Kahn explained that this type of event not only entertains but allows for cultural exchange, elevating the image of Sunnyvale and Silicon Valley. Kahn requested Council approve the

Budget Supplement #8 – Community Event Funding Support, to continue such events and community outreach efforts.

Dr. Waheed Siddiqee, requested Council approve Budget Supplement #8 – Community Event Funding Support. Siddiqee strongly urged the City support multi-cultural activities such as the Basant Kite Festival. Siddiqee cited Sunnyvale has a history of supporting community events and should continue to do so.

Steve Tedesco, associated with Junior Achievement, asked Council to consider Budget Supplement #7 – Junior Achievement K-12 Education Program. Tedesco stated staff did not recommend continuing this program even though it has been in Sunnyvale since 2002. Tedesco detailed that Junior Achievement serves over 3,500 youths in 12 schools in Sunnyvale which is about twenty five percent of all Sunnyvale students; that being significant because Junior Achievement's penetration rate is only about eight percent county wide.

Tedesco explained that the Junior Achievement program teaches entrepreneurship, assists youths to locate careers, start businesses, and move forward. Tedesco stated he hoped Council would consider the impact Junior Achievement has on its students and explained that the funding this non-profit organization receives from Sunnyvale is only a portion of funds that are needed to supply these services. Tedesco added with their 160 volunteers putting in over 800 hours they encourage financial literacy, career opportunities, and career awareness. Tedesco stated Sunnyvale companies such as Lockheed and Yahoo put employees into the classroom.

Councilmember Swegles asked Tedesco how their program will be affected by the Governor's efforts to target scholastic funding.

Tedesco explained due to the State of California's possible reduced funding they are receiving even more requests from schools due to the cutbacks they are facing. Although Junior Achievement has reduced costs by thirty percent, schools are asking Junior Achievement to do more in class services and give children more opportunities because bus monies and field trip monies for schools has evaporated.

Nancy Tivol, from Sunnyvale Community Services, thanked Council for their policy to support non-profit organizations. Tivol explained that the most important funding they receive is from the City of Sunnyvale; specifically because many major funders ask them what is Sunnyvale providing them and what has been the funding history. That is asked because Sunnyvale would be in the best position to evaluate the impact of their services. Tivol added it produces tremendous leverage for them because those are questions that are asked in major proposals.

Tivol illustrated the increase in needs for services by explaining that last year they set records in the amount of financial aid (\$610,000) and in-kind aid, primarily food, (\$1,325,000) distributed; with this year even surpassing those figures. Tivol explained they served 29,000 people for the entirety of last year, but by the end of the 3rd quarter this year they've already served 39,000 people.

Tivol added there are seniors that can't afford their medication, families that can't put food on the table, and people facing eviction because they are awaiting their disability and unemployment benefits. Tivol stated these services are provided by seven paid staff and volunteer hours that equal eleven additional full-time staff. Tivol explained that every cent that is funded helps keep someone in their home or utilities connected. Tivol stated she hoped Council would approve the staff recommendations.

Debbie Mytels spoke in Sabine Axt's place regarding the Acterra Green@Home program. It was there understanding that the program would not be recommended for funding but tried to encourage Council to reconsider. Mytels explained since January, Sunnyvale has benefited from their Green@Home Energy Efficiency Program because they have performed services in Sunnyvale at no charge due to the Bay Area Air Quality Management Grant.

Mytels stated they help residents reduce their energy bills as well as help the City reduce its Carbon Dioxide emissions. The program achieves this by training volunteers to enter homes and install basic energy conservation devices, go over the utility bills with residents and help them find ways to save energy on their utility bill. The program is particularly beneficial to low and moderate income households.

Mytels clarified that Bay Area Air Quality Management Grant expires in June and without funding from the City the program will come to a halt. Mytels reiterated their need and asked for Council's continued support.

Adam Berkan, Chair of the Morse Park Neighborhood Association, stated he was very pleased to see that Morse Park was in the proposed budget. Berkan greatly appreciated the City's assistance particularly during this difficult economic climate. Berkan added that they are one of the most underserved communities in Sunnyvale and stated he hoped that Council would support the staff recommendation to go forward with the park.

Lorraine Larzabal, a Board of Director member for the Parkside Villa HOA, stressed the importance of Morse Park especially due to the dense residential developments amid the large commercial and industrial area.

Jim Colvin, Chair of the Parks and Recreation Commission, stated they unanimously voted to approve the budget but voiced concerns for the industrial tenants in the Morse Park area. Colvin was concerned about the displacement of industrial jobs and stated he hoped they could be relocated within the City.

