

**CITY OF PLEASANTON
CITY COUNCIL MEETING MINUTES
February 2, 2021**

*This meeting was conducted in accordance with Governor Newsom's
Executive Order N-25-20 COVID-19 pandemic protocols.*

SPECIAL MEETING

Mayor Brown called the teleconferenced special meeting of the City Council from various remote locations to order at the hour of 6:30 p.m.

ROLL CALL

Present: Councilmembers Arkin, Balch, Narum, Testa, Mayor Brown

Absent: None

PUBLIC COMMENT – None

ADJOURN TO CLOSED SESSION FOR THE FOLLOWING:

Initiation of Litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: one case

ADJOURNMENT – The special meeting adjourned at 6:56 p.m.

REGULAR MEETING

Mayor Brown called the teleconferenced regular meeting of the City Council from various remote locations to order at the hour of 7:00 p.m. Councilmember Balch led the Pledge of Allegiance and provided opening remarks.

ROLL CALL

Present: Councilmembers Arkin, Balch, Narum, Testa, Mayor Brown

Absent: None

CLOSED SESSION REPORT

City Attorney Dan Sodergren reported he was authorized by City Council to begin litigation. He advised the details will be provided at the time of filing.

AGENDA AMENDMENTS

Councilmember Balch requested Item 2 be continued until after the Legislative Committee has met to discuss it.

In response to Councilmember Testa's inquiries, City Attorney Sodergren stated it is best for anyone intending to comment on this Item to hold those comments until the meeting where it is being considered now that it has been continued. He added those comments could still be made during public comments.

Vice Mayor Testa requested Item 3 be moved to regular agenda.

CONSENT CALENDAR

City Manager

1. Approved minutes of December 15, 2020
2. **Continued to a future date** - Review information regarding the California Cities for Local Control (CCLC) coalition and consider adopting a resolution expressing support for actions to further strengthen local democracy, authority, and control as related to local zoning and housing issues; and assuming the Council's support and approval provide the adopted resolution to the Cities for Local Control coalition for use in their State advocacy efforts
3. **Removed from Consent and moved to Item 12** - Review information regarding the California state Governor's budget measure to add a Housing Accountability Unit to the Department of Housing and Community Development (HCD) and authorize the Mayor to send a letter of response to this measure

Community Development Department

4. Actions of the Zoning Administrator and Planning Commission
5. Adopted and waived second reading of **Ordinance No. 2212** amending Title 11, Chapter 11.20, Section 11.20.010 of the Pleasanton Municipal Code to set and revise speed limits on portions of Stoneridge Drive between Stoneridge Mall Road and Johnson Drive and between Johnson Drive and Hopyard Road from 45 MPH to 40 MPH

Engineering

6. Accepted public improvements performed by CWS Construction Group, Inc. for the Pleasanton Library Staff Office and Storage Area Remodel Project, CIP No. 17750, authorized the City Clerk to file a Notice of Completion; payment of the retention in the amount of \$48,400, and the transfer of the project's remaining balance of \$157,856 to the fund's respective sources with \$143,820 returned to the Park CIP General Fund and \$14,036 returned to the Park Development Impact Fees Fund
7. Accepted public improvements for the Fire Station No. 4 Repairs Project, CIP No. 11429, authorized the City Clerk to file a Notice of Completion, and the transfer of the project balance of \$22,284 to the MISC CIP General Fund Balance – Fund 201

Library and Recreation

8. Approved an increase of \$41,000 for a total not to exceed \$140,000 to each of the sole source purchase orders with e-book and e-audiobook vendor Overdrive (Libby) and audiobook, music and video streaming vendor Midwest Tape (Hoopla)
9. Approved and authorized the City Manager to execute an agreement with RRM Design Group in the amount of \$105,335 to prepare the All-Abilities Playground Master Plan, CIP Project No. 20773 and for the City Manager to execute a contract amendment for up to \$10,000 for additional design services if necessary

MOTION: It was m/s by Narum/Testa to approve the Consent Calendar as recommended and as noted. Motion passed by the following vote:

Ayes: Councilmembers Arkin, Balch, Narum, Testa, Mayor Brown
Noes: None
Absent: None

MEETING OPEN TO THE PUBLIC

10. Public Comment regarding items not listed on the agenda

Jocelyn Combs expressed opposition to Item 2 and the CCLC coalition in general. She praised the state's recent legislation on Accessory Dwelling Units (ADU) for making it financially viable for her to build one and spoke about the City's difficult process.

Matt Maciel expressed support for City Council attempting to maintain as much local control as possible during the ADU discussion at the last meeting and believes aligning with the CCLC coalition is good for the City.

Becky Dennis expressed opposition to adopting the CCLC resolution and suggested it would sign the City up for tactics proven not to work. She expressed concern that a majority of the Council is listed as endorsers on the CCLC website and have violated the Brown Act's prohibition on serial meetings. She stated the City can no longer delay the need to address the affordable housing issues created by Pleasanton's financial success.

In response to Councilmember Testa's inquiry, City Attorney Sodergren said he could not speculate on any potential Brown Act violations without knowing the level of communication between Councilmembers.

Vittoria Tommasini requested the Council take steps to better enforce Alameda County's mask mandate echoing the priorities of the new science-driven Presidential administration. She noted several Bay Area cities have a system of fines and citations for non-compliance.

In response to Vice Mayor Testa's inquiry, City Attorney Sodergren confirmed City Council chose not to agendize the item.

Douglas Miller praised staff's work in improving Pleasanton Pioneer Cemetery to make it the most beautiful park in town.

PUBLIC HEARINGS AND OTHER MATTERS

11. Provided direction on City Council priority "Continue to Participate with Regional Agencies on Studies of Water Supply Alternatives Including Potable Reuse", CIP 18151 funding allocation of \$300,000 for Tri-Valley Potable Reuse Studies, and authorized the City Manager to inform regional agencies of City Council action

Director of Operations and Water Utilities Kathleen Yurchak reported the Tri-Valley Water Liaison Committee (TWLWC) was established in 2014 with representatives from the Zone 7 Water Agency, California Water Service, Dublin San Ramon Services District (DSRSD), and the cities of Livermore, Pleasanton, and San Ramon. She advised the outcome was the formation of the Tri-Valley Intergovernmental Reciprocal Master Agreement for better coordination with the intent to save money and streamline processes.

Director Yurchak reported that during the 2015 drought the TWLWC focused its efforts on long-term water supply reliability. She added the goals were set, not only because of the drought and climate change disruptions to the Delta but also because the State Water Project annual allocations progressively decreased. She reported options to improve long-term water supply

reliability were the Delta Conveyance (previously referred to as the California Water Fix), regional desalination, potable reuse, the Sites Reservoir, water transfers, and water storage with the expansion of the Los Vaqueros Reservoir. The 2014-16 drought created the emphasis on self-sufficiency as the City only received 5% of its requested allocation from the State Water Project at the drought's height. She reported the TVWLC supported a more detailed study of potable reuse in February 2016 with Council approving a Task Order in October 2016. She noted the Council prioritized Potable Reuse Study in 2017 in collaboration with regional agencies for 2018. The joint study was completed in May 2018 demonstrated potable reuse is technically feasible. Council authorized staff to coordinate with TVWLC to explore additional uses of potable reuse technologies, and periodically update the Council. Council prioritized the continuation of the work plan for 2019-20, allocating \$300,000 in Capital Improvement Program No. 18151 to fund the studies. Zone 7 reaffirmed the need to pursue options to enhance the area's long-term supply reliability in 2019 and noted public outreach and water supply studies are ongoing.