Colvin additionally commended staff on increasing the City's credit rating from 2.5 to 3 stars particularly during these trying economic conditions.

Pastor John Christenson of the New Hope International Church, spoke in support of the Morse Park development. Christenson explained as the area has moved away from commercial and industrial towards residential, their congregation has grown by more than two hundred percent. Christenson explained their properties at 521 and 539 East Woodell respectively and announced their desire to establish an on-site daycare facility. Christenson pointed out that due to the proximity of the nearby freeway they were unable to provide an outdoor playground and therefore unable to proceed with their development. However, Christenson stated he's been told that if Morse Park is approved then they could possibly use the park as the outdoor play space. Christenson stated that Morse

Park could really be beneficial and allow them to better serve the families in the community.

Jim Griffith, Chair of the Sunnyvale Board of Library Trustees, spoke on behalf of the board against cuts in operating services and acquisitions. Griffith stated the board concluded that this is a bad time to be reducing library services. Griffith noted in a bad economy libraries provide job services and resume references; thusly nationwide library usage has increased. In Sunnyvale alone there has been a fifteen percent increase over last year's use. However, the Library Trustees do recognize Sunnyvale's financial situation understanding that cuts are necessary and accordingly supported staff's recommendation.

Griffith stated the board was focused on the reduction from the eight to six hours of Sunday operations. Griffith explained that the two potential areas for library cuts would be to circulation acquisitions and/or to operating hours. Griffith stated that reducing Sunday hours is far preferable than reducing acquisitions. Griffith added that the Sunnyvale Library by far has the widest hours of operation in Santa Clara County with the exception of the Martin Luther King Library for which the hours are comparable. On a side note, Griffith personally supported the Morse Park elaborating that, as a resident, the park is desperately needed due to the area's high density housing.

Barbara Fukumoto thanked Council for adopting the Green Building Ordinance, Zero-Waste, Bottled Water, and Water Meter policies; working to minimize the carbon footprint of City Government, hosting an array of Earth Week events and hiring a sustainability coordinator. Fukumoto stated there is still items on the sustainability to do list and suggested that the Green@Home program has earned a chance to show what it can do with some city funding.

Jessica Garcia-Kohl, the Associate Director of the Housing Trust of Santa Clara County, thanked Council for their past support and especially thanked Councilmember Swegles for his dedication and commitment while on their board. Garcia-Kohl requested Council's support of staff's recommendation to allocate \$200,000 to the Housing Trust.

Garcia-Kohl underscored that from the County perspective they've raised 38 million dollars and have put 30 million dollars back into the Santa Clara County community. Garcia-Kohl stated the City has given them 1.6 million dollars since their inception in 2001 and they have in turn invested 2.1 million dollars back into the City of Sunnyvale; not even counting benefits and revenue from property taxes. Garcia-Kohl cited the 36% increase from the investment in the trust stating any money given to them stays in Sunnyvale.

Jeanne Yeager, representing people with disabilities, is on the Advisory Committee of Accessibility (ACA). Yeager stressed the importance of curb cuts and thanked Council for their help in the past. Yeager submitted a list of 40 corners that a disabled friend has difficulty maneuvering. She explained that curb cuts are not readily thought about, however, if you are in a walker, a mother with a stroller or babies, or in a wheelchair, curb cuts are vital for accessibility. Yeager additionally reiterated her thanks for Council's continued support.

Jaime Portocarrero supported the Morse Park.

Public hearing closed: 10:35 p.m.

No action taken.

Councilmember Chu explained that no action was taken in regards to agenda item #4. Councilmember Chu stated today's public hearing was for comments while Council will be voting on the actual budget next Council Meeting on Tuesday, June 23, 2009; and any amendments made at that time will be voted on during the meeting.

5. ORDINANCE Ordinance Designating Preferential Parking Zone on Alturas Avenue
RTC 09-128

Transportation/Traffic Manager Jack Witthaus provided the staff report.

Councilmember Hamilton questioned how the City is going to verify the eligibility of permit applicants designated to park at those specific locations. Councilmember Hamilton questioned will it be tied to the vehicle license plate and its registration through the Department of Motor Vehicles (DMV) or some other alternative and how will Sunnyvale regulate that.

Transportation/Traffic Manager Witthaus responded that there isn't a current program in place but they would have to establish a proof of residency; similar to a utility bill permit. Additionally, the code calls for presentation of vehicle registration.

Councilmember Hamilton expressed concern that people might obtain the permits for the \$12.50 and then resell them for a profit.

Transportation/Traffic Manager Witthaus explained that the permit would go with the vehicle which is the requirement for the registration, adding the City would have a verifiable database.

Public hearing opened at 10:41 p.m.

Paul Werner, Alturas Avenue resident, provided Council with an itemized listing of reasons why he urged for the adoption of permit parking for his street. Werner noted: it is always dangerous backing out of their driveways due to congested parking; their street has become debris filled due to vehicles continually leaving their containers, bottles, diapers, etc; and their garbage cans are consistently being placed onto the curb to make parking spaces for non-residents.

Angelo Lombardo, Alturas Avenue resident, agreed with Werner and stated that he is the street sweeper on Alturas because cars leave trash regularly. Lombardo corroborated that the trash receptacles are placed on the walkway and not where he left them. He additionally noted it is very difficult to back out due to cars infringing three feet into his driveway. Lombardo stated he hoped these parking permits could resolve these issues.

Bonnie Lloyd, Hemlock Avenue at Borregas Avenue resident, stated she sympathized with those on Alturas Avenue. Lloyd stated since the pedestrian walkway opened and cars are now parked appropriately in front of the hotels, the parking issues on her street have dissipated.

Brian Van Dyck, Alturas Avenue resident, thanked staff for their recommendation for the preferential parking. Van Dyck completely agreed with Werner and stated since the bicycle and pedestrian path opened things have gotten worse. Van Dyck explained there is a great deal of student traffic due to Columbia Middle School which is one of his big concerns. Van Dyck added with all the cars lining their streets it makes it difficult pulling out of driveways. Van Dyck explained the debris that accumulates in front of his home and noticed the fact garbage cans that are put out are moved so people can park their vehicles.

Van Dyck stated he hopes Council approves the preferential parking proposal making it safer for the pedestrians and the neighborhood.

Vice Mayor Moylan confirmed with Van Dyck that what the residents would really like would be for no parking on the street at all. Vice Mayor Moylan surmised at issue was that a bunch of people that don't live there are parking on the street.

Public hearing closed at 10:50 p.m.

Councilmember Howe inquired if a handicapped parking permit would allow you to park in this zone.

Transportation/Traffic Manager Witthaus stated he would have to research that answer.

Councilmember Howe inquired how sure was he that the cost per parking permit would be \$12.50. Councilmember Howe cited the example of the business licenses that were charged at \$10.00 a piece but was later determined to cost the City \$18.00.

Transportation/Traffic Manager Witthaus explained they are assuming that the bulk of the administrative costs, the costs of distributing permits would be absorbed, so the \$12.50 is really the hard costs of producing the permits. Transportation/Traffic Manager Witthaus added that those costs will be reviewed annually.

Councilmember Hamilton verified that only addresses on Alturas Avenue may apply for these permits.

MOTION: Councilmember Howe moved and Councilmember Chu seconded to approve staff recommendation: Alternative No. 1: Make the proposed findings and adopt the proposed ordinance designating Alturas Avenue as a Preferential Parking Zone, and include a change to allow handicapped parking permits on that street.

Councilmember Howe stated he believes this is something that should be tried since this is a high density area, with the bicycle and pedestrian footpath, and it will be constantly monitored and reviewed in a year.

Vice Mayor Moylan stated he supports the motion but explained that no one should assume they have the right to the city street to store their vehicle. Vice Mayor Moylan explained that each time Council uses the preferential parking permit tool, they are essentially making an exception to the policy.

Councilmember Hamilton supported the motion and stated that there are places in the city where such preferential street parking is necessary.

Councilmember Whittum supported the motion keeping in mind there was a significant public project with a great general benefit to the City (the bike bridges), and as a result of that there has been an impact to the neighborhood. Councilmember Whittum added this is a way to mitigate that impact and resolve that issue it in part created.

VOTE: 7-0

6. ORDINANCE Ordinance Designating Certain Streets in the Area of the Caltrain Station
RTC 09-133 as Preferential Parking Zones

Whittum disclosed his home is in the area affected by this program and recused himself.

Transportation/Traffic Manager Witthaus presented the staff report.

Mayor Spitaleri stated that the previous Ordinance for Agenda Item No.5 had not been read and will be done at the conclusion of this items' discussion.

Councilmember Hamilton inquired even though this is one preferential parking zone it is two non-contiguous areas and wondered how were those areas determined and whether or not the seven hour parking restriction on Charles Avenue, Florence Avenue, and Waverly Street were included for some other reason.

Transportation/Traffic Manager Witthaus explained that these are all the areas where the seven hour parking restrictions exist; all the areas north and south of the tracks.