Director Yurchak reported that since determining potable reuse was feasible, the supply and technical investigation studies have been ongoing, but a decision needs to be made. She advised the options are to either eliminate the City's continued participation with the regional agencies on the potable reuse studies and reallocate funds towards Per- and Polyfluorinated Substances (PFAS) treatment or make no changes.

In response to Councilmember Balch's inquiries, Director Yurchak clarified during the 2014-16 drought Zone 7's allotment fluctuated from nearly 0% up to 5% of its regular allocation which typically averages 10% and that Zone 7 receives 2% of the State Water Project supply overall.

In response to Councilmember Balch's inquiries, Director Yurchak clarified PFAS was unknown when the 2016-18 Feasibility Study was conducted. She advised some of the upcoming studies could investigate how injecting water into the groundwater could affect PFAS in Pleasanton's groundwater basin. She confirmed hydrology would be studied further to see how PFAS infiltrates the groundwater. She confirmed all the other TVWLC agencies have funded their portion of the studies other than the California Water Service. She added the California Water Service was not unexpected among the other agencies because it has less flexibility in funding local projects. Lastly, she confirmed Pleasanton was represented by Mayor Brown and Councilmember Narum at the 2019 TVWLC meeting which approved the potable reuse studies, and the Council was unanimous in its support of those studies.

In response to Vice Mayor Testa's inquiry, Director Yurchak confirmed potable reuse is the costliest water supply option based on the 2018 study. She explained what makes potable reuse unique is the City has local control over the supply whereas Delta Conveyance is part of the State Water Project. She advised desalination requires having seawater piped in and noted Sites Reservoir would be another infrastructure project. She noted Zone 7 has taken the lead in the other studies, but the Potable Reuse Study was specific to the Tri-Valley because of the local water supply source.

In response to Vice Mayor Testa's inquiry, Director Yurchak clarified the intent of the community outreach is to discuss the water supply challenges facing the Tri-Valley and to educate the community about those challenges during dry years.

In response to Councilmember Narum's inquiries, Director Yurchak confirmed some of the studies will look at the use of recycled water through Livermore's and DSRSD's wastewater treatment plants. She commented that with the emergence of PFAS regulators are looking at Pleasanton's wastewater treatment facilities and PFAS's impact on groundwater sources. She added DSRSD's data is just starting to come in and Livermore has not been required to do testing and sampling yet.

In response to Councilmember Narum's inquiry, Director Yurchak confirmed the City will learn about its groundwater from this study. She noted potable reuse is using highly purified water which could be used in either groundwater recharge or raw water augmentation with both options being considered.

In response to Councilmember Narum's inquiries, Director Yurchak confirmed the 2018 Council vote to continue the potable reuse studies was unanimous. She also confirmed the Council is not currently voting on potable reuse and merely the continuation of funding for the study. She stated they are still in the data-collection phase so there is no commitment to potable reuse at this time. She confirmed the "off-ramp" following the study's completion was agreed to by all partners of the Tri-Valley Water Roundtable.

In response to Councilmember Narum's inquiries, Director Yurchak confirmed Zone 7 is the State-designated groundwater manager in the Tri-Valley giving Zone 7 jurisdiction over Pleasanton's groundwater.

Councilmember Narum stated Zone 7 has been wonderful collaborators with the City in the past but wanted to note they have the ultimate responsibility for Pleasanton's groundwater.

In response to Councilmember Arkin's inquiries, Director Yurchak confirmed the \$300,000 is entirely for efforts looking forward and not retroactively. She added the estimate specifically for the Potable Reuse Study is \$250,000 and confirmed this study is strictly focused on potable reuse.

In response to Councilmember Arkin's inquiries, City Manager Nelson Fialho clarified the General Plan passage cited continues with "which could adversely affect or have potentially negative impacts, on drinking water, surface water, and groundwater resources." He stated this is what the study is intending to answer and the logic behind participating in the study. He advised looking at passages of the General Plan in their full context. He confirmed this study only related to potable reuse because Zone 7 has jurisdiction for evaluating other supply alternatives. He added Zone 7 is currently in the process of evaluating other options such as California Water Fix and the distinction with potable reuse is it is a local resource controlled by the City in cooperation with its neighbors which is why the City is so directly involved in potable reuse options as opposed to others.

Mayor Brown stated her interpretation of General Plan 3.1 differs. In response to Mayor Brown's inquiry, City Manager Fialho explained the passage is in the staff report but not the presentation because there are some conflicting programs and policies that are subject to interpretation. He commented that calling one side out without calling the other side out did not seem like the right thing for staff to do.

City Attorney Sodergren explained the Council has broad discretion to interpret the General Plan. He added it is not uncommon for General Plans to have competing policies and goals and the Council holds broad legal discretion to interpret those competing policies.

In response to Mayor Brown's inquiries, Director Yurchak said the question of water sourcing in dry summer months has come to Council before and the answer was there is a storage opportunity albeit a costly one. She added the other consideration is groundwater depletion being recharged by wastewater for storage. Storage is an important component of the potable reuse study and confirmed the aquifer is a storage option.

In response to Mayor Brown's inquiry, Deputy Director of Utility Services Daniel Repp stated storage systems would be a safeguard in case of aquifer contamination. He added the level of

treatment makes the purified water safe, but the City would still maintain safeguards. He confirmed there is potential for catastrophe if it got into the aquifer.

In response to Mayor Brown's inquiry, Director Yurchak stated she did not include the public support for Measure J in the staff report because the focus was on the Council's priority and the studies. She added they are not at the point of moving forward with the Potable Reuse Project but merely studying it.

In response to Mayor Brown's inquiry, City Manager Fialho expressed his opinion that the question of whether the discovery of PFAS should change priorities is one for the Council to consider and not staff.

In response to Mayor Brown's inquiries, Director Yurchak confirmed Pleasanton is Zone 7's largest water reseller and that the studies account for an ongoing decrease in wastewater due to home technology advances like high efficiency washing machines. She they receive complaints from residents about the water quality and inquire with Zone 7 about them. She also confirmed it can vary depending on the time of year and the seasonal water source.

In response to Mayor Brown's inquiry, Director Yurchak could not immediately provide the cost of a potable reuse system and its various options. Mayor Brown stated a 2018 staff report estimated the cost at \$222 million. Director of Operations and Water Utilities Yurchak stated potable reuse came in as between \$2,200-2,500 per acre-foot. Mayor Brown commented the current cost is \$640 per acre-foot and the California Water Fix is \$740.

In response to Councilmember Balch's inquiries, Director Yurchak confirmed this Item is about continuing the \$300,000 study and not purchasing a \$222 million system. She also confirmed they are not making decisions today on future costs associated with potable reuse.

Mayor Brown opened public comment.

Angela Ramirez Holmes stated she joined the Zone 7 Board of Directors to help foster relationships with retailers like her hometown of Pleasanton which has led savings to customers through collaboration between retailers. She stated that while she is unsure about potable reuse there is a due diligence responsibility to research this requested local option. She noted the Council unanimously approved considering this research in 2018 and asked the Council to follow through on its commitment and good faith negotiation alongside its regional partners to study this locally controlled option.