Councilmember Hamilton verified that for Hendy Street the seven hour parking restriction only pertains to the north side while on the south side parking would still be allowed.

Councilmember Hamilton inquired if there is some plan down the road if substantial changes in the downtown area occur and are there adjustments that can be made.

Transportation/Traffic Manager Witthaus stated there are no plans per se but certainly they can review the status of parking regulations especially given the changes that will occur downtown.

Councilmember Howe inquired if handicap parking permits are exempt from timed parking restrictions.

Transportation/Traffic Manager Witthaus stated he did not know the answer but was sure it is in the motor vehicle code and intended to find out and report back to Council.

Mayor Spitaleri recollected to have a handicap parking space in front of your residence is done on a courtesy basis with the proper signage and painting.

Public hearing opened at 11:12 p.m.

Larry Mertl explained he's the one that started the original parking petition. Mertl stated the problem arose from the overflow parking from the Cal Train and has gotten worse as ridership has increased.

Mertl stated he thought the solution was some type of exemption similar to that of Santa Cruz and Capitola where it's basically a plaque that allows police officers to ticket someone that doesn't belong.

Orellen Daniels, long-time resident, explained when she first moved here the seven hour parking signs were present and weren't a problem. Daniels agreed with the previous speaker that that changed approximately four to five years ago. Daniels noted since that time they've been harassed, ever vigilant to avoid the parking citation.

Daniels pointed out the three hour parking at Plaza del Sol noting that Cal Train commuters would never park there. Daniels added she did not support the idea of stickers and preferred the resident flexibility of placards instead.

Luc asked Council to approve the parking exemption sticker as it is a long needed compromise to the seven hour parking. Luc noted that it would be nice to have the option of a placard instead of a sticker because some neighbors have multiple cars and could swap out the placard or perhaps give it to a caregiver. Luc also suggested a more flexible proof of residency because some vehicles are not registered to their address and some people have PO Boxes etc.

Luc stated at the root of the problem was the lack of available parking due to the Cal Trains' overflow. Luc stated the Plaza del Sol parking which sits mostly vacant every day could be used as commuter parking if the City chose to sell monthly parking passes.

Shelli Snyder stated she has received three citations since she's been living there the past year citing her case where there are a few people of driving age in the household yet the driveway only allows for one vehicle. As a renter, Snyder suggested flexibility with the proof of residency documents because the utilities are not in her name. Snyder stated she hoped for some sort of exemption.

Jakob Trconic explained that as he saw gas prices rise he saw this parking problem coming. Trconic added currently Hendy Avenue is bumper to bumper and he can never park in front of his own house. Trconic stated he believed the exemption sticker should work for a lot of them.

James Gardner stated he has children of driving age and has received several citations. Gardner emphasized it is very important to keep communicating to resolve this issue and work together to achieve a solution.

Penny Kelly, Chair of the Heritage District Neighborhood Association, acknowledged that the majority of streets in question lie within her association. Even though, she doesn't live in the affected area, she has walked, knocked on doors to get petitions signed, and worked to find a resolution for the neighbors who are suffering. Kelly encouraged Council to pass this item.

Monica Davis, Chair of the Charles Street 100 Neighborhood Association, thanked staff for working with her association persistently to develop a solution. Davis stated the overflow from the Evelyn Avenue at Charles Street Cal Train parking has been their issue.

Davis cited examples of neighbors with groceries and neighbors with small children not being able to get them into the house and having to park down the street. Davis concurred with a previous speaker stating this is not just a weekday problem. She noted cars are often left over the weekend (maybe Airport Parking).

Davis stated she thought the parking stickers or placards could solve a lot of their problems and urged Council on behalf of her association to approve this.

Pete Almendares, Waverly Street resident, stated he would like to see the removal of the seven hour signage or go with the stickers or placards along the street. Almendares noted neighbors that take Cal Train regularly and receive tickets for parking in front of their own home. Additionally, he cited another neighbor that works the graveyard shift, sleeping during the day, also receives parking tickets. Almendares illustrated that people that go on vacations and business trips also get citations because their parking garage and/or driveway is only able to accommodate one vehicle.

Mike Lindsay, Beemer Avenue resident, explained that due to his Autistic child he has a caregiver that visits a minimum of four to five hours daily. Lindsay encouraged Council to consider possible remedies for this situation as well.

Public hearing closed at 11:39 p.m.

Councilmember Howe inquired whether a determination had been made to use stickers or placards.

Transportation/Traffic Manager Witthaus explained that the code is very specific requiring stickers because of the need to attach the exemption to a vehicle as to be non-transferable.

Councilmember Swegles requested solutions regarding caregivers and guests.

Transportation/Traffic Manager Witthaus stated the code allows some latitude for the issuance of extra permits for special situations. Transportation/Traffic Manager Witthaus elaborated that staff would have to devise a means to provide proof that there was an exception that warranted the issuing of a permit. There is some flexibility in the code and that would be something that would need to be monitored over time.

Director Rose cautioned the swaying away from the intent of the code adding that for \$12.50 per year everybody will have an exception. Director Rose stated he was sympathetic to the last residents' situation; however, they'll need to look very closely at those situations and look for possible alternatives. Director Rose explained that since this is a new program the permit is on a yearly basis to better look and see how things are working.

Mayor Spitaleri stated he is very familiar with the area and raised the issue of the Plaza del Sol three hour parking. Mayor Spitaleri explained the garage is rarely at capacity and understandably commuters would be reluctant to park there preferring to park in the neighborhood. Mayor Spitaleri inquired if staff had given thought to one of the speaker's idea of possibly having some type of commuter permit parking for Plaza del Sol.

Mayor Spitaleri inquired if all the seven-hour signs throughout the neighborhood have been evaluated because most of those signs were put in back when the cannery was there and there are many streets where these signs don't have any relevance.

Mayor Spitaleri stated he understood that there are a lot of issues in that area but stated he believed this is the first great step towards a solution.

Director Rose said they are very interested in continuing to work with the neighborhood and if there is a consensus or change that might work they are willing to try that.

Regarding the Plaza del Sol, Director Rose stated it is not currently heavily parked because there is not a lot of commercial business downtown right now due to the renovation projects; but as soon as those businesses return he expects the parking usage to increase.

MOTION: Councilmember Howe moved and Councilmember Swegles seconded to approve staff recommendation: Alternative No. 1: Council Adopt the proposed ordinance designating Charles Street, Hendy Avenue, Frances Street, Taaffe Street, Angel Avenue, Beemer Avenue, Murphy Avenue, Washington Avenue, Waverly Street, and Florence Street as preferential parking zones, and exempting handicapped parking permits if required.

Councilmember Howe spoke to the motion, stating it's taken four years to get to this point and we should let staff have a year trial period giving them the flexibility to handle the program.

Councilmember Hamilton supported the motion agreeing with several speakers that this process has taken a long time but this has been the first time there has been a neighborhood consensus on this issue.

City Clerk Kathleen Franco Simmons read the ordinance title for both this and the previous item.

VOTE: 6-0 (Whittum recused)

7. ORDINANCE Introduction of Ordinance Amending Sections of Chapter 10.56 of the
RTC 09-137 Municipal Code Pertaining to Bicycles in Order to Conform to California's
 Vehicle Code

Special Project Assistant, Nicole Clemens, presented the staff report.

Public hearing opened at 11:51 p.m.

Kevin Jackson, Chair of the Bicycle and Pedestrian Advisory Commission (BPAC), stated this ordinance insures consistent rules as bicyclists cross city boundaries. Jackson added that it also means that as we work to improve bicycle traffic laws, it makes more sense to fix things in one place rather than having to deal with a patchwork of city ordinances throughout the state. Jackson summed that BPAC welcomes these changes and urges Council to approve them.

Public hearing closed at 11:52 p.m.

MOTION: Councilmember Chu moved and Councilmember Swegles seconded to approve staff recommendation: Approve the proposed Bicycle Code revisions in their entirety and as submitted.

City Clerk Kathleen Franco Simmons read the ordinance title for the record.

VOTE: 7-0

COUNCILMEMBER REPORTS ON ACTIVITIES FROM INTERGOVERNMENTAL COMMITTEE ASSIGNMENTS

Councilmember Swegles provided a report from the Council on Aging. Councilmember Swegles encouraged support for California Assembly Bills AB392 and AB935 regarding the Ombudsman program.

NON-AGENDA ITEMS & COMMENTS

- Council Councilmember Swegles chronicled his experience at Sunnyvale's Health and Safety Fair held on May 30.
- Staff None

INFORMATION ONLY REPORTS/ITEMS

- Tentative Council Meeting Agenda Calendar
- Draft Heritage Preservation Commission meeting minutes of May 6, 2009
- Draft Board of Library Trustees meeting minutes of May 4, 2009
- Draft Board of Library Trustees meeting minutes of May 18, 2009

ADJOURNMENT

Mayor Spitaleri adjourned the meeting at 11:55 p.m.

Kathleen Franco Simmons
City Clerk

Date