Olivia Sanwong concurred with Ms. Ramirez and noted she ran for the Zone 7 board because she believes in collective partnerships for the region's good and shared groundwater basin. She stated Zone 7 has the authority to proceed without Pleasanton but would rather do so with her hometown's input. She stated she has no opinion yet on potable reuse but urged the City to continue to be part of the conversation once the study is completed. She added there have been multiple droughts since the General Plan was written and with more forecasted the potable reuse option should be considered.

In response to Mayor Brown's inquiry, Ms. Sanwong clarified her recent "no" vote on Zone 7's Delta Conveyance Project by stating it was to allow more time to assess the differences between former Governor Brown's twin-tunnel proposal and current Governor Newsom's single-tunnel proposal, and to provide more time for the community to be heard.

Matt Maciel expressed his hesitancy as a resident about using potable reuse water and encouraged the Council to spend the money elsewhere.

Mayor Brown closed public comment.

In response to Vice Mayor Testa's inquiry, Director Yurchak confirmed Zone 7 is continuing to study all supply options including desalinization. She added there was no priority given to any of the supply options.

In response to Mayor Brown's inquiry, Director Yurchak confirmed the \$300,000 study being discussed is specifically for potable reuse because that is the only local supply option and was seen at the time as a shared responsibility. She reiterated that Zone 7 is paying for the studies on other options.

In response to Councilmember Balch's inquiries, Director Yurchak confirmed studies of the reliability of the aquifer, management of the aquifer, and PFAS are included in the \$300,000, providing knowledge benefits besides just potable reuse. She confirmed the potable reuse component is intertwined with the other elements so she cannot provide a percentage of the \$300,000 specifically for potable reuse.

In response to Councilmember Balch's inquiry, City Manager Fialho confirmed the ratepayers are paying for Zone 7's desalinization efforts mainly through rate recoveries and impact fees. He added what makes this matter different is the City has been asked to partly contribute to a regional effort because it is the City's resource. Director Yurchak confirmed the study would benefit the entire region and not just the City.

Mayor Brown referenced a 2020 staff report with \$1 million in expenses noting there was \$200,000 allocated to communication efforts.

Councilmember Arkin moved to reallocate the \$300,000 towards PFAS. Vice Mayor Testa seconded the motion.

Councilmember Balch stated his surprise the Council is not unanimously supporting the study to advance science and knowledge. He stated his understanding of the Council's many valid concerns and decried the previous Council for punting the matter to voters in 2000. He added his concerns about not supporting science noting global warming is a known entity and water supplies are accordingly ebbing and flowing. He expressed concern the Council would not take an action to further understand the aquifer. He clarified that does not mean he supports potable reuse and believes that will be a vote which will be years in the future.

Councilmember Balch made a substitute motion to not alter the City's course. Councilmember Narum seconded the motion.

Councilmember Narum commented she is not in any way ready to sign up for potable reuse. She noted the Tri-Valley water groups were formed as a response to the drought and residents calling for action on water supply reliability, being less dependent on the State, and conservation. Council moved forward unanimously with studying the matter and noted it was done in good faith with City partners. She echoed Councilmember Balch's point of there being far more to the study than merely potable reuse as it will provide the ability to make informed decisions in the future.

Councilmember Narum questioned why the City would not honor its commitment to its regional partners noted it is important to have a seat at the table. She expressed her supported for the study and she believes honoring the commitment is the right thing to do. She stated her surprise the City would not want a seat at the table or to be a part of getting this information.

Mayor Brown commented on her surprise at Councilmember Balch's surprise and noted in 2018 they were asked at the Water Roundtable to vote for diversification or nothing. She advised voting

for diversification was the obvious choice to ensure Zone 7 looked at other supplies of safe drinking water. She cited the 72.3% support for Measure J as evidence the residents were heavily against potable reuse. She stated science also brought PFAS, so it is not always wonderful. She expressed her support for Zone 7 looking into the Delta Conveyance to bring snowmelt into the Tri-Valley.

Mayor Brown questioned why neighboring communities have higher quality water than Pleasanton. She stated the City's water supplier should fight for a diversified water supply which was the point of the Roundtable. She stated she would not want to feed a newborn baby potable reused water. She believes the residents want better water quality and they deserve it. She listed a series of ways \$300,000 could better serve residents and noted her surprise anyone would say anything other than focusing on PFAS and cleaning the City's wells.

City Attorney Sodergren advised voting on the substitute motion first.

Councilmember Balch agreed with Mayor Brown's quest for better drinking water and expressed his appreciation for her passion towards that goal. He added the \$300,000 is to improve the overall water reliability, quality, and management including PFAS-related issues. He commented they are working towards the same goal which is improved water reliability and will be voting for the item.

Mayor Brown advised the \$300,000 request was done in 2018 before the City knew about the PFAS issues. Councilmember Balch stated the 2018 staff report mentions PFAS and his goal is to eliminate drinking water issues.

Councilmember Arkin expressed her continued opposition to potable reuse due to costs and health concerns which are acknowledged by science. She noted her interpretation of the General Plan as forbidding potable reuse. She added the main concern right now is PFAS and stated this money should be put towards PFAS. She commended Zone 7 for looking at other options such as desalinization but stated potable reuse is different. She cited pandemic recovery for businesses as a better and more urgent use for the money. She stated the study is unnecessary because other options exist which are worth studying.

Vice Mayor Testa noted her surprise that Councilmembers would suggest \$300,000 should be spent unnecessarily. She stated this action would express support for potable reuse when she has no support for it and thus views this expenditure as unjustifiable.

Councilmember Narum expressed her desire for good quality drinking water and reiterated it is a priority to her and Councilmember Balch. She stated regarding the 2000 Measure J vote, both she and Mayor Brown are on the record in 2018 saying they would want to go to the ballot again for an advisory vote if potable reuse were ever revisited. She noted the money is from the Water Enterprise Fund and expressed her belief it cannot be spent on other matters previously expressed in the discussion such as pandemic relief. She stated \$300,000 is a drop in the bucket relative to the \$25-40 million anticipated PFAS expenses and is a small price to pay if the study finds benefits. She reiterated her support for the study and honoring the City's commitment to its regional partners. She stated she would be disappointed if the City does not honor its commitment.

Mayor Brown stated PFAS changes commitments.

MOTION: It was m/s by Balch/Narum to continue to participate with regional agencies on studies of water supply alternatives including potable reuse. Motion failed by the following vote:

Ayes: Councilmembers Balch, Narum
Noes: Councilmembers Arkin, Testa, Mayor Brown
Absent: None

MOTION: It was m/s by Arkin/Testa to cease participation with regional agencies on studies of water supply alternatives including potable reuse; reallocate CIP 18151 funding allocation of \$300,000 from Tri-Valley potable reuse studies to per- and polyfluoroalkyl substances removal; and authorize the City Manager to inform regional agencies of City Council action. Motion passed by the following vote:

Ayes: Councilmembers Arkin, Testa, Mayor Brown
Noes: Councilmembers Balch, Narum
Absent: None

12. Reviewed information regarding the California state Governor's budget measure to add a Housing Accountability Unit (HAU) to the Department of Housing and Community Development (HCD) and authorize the Mayor to send a letter of response to this measure

Assistant to the City Manager Becky Hopkins reported the City has adopted a Legislative Framework against which all State budget and legislative matters are vetted. She noted Governor Newsom submitted a \$227.2 billion budget on January 8th which included the creation of an HAU at the HCD to further facilitate affordable housing production through monitoring, technical assistance, and the enforcement of existing housing production laws. She Hopkins advised of additional support to cities and counties around implementing new housing bills through technical assistance which would be a benefit to the City. She added the budget measure does not impede on the City's local control as the City complies with state laws and follows regulations set forth by HCD and noted additional monitoring is not a concern.

Assistant to the City Manager Hopkins advised accountability is crucial at all levels of government and noted the Governor's narrative in the budgetary statement held an adversarial tone towards municipalities. She stated Pleasanton has demonstrated a history of working together with the State and complying with state laws.

Assistant to the City Manager Hopkins noted the attached letter to the report speaks for the desire for a more collaborative approach. She added the letter identifies that the proposed HAU aligns with the City's Legislative Framework and addresses the tone and tenor of the Governor's statement.

Assistant to the City Manager Hopkins advised staff's recommendation is for the Council to review the information regarding adding an HAU to the HCD and authorize Mayor Brown to send a letter of response to the measure.

In response to Vice Mayor Testa's inquiry, Assistant to the City Manager Hopkins stated it was requested this Item be brought for Council consideration under Matters Initiated by Council and not through an agenda item. She added it is staff's due diligence to vet the item through the adopted Legislative Framework and this is what was provided. She stated the Council is welcome to provide a different letter and provide input now that it has been agenda item, but this is an analysis of the item based on the City's Legislative Framework.

In response to Mayor Brown's inquiry, Vice Mayor Testa expressed opposition to a letter expressing the City's support for the HAU.

In response to Councilmember Balch's inquiries, Assistant to the City Manager Hopkins clarified the Governor's budget is the funding mechanism and needs to pass both houses. She confirmed

this is simply the proposed budget and there remains a long process with many opportunities for revision before a final version is approved.

In response to Councilmember Balch's inquiry, Assistant to the City Manager Hopkins confirmed the HAU will be providing technical assistance and other items which would benefit the City's staff.

In response to Councilmember Balch's earlier inquiry, Niccolo DeLuca, Senior Director at Townsend Public Affairs, confirmed this is a part of the Governor's proposal and must go through a long process before passage in June.

In response to Councilmember Narum's inquiry, Mr. DeLuca could not confirm if the HAU had been previously approved and the Governor is simply attempting to fund it now.

In response to Vice Mayor Testa's inquiry, Mr. DeLuca advised meetings are already public and some communities have concerns based on the Governor's statement. He noted some communities are comparing the Governor's budgetary language to a previous slip-up over his remarks on high-speed rail which were later clarified. Mr. DeLuca suggested working together to help Pleasanton through this proposal and noted there have been multiple differing reactions from other cities.

In response to Vice Mayor Testa's inquiry, Mr. DeLuca stated the Governor's proposed budget includes about \$650 million for affordable housing. He added this does not include Assembly proposals to fund affordable housing citing Assembly Bill 71 which is in the billions. He added the Senate has been amiable to helping cities address homelessness and affordable housing but does not yet have a proposal.

In response to Mayor Brown's inquiry, Mr. DeLuca stated he cannot speculate on the intent behind the Governor's antagonistic statement. He noted he can understand the point of view on the statement from cities. He advised, based on the City's Legislative Framework, it is wiser to send a letter asking how they can work together.

Mayor Brown noted Pleasanton has an approved Housing Element which should be in the letter.

In response to Councilmember Balch's inquiry, Mr. DeLuca advised the draft letter would be helpful. He stated their tact has been to be selective on focused bills to receive extra effort and credited staff for its diligent work on previous letters. He added their preference is to be thoughtful and when they do weigh in, to stress Pleasanton's uniqueness.

In response to Vice Mayor Testa's inquiry, Mr. DeLuca stated he could not confirm the overall cost of meeting affordable housing mandates statewide. He added there is also Senate Bill 5 which is a new affordable housing bond being introduced this year to help cities fund affordable housing to meet their Regional Housing Needs Allocation (RHNA) numbers.

Mayor Brown opened public comment.

Becky Dennis believes the Council is more aligned with the CCLC's perspective in taking an adversarial tone with the State. She cautioned against taking this tone, citing the expense and reputation hit from the failed Urban Habitat v. City of Pleasanton lawsuit.

Mayor Brown closed public comment.

Vice Mayor Testa suggested staff to rewrite the letter and requested the Legislative subcommittee discuss a different letter at its next meeting.

Councilmember Narum expressed her opinion the Governor's language and tone were regrettable. She stated none of the Councilmembers are intending to knowingly violate state housing laws. She did not understand why political capital would be expended on this matter when there are bigger matters such as Senate Bill 9 and Senate Bill 10. She noted all agendas and staff reports are on the internet and easily findable along with being televised and available on YouTube. She commented anyone who wants to check on the Council can do it as they are not hiding. She advised she cannot support the item and spending the City's political capital in this way given the City intends to comply with the state housing laws.

Councilmember Arkin commented she is in favor of a letter being sent but not the one submitted by staff. She expressed support for some portions of the letter and noted it is unnecessary to chastise the Governor for the tone of his statement in the letter. She expressed her belief the State can find a better use for the \$4.3 million proposed for the HAU, echoing comments from Councilmembers Balch and Narum about the meetings being public. She stated the approach is creating animosity.

Councilmember Balch advised it is a difficult decision because he did not expect Mr. DeLuca to recommend a letter be sent. He stated he believes it is unwise to send a letter and "take the bait" of this statement while releasing a budget. He believes it is unwise to rile up the entire City government over the statement.

Councilmember Balch suggested signing the letter with a straight face as a Council identifying real housing solutions based upon votes banning second-story accessory dwelling units (ADU) at the last meeting. Lastly, he feels Council's actions should show what is stated in the letter.

In response to Mayor Brown's inquiry, Mr. DeLuca confirmed that if the letter came back to the next City Council meeting on February 16, the timing would still be fine.

Mayor Brown expressed her approval for the concept of a letter. She countered Ms. Dennis' comments about the lawsuit by stating it was 15 years ago and it overrode a housing cap approved by voters. She defended her voting record by citing 100% certified Housing Elements since the lawsuit and could defend signing the letter with a straight face. She noted second story ADUs were not required by the State. She stated the letter's context is strong and important in working collaboratively to eliminate unfunded mandates. She believes the letter's tone should be that the City intends to comply with RHNA and other housing matters.

Mayor Brown suggested staff with the Legislative Subcommittee to either modify the letter or recommend not sending it. She stated the City should have its voice heard just as residents express their opinions to the Council.

Councilmember Balch stated his agreement with Mayor Brown's opinion that taking the matter to the Legislative Committee is a wise move. He added the budget is not finished and expressed his hope Pleasanton' representatives in the Senate and Assembly will elevate the City's concerns. He stated his belief there is ample time as this is just the first month of what is typically a 5-to-6-month process and agreed with Councilmember Arkin's assessment of many better uses for this money.

Vice Mayor Testa stated the incoming housing legislation is why the City needs to send a message in response to the Governor's adversarial message. She added she would like an opportunity to educate the community on what is going on with SB 9 and SB 10 noting the local surprise over the ADU legislation. She expressed her belief the residents want the City to stand up to these bills and others including this year's RHNA numbers.

City Manager Fialho stated the subcommittee meets on Thursday. He added the typical procedure is for the committee to take these comments and help staff frame the letter for the Council.

MOTION: It was m/s by Arkin/Brown to have staff return with a revised letter on February 16th, taking into consideration Council comments and input from the Legislative Subcommittee. Motion passed by the following vote:

Ayes: Councilmembers Arkin, Balch, Narum, Testa, Mayor Brown
Noes: None
Absent: None

MATTERS INITIATED BY COUNCIL

Vice Mayor Testa requested to agendaize a discussion on more stringent mask enforcement. Councilmembers Arkin and Balch supported the request.

Councilmember Arkin requested an agenda item to adopt a resolution of support for the Alameda County Coalition for Fair Redistricting. Vice Mayor Testa and Mayor Brown supported the request.

COUNCIL REPORTS

Councilmember Narum stated she is attending the Rosamond Central Solar ribbon-cutting tomorrow which is a 192-megawatt project coming online in Kern County that will provide clean energy to 71,000 East Bay homes per year. She reported attendance at the League of California Cities meeting.

Councilmember Balch reported attendance at the League of California Cities meeting. He mentioned StopWaste has some upcoming meetings, and its Recycling Board has a pair of openings if any residents are interested. He reported attendance at the Economic Vitality Committee meeting, the Martin Luther King breakfast, the Chamber of Commerce installation, the Audit Subcommittee meeting, and the Pleasanton Partnership in Education luncheon. He encouraged attendance at the Museum on Main's Annual Wines & Valentines event.

Vice Mayor Testa reported attendance at the Tri-Valley Affordable Housing Committee meeting, the Association of Bay Area Governments Executive Committee meeting, and the League of California Cities East Bay Division meeting. She noted attendance at the Martin Luther King breakfast, the PPIE luncheon, and the League of California Cities Housing and Community Development meeting.

Mayor Brown reported participation in TV30 Mayor's Report and attendance at the PPIE luncheon. She reported she had been doing a series of 10-minute videos with downtown shop owners to highlight and promote local businesses by telling their stories.

Councilmember Arkin reported attendance at the League of California Cities meeting, PPIE luncheon, Planning Commission applicant interviews, and the Martin Luther King breakfast. She praised Amador Valley High School graduate Jonathan Epps for his keynote speech.

ADJOURNMENT - There being no further business, Councilmember Balch adjourned the meeting at 10:09 p.m., with a tribute to men and women serving in the military, honoring the memories of those who have died in defense of our country.

Respectfully submitted,

Karen Diaz
City Clerk

**CITY OF PLEASANTON
CITY COUNCIL MEETING MINUTES
March 2, 2021**

*This meeting was conducted in accordance with Governor Newsom's
Executive Orders N-25-20 COVID-19 pandemic protocols.*

REGULAR MEETING

Mayor Brown called the teleconferenced regular meeting of the City Council from various remote locations to order at the hour of 7:00 p.m. Councilmember Testa led the Pledge of Allegiance and provided opening remarks.

ROLL CALL

Present: Councilmembers Arkin, Balch, Narum, Testa, Mayor Brown

Absent: None

AGENDA AMENDMENTS

Councilmember Balch requested the February 2, 2021 be continued for edits.

CONSENT CALENDAR

In response to Councilmember Arkin's inquiries regarding Item 3, P21-0033, Community Development Director Ellen Clark clarified current signage does not reference the retail element of the business. The Planning Commission requested the applicant add additional signage, so the public knows the site is being utilized for its intended use, which the applicant was amenable to. She confirmed the Planning Commission recommended the Council review whether there should be changes to the City's language about active ground floor use.

In response to Councilmember Balch's inquiry, City Manager Fialho confirmed staff has looked at the February 2nd minutes but has not had a chance to fully review and make edits. He suggested that they be continued.

Mayor Brown reported Monith Ilavarsan agreed to step into the vacancy on the Housing Authority of the County of Alameda Housing Commission and noted he agreed to meet with the other interviewees and ensure their opinions are also represented.

Councilmember Balch advised he will abstain from Item 5 to eliminate the perception of conflict of interest related to campaign donations.

City Council

1. Approved the nomination of Monith Ilavarasan as Pleasanton's representative on the Housing Authority of the County of Alameda Housing Commission

City Manager

2. Approved minutes of January 19, 2021 and February 10, 2021. February 2, 2021 minutes were continued.

Community Development

3. Actions of the Zoning Administrator and Planning Commission

4. Adopted and waived full reading of **Resolution 21-1205** approving the annual progress report on implementation of the General Plan Housing Element and Growth Management report for calendar year 2020 and authorized submittal to the California Department of Housing and Community Development and the Governor's Office of Planning and Research

Engineering

5. Approved plans and specifications, reviewed bids, approved and authorized City Manager to execute a contract with Marshall Brothers Enterprises, Inc. in the amount of \$494,600 for the Koll Center Trash Capture Device Project, CIP No. 17443; authorized the Director of Engineering to approve and execute contract change orders not to exceed \$92,440; approved transfers of \$206,000 in funding from the Annual Installations of Trash Capture Devices, CIP No. 20443, and \$150,000 in funding from the Annual Installations of Trash Capture Devices, CIP No. 21443, to the Koll Center Trash Capture Device, CIP No 17443 *Councilmember Balch Abstained*
6. Approved plans and specifications, reviewed bids, approved and authorized City Manager to execute a contract with WestCal Design and Build, Inc. in the amount of \$1,020,000 for the Lift Stations 7 and 8 Ventilation and Lighting Improvements Project, CIP No. 21267; authorized the Director of Engineering to approve and execute contract change orders not to exceed \$153,000; approved and authorized City Manager execute an agreement with TJC and Associates, Inc. in the amount of \$53,500 for construction support services; and allocated \$1,260,350 in funding from the Sewer Replacement Fund (Fund 431) to the LS 7 and LS 8 Ventilation and Lighting Improvements Project, CIP No. 21267
7. Accepted public improvements performed by California Engineering Contractors, Inc. for the Bridge Improvements at Various Locations Project, CIP No. 16514 – FED ID 5101(029), and authorized the City Clerk to file a Notice of Completion and release retention in the amount of \$81,111; authorized City Manager to execute contract Amendment No. 1 with TRC Engineers, Inc. for \$31,700 for additional construction support services; authorized the transfer of \$3,184 from the Santa Rita Road/Hopyard Road Piping Improvements, CIP No. 18128, to the Bridge Improvements at Various Locations, CIP No. 16514, for water pipeline improvements required at the Santa Rita Road Bridge; appropriated \$106,286 (for a total of \$1,483,626) in HBP grant funding to the Bridge Improvements at Various Locations, CIP No. 16514 – Fed ID 5101(029), upon the expected approval by Caltrans; and authorized the transfer of the projects remaining local street funds (an anticipated \$145,548) to their respective fund sources after receiving the grant fund reimbursements
8. Adopted and waived full reading of **Resolution 21-1203** authorizing the Mayor to execute the grant of a utility distribution easement to Pacific Gas and Electric across the Livermore Pleasanton Fire Station No. 3 property located at 3200 Santa Rita Road to provide gas and electric services to the facility

Finance

9. Accepted the monthly disbursements and investment report for December 2020

MOTION: It was m/s by Narum/Testa to approve the Consent Calendar with the exception of the February 2, 2021 minutes as noted. Motion passed by the following vote:

Ayes: Councilmembers Arkin, Balch, Narum, Testa, Mayor Brown
Noes: None
Abstained: Councilmember Balch (Item 5)
Absent: None

MEETING OPEN TO THE PUBLIC

10. Public Comment

Kamal Aggarwal expressed concerns about increased noise due to the expansion of the Livermore Municipal Airport. He stated there are many signatures on a petition against the expansion signed by impacted residents of Pleasanton, Dublin, and Livermore. He requested a public hearing or agenda item on the topic along with transparency from the Airport Commission.

In response to Mayor Brown's inquiry, City Manager Fialho clarified the Airport Commission is an Advisory Commission to Livermore City Council. The proposed expansion is for a fixed-base operator hangar for KaiserAir to perform maintenance activities and advised there are several steps needed to be cleared before the plan is finalized. He confirmed Pleasanton will relay when those meetings are scheduled and encourage residents to voice their concerns. He added that staff scheduling a Livermore-Pleasanton liaison meeting in the next 60 days to better understand the timeline and expansion activities.

Isaac Elias said he is moving to Pennsylvania due to the cost of housing and obstructionist political tactics for making the community an overwhelming challenge to remain in even with a high-paying job. He urged the Council to get more affordable housing in the community so people like himself do not feel the need to leave.

Vittoria Tommasini expressed support for a city-wide mask mandate.

PUBLIC HEARINGS AND OTHER MATTERS

11. Adopt a resolution accepting the Midyear Fiscal Year 2020/21 operating budget and amending the Fiscal Year 2020/21 operating budget accordingly

Director of Finance Tina Olson advised the report covers the City's General Fund, Enterprise Funds, and Internal Service Funds. She reported the budget is typically revised mid-year based on revenue and expenditure estimates to maintain a balanced budget with reserve levels consistent with City policies.

Director Olson reported staff recommends reducing revenues by about \$9 million, counter-balanced by adding \$1.23 million to the General Fund's Livermore-Pleasanton Fire Department's (LPFD) reserve, \$2.1 million in net transfers, and \$5 million in Expenditures. She noted Property Taxes are continuing to rise but all other revenues are declining, led by a \$3.8 million decline in recreation fees and a \$3.7 million dip in Transient Occupancy Tax (TOT), both pandemic related. She advised Development Service Fees (\$900,000), Sales Tax (\$800,000), and Reimbursements Offset by Expenditure Reductions (\$500,000) are also down.

Director Olson reported General Fund revenues are up 39% since 2011, increasing from \$88 million to an estimated \$122 million, but the 2021 sum is down 3% from a 2019 peak of \$126 million and advised the drop could have been much more dramatic considering the pandemic's impacts. She reported the Property Tax trend is up 59% since 2011 and noted this is an increasingly critical component. She reported the Sales Tax trend is up 8% since 2011 but has dipped from a peak of \$23.5 million in 2016 and \$23 million in 2019 to an estimated \$20 million for 2021. She added the dip is less than expected considering the impacts of the year-long shutdown.

Director Olson elaborated on sales tax trends noting the biggest declines are in General Consumer Goods, Restaurants, Hotels, and Fuel and Service Stations which are all attributable to the pandemic closures. She advised there has been growth in Autos and Transportation echoing a statewide trend, Business and Industry, and State and County pools which include Sales Tax received from internet

sales. She noted Sales Tax received from internet sales is not up as much as General Consumer Goods Sales Tax Revenues are down, but it is helping to compensate for the lost revenue.

Director Olson provided a brief overview of the staff's plan to compensate for the \$9 million shortfall. She advised there is a \$738,153 Budget Surplus, \$2.5 million in attrition savings, \$1.9 million in non-labor budget reductions, an \$800,000 reduction in General Fund contingency of funds set aside for a return of recreation programs, a \$1 million reduction in transfers to the Capital Improvement Program Reserve (CIPR), a \$1 million reduction in the allocation to the Repair and Replacement Funds, and a \$1.1 million reduction in transfers to the Rainy-Day Fund.

Director Olson reported decreases in non-labor expenses such as reductions in equipment expenses, City travel, and canceled library and recreational events. She stated the \$1.23 million for the LPFD Workers' Compensation Reserves had to remain in the General Fund until Livermore allocated the same total which Livermore did earlier this year.

Director Olson reported the General Fund Reserves stands at about \$30.5 million, representing 27% of operating expenses, in line with the City's target of 25%.

Director Olson reported there was an adjustment of \$5,674 to the Water Operations and Maintenance Fund and a \$40,535 adjustment to the Sewer Operations and Maintenance Fund. She noted the Sewer Operations and Maintenance Fund is 58% of expenses placing it outside of the City's goal of a 40% maximum and 35% target. She stated Golf Round Revenue is up 5.4% during the pandemic but it is offset by a 22% dip in special event and restaurant sales leading to a \$260,000 decline in Golf Fund net revenue. She noted expenses are reduced because of the restaurant closure allowing the Fund to balance overall.

Director Olson reported the Internal Services Funds vary widely with reserves ranging from 21% to 5,233% but cumulatively are down \$1 million leading to the adjusting General Fund allocation.

In response to Mayor Brown's inquiry, Director Olson stated there was a decrease of \$15,000 in expenses due to fewer burials.

City Manager Fialho reported the Rainy-Day Fund is mostly intact except for the \$1 million being drawn to help balance the budget. He added it would be an excellent funding source to smooth out economic conditions over the next couple of years without drawing on other reserves such as the Section 115 Trust.

City Manager Fialho advised staff is closely following State and Federal relief legislation. He noted estimates anticipate the bill, which is likely to be passed by Congress and signed by President Biden, would provide Pleasanton with about \$7 million in relief funds which would likely come after July 1st and are not factored into this mid-year update.

In response to Councilmember Balch's inquiry, City Manager Fialho clarified attrition savings come from a soft hiring freeze noting some positions are still being filled if deemed essential or legally mandatory. He advised many positions will be backfilled when economic conditions improve and stated the City does not budget for attrition so it results in a windfall surplus which can help balance the budget.

In response to Councilmember Balch's inquiry, Director Olson confirmed the City could get back to its \$116 million 2017 budget, but it would likely require some policy decisions by the Council about which services to cut.

In response to Councilmember Narum's inquiry, Director Olson clarified Development Service Fees fluctuate greatly from year-to-year. She believes the \$900,000 decrease stems from having made too high of an estimate for this year. She noted the City is trending above last year but not significantly.

In response to Councilmember Arkin's inquiry, Director Olson clarified reducing the CIPR would not delay any current projects but could hinder future projects where bids come in over budget. She compared it to a savings account for Capital Improvement Projects.

In response to Mayor Brown's inquiry, Director of Finance Olson advised she anticipates some larger developments may request Property Tax Reassessments. She added there is typically a two-year lag before it hits the budget. She expressed her concerns over this happening but stated they will not know for sure until people go back to work full-time.

In response to Mayor Brown's inquiry, City Manager Fialho stated the current utilization of two School Resource Officers (SRO) and one Drug Abuse Resistance Education (D.A.R.E.) officer is similar to summer months when school is not in session. He stated the SRO and D.A.R.E. officers are assigned to patrols and investigations. Director of Finance Olson added the \$55,218 savings in police non-labor includes a reduced crossing guard contract.

Mayor Brown noted there were no speakers.

MOTION: It was m/s by Balch/Narum to adopt and waive full reading of **Resolution No. 21-1204** accepting the Midyear Fiscal Year 2020/21 operating budget and amending the Fiscal Year 2020/21 operating budget accordingly. Motion passed by the following vote:

Ayes: Councilmembers Arkin, Balch, Narum, Testa, Mayor Brown
Noes: None
Absent: None

12. Overview of Tri-Valley mental health resources and presentation of the Axis Community Health - Mental Health Urgent Care Pilot Program and approve Memorandum of Understanding between the Cities of Pleasanton, Dublin, and Livermore for Mental Health Urgent Care pilot program funding

City Manager Fialho explained for background that a central theme from the Summer 2020 discussions on community policing was addressing mental health needs in the Tri-Valley and treating mental health situations as a treatment opportunity instead of a law-enforcement concern. He advised the City is still working on the development of a Crisis Response Team to replace and/or augment 911 calls for police service. He stated the plan is to implement this on July 1st with details coming to the Council in the next couple of months.

City Manager Fialho advised there was also the push for the development of a mental health urgent care service in the Tri-Valley and advised there are not enough resources to meet the demand. He reported to meet the service gap staff is proposing this partnership with Axis Community Health (Axis) along with the cities of Dublin and Livermore to fund and deploy a program on July 1st available to all community members regardless of income or insurance status. He advised it is an urgent care clinic-like service staffed by Axis and partially funded by the three Tri-Valley cities. He noted there is hope Alameda County will also assist in funding. He requested approval for the partnership, including its implementation, and funding for the first year. He added first-year funding levels range from \$24,000 to \$108,000 depending on variables including potential County support.

Axis Chief Executive Officer Sue Compton reported Axis is a non-profit community health center that has served the Tri-Valley since 1972 and presently has five locations with 180 staff members. Ms. Compton advised they have seen gaps in care relative to mental health in the Tri-Valley due to challenges in access. She advised there are not enough professionals, and the pandemic has exacerbated the need for mental health care. She stated there is a particular concern for families caught in a crisis and not knowing where to turn for help.

Ms. Compton explained this service would provide families a needed lifeline in a crisis and help bridge the gap when it comes to setting up long-term plans. She noted the concept of a mental health urgent care service is unique so this one is modeled after a medical urgent care center. She hopes to offer the service to all Tri-Valley residents regardless of insurance status. She advised data from the three cities' police departments led to choosing service hours of Monday to Friday from noon to 8:00 p.m. as those are the most common windows to receive mental health calls.

Ms. Compton reported the service will operate via telehealth until the pandemic passes and then can begin in-person service at the Axis facility on West Las Positas Boulevard. She explained calls will be given to a licensed therapist who will assess the situation and develop a plan for both the immediate moment and longer-term. She noted Axis counselors are trained in de-escalation which will benefit local police departments, keep people from emergency rooms, and hopefully prevent California Welfare and Institutions Code Section 5150 (5150) holds. She advised Axis will have access to a psychiatrist to help patients with medication issues and noted Axis will have staff with case management experience.

Ms. Compton reported the program will be promoted through the local media, school districts, city officials, human service organizations, and the local health care community. She reiterated the goal is to decrease the impact on local law enforcement, emergency sites, and hospitals, along with providing a lifeline to struggling families.

Ms. Compton advised Alameda County has expressed its intent to provide \$250,000 for support of a first-year pilot program and added they are prepared to begin services July 1st, assuming the funding is approved by the three cities and County.

In response to Councilmember Narum's inquiry, Ms. Compton confirmed that it is anticipated that the program would be well utilized. She stated Dublin has agreed to take the lead and there would be conversations in September to assess the pilot program's performance assuming a July 1st launch. She advised long-range plans could involve including other players such as local hospitals and grants. City Manager Fialho advised each city has a slightly different set of desired impacts with Pleasanton's focus being less direct law enforcement interaction and stated it is a continual discussion with a pilot program once there are some metrics on usage levels. Ms. Compton noted the focus is on the prevention of crises leading to worse things occurring which can be a challenge to quantify since those worse events did not occur. She stated they can track the number of crises attended to and look for a decrease in 5150s and hospital admissions for psychiatric concerns.

In response to Councilmember Testa's inquiry, Ms. Compton confirmed Axis usually does not work with severe diagnoses and she estimated 5% will fall into this range. She advised this will provide a landing point upon first entering a crisis. She noted Axis has good connections in the industry and can help people in the middle ground before they can help them get to the next step by putting case management into the plan. She stated this plan can also give families respite until they can find a longer-term solution with or without insurance.

In response to Councilmember Testa's inquiry, Ms. Compton confirmed almost all behavioral health care has been converted to telehealth during the pandemic. She acknowledged it has been a great experience that Axis will continue even after the pandemic due to its success. She reported Axis has set up parking spaces with Wi-Fi access for patients who either feel like they do not have enough privacy at home or a dependable internet connection.

In response to Councilmember Testa's inquiry, City Manager Fialho stated the approach to the deescalating crisis-response team component has been Pleasanton-centric as it is not viewed as a priority for Dublin and Livermore. He advised Axis is trying to knit the concepts of a crisis-response team and therapeutic resource provider together. He explained the plan is still being finalized and he looks forward to bringing it to the Council in the next couple of months.

In response to Councilmember Arkin's inquiry, Ms. Compton stated there would be no limit to the amount of service an individual can receive within reason. She stated it is an intermediate service and estimated five sessions before a patient could be situated into a more long-term solution.

In response to Councilmember Arkin's inquiry, Ms. Compton confirmed they will explore a mechanism for someone requesting help for another who either may not know they need it or may not want it. She stated there are issues such as the Health Insurance Portability and Accountability Act (HIPAA), but she expects these types of calls.

In response to Councilmember Balch's inquiry, Ms. Compton stated she cannot know the proportionality of usage between the three cities until the service is in place to create the data. She confirmed overall service at Axis is close to equally proportional between Dublin, Livermore, and Pleasanton, so she anticipates this program will mirror Axis' overall balance.

Mayor Brown noted there were no speakers.

MOTION: It was m/s by Narum/Testa to approve the Memorandum of Understanding between the Cities of Pleasanton, Dublin, and Livermore for Mental Health Urgent Care pilot program funding. Motion passed by the following vote:

Ayes: Councilmembers Arkin, Balch, Narum, Testa, Mayor Brown
Noes: None
Absent: None

13. State Initiatives Update and Advocacy

- A. Review and consider the City's Legislative Framework with the 2021 Focus Areas and establish positions on selected bills, and request City staff to monitor remaining legislation throughout the 2021 legislative cycle to determine whether the City Council should take a formal position on additional legislation

Assistant to the City Manager Becky Hopkins reported the City has an established annually reviewed Legislative Framework including guiding principles, goals and strategies, and annual focus areas. She advised there is also a Tri-Valley Cities Legislative Framework, including Dublin, Livermore, San Ramon, and Danville, led by the five Mayors. She advised this group has its own focus areas and regional collaborative Housing and Policy Framework. She noted the City Council Legislative Subcommittee vets and brings forward recommendations for Council consideration and adoption of framework and policy documents as well as positions on legislation.

Assistant to the City Manager Hopkins presented a proposed change in language in the Housing Guiding Principle as an example of how the Legislative Framework guides how to advocate on behalf of the City. She advised the example was shown to demonstrate how specifying different types of infrastructure instead of leaving it vague impacts how the City would view a slew of new housing bills currently being considered at the State level.

Assistant to the City Manager Hopkins reported the legislative focus areas for 2021 are COVID-19 response and recovery, housing, fiscal sustainability, fostering economic prosperity, infrastructure, protecting local control, a safe and secure community, sustainable development, and regional collaboration. She expects COVID-19 and housing issues to take up most of the City's time. She explained the process is typically to have legislation vetted by the Legislative Subcommittee but if the matter is urgent staff can request the Mayor write a letter if the matter aligns with the Legislative Framework.

In response to Councilmember Testa's inquiry, Assistant to the City Manager Hopkins clarified the Mayors are working on updating the current Tri-Valley Cities Legislative Framework and advised it will be brought to the Council for review when updated. She clarified the five cities work in tandem with parameters that will align with each city's framework, so the regional framework meshes with the individual city frameworks. She added there are five new Mayors, so they are taking time in creating the Tri-Valley framework.

In response to Mayor Brown's inquiry, Assistant to the City Manager Hopkins confirmed there are compromises in the Tri-Valley framework, but all five cities must agree to it or it does not gain approval. City Manager Fialho clarified there can be exceptions if one city disagrees with the other four and added it is acknowledged in the final document if only four cities agree with a component. He estimated there is alignment 90% of the time.

Mayor Brown advised that when the five cities join together, the Tri-Valley becomes the 10th-largest city in California which creates additional political clout.

City Manager Fialho explained it is important that Assistant to the City Manager Hopkins' work be done early as other cities are watching Pleasanton's policy development. He explained this time frame benefits the City because it allows more alignment with a Pleasanton-centric perspective and expects the Tri-Valley framework to be completed in about a month.

Assistant to the City Manager Hopkins advised the Subcommittee reviewed 23 bills and noted there were recommended stances on several of the bills while others required further watching by the Subcommittee as they progress through committees and potentially evolve.

In response to Councilmember Testa's inquiries, Assistant to the City Manager Hopkins confirmed the deadline has passed to introduce new bills and recommended tonight's discussion only be about bills the Subcommittee has already reviewed.

In response to Councilmember Testa's inquiry, City Manager Fialho clarified the City is not trying to create a cumbersome process of always going back to the Subcommittee if bills progress rapidly and noted the Subcommittee provides a good opportunity to have a vetted conversation. He noted recommendations for tonight allow flexibility for the Mayor to act on new legislation so long as the stance falls within the Legislative Framework. He stated the City has taken this option in the past when needed due to urgency.

Townsend Public Affairs Senior Director of Northern California Niccolo De Luca stated February 26th was the last day to introduce bills. He clarified some are spot bills which are brief outlines and others are intent bills meant to change through debate. He stated bills must sit in print for 30 days before they can be sent to a committee for scheduling or be amended in their current form. He noted the Senate recently removed the 30-day window to expedite the process, but the Assembly did not.

In response to Councilmember Balch's inquiries, Assistant to the City Manager Hopkins confirmed "oppose with comment letter" is a new recommended City position category. She clarified it is a result of conversations with Townsend to have a firm position but also attempt to keep a seat at the discussion table. She noted the City just crafted a detailed four-page letter about Senate Bill 9 to engage Senate staff with Townsend's assistance. She clarified it is a method of adding a detailed reason why the City is strongly opposed to a bill as opposed to making a simple statement of opposition with a form letter. She noted bills listed as "oppose with comment letter" are those where both the Subcommittee and staff agreed to a vehement objection out of high concern. She confirmed this is an attempt to still be in the room for legislative discussions as opposed to providing a general "no" response.

City Manager Fialho clarified it may have made more sense to use an “oppose unless amended” stance pre-pandemic and noted, with the continued assault on local control, this is not unique to Pleasanton. He added there should be detailed reasons why the City opposes certain bills leading to the new “oppose with comment letter” terminology this year. He stated the SB 9 letter is an example of how staff plans to do this on other bills.

In response to Councilmember Balch’s inquiry, City Manager Fialho confirmed staff would start working on the other comment letters once this item is approved.

In response to Mayor Brown’s inquiry, City Manager Fialho recommended considering approval of this item as three separate items, Item Nos. 13A-C, procedurally for motions and voting.

In response to Mayor Brown’s inquiry, Assistant to the City Manager Hopkins clarified SB 38 models beverage container recycling after the mattress recycling program where the industry would have to create and fund the program with enforcement by the California Department of Resources, Recycling and Recovery (CalRecycle). She advised Senator Wieckowski is proposing unattended self-operated recycling machines at grocery stores and other areas. She explained the reason for the conditional support recommendation is the bill remains unclear on whether it will fully replace the existing system and what the recycling options for residents would be. Lastly, she advised it also is not mentioned in the bill how the current recycling funds would be impacted.

In response to Councilmember Testa’s inquiry, Assistant to the City Manager Hopkins clarified the City did not sign a support letter on a specific bill but rather in support of recommendations by CalRecycle on how to fix the existing problem. She noted the City is working in conjunction with other advocacy groups on legislation to rectify the problem.

Mayor Brown noted there were no speakers.

Councilmember Testa support the recommendation and requested staff monitor remaining legislation to determine whether the City Council should take a formal position on additional legislation.

Councilmember Narum noted how the Legislative Framework can effectively influence the City’s unique nature through both promoting legislation that can help Pleasanton and opposing bills that could adversely impact the City.

Councilmember Balch noted the Tri-Valley Cities Legislative Framework allows for the region to have a unified voice and expressed support for proposed language modifications such as specifying infrastructure resources.

Councilmember Arkin cited a need to move quickly on some matters and this will help in the process.

MOTION: It was m/s by Testa/Narum to approve the City’s Legislative Framework with the 2021 Focus Areas and establish positions on selected bills, and direct to monitor remaining legislation throughout the 2021 legislative cycle to determine whether the City Council should take a formal position on additional legislation. Motion passed by the following vote:

Ayes: Councilmembers Arkin, Balch, Narum, Testa, Mayor Brown
Noes: None
Absent: None

- B. Adopt a resolution expressing the City’s position as it relates to housing and protecting local control

Assistant to the City Manager Hopkins reported this item was continued from a previous Council meeting and vetted through the Legislative Subcommittee. She reported the Subcommittee recommended, based upon the Legislative Framework, drafting a resolution highlighting the need for affordable housing and local control.

In response to Councilmember Arkin's inquiry, Assistant to the City Manager Hopkins clarified the letter can be used in any type of advocacy effort.

In response to Councilmember Testa's inquiries, Mr. De Luca clarified it depends on the specific committee and legislative chamber if "opposed unless amended" and "opposed" register as the same opinion. He stated as a firm, they take a multi-prong approach to position letters, sending them to the municipality's local delegations, the bill's author, the relevant policy committee's staff, and other relevant stakeholders. He advised the letters are also uploaded into the new electronic portal system which has proven to be inconsistent. He noted that last August, 14 positions were taken by Pleasanton and only 11 were reflected in the portal.

Mayor Brown noted there were no speakers.

Councilmember Testa reiterated earlier concerns about the loss of local control and noted the draconian usurping of local authority is becoming intense referencing SB 9 and SB 10's intention to end single-family zoning statewide, which are changes Pleasanton residents would not support if they came to a local vote. She noted Senator Glazer is co-sponsoring a legislative amendment to put forth a ballot initiative stating issues of local land use are the purview of local municipalities.

MOTION: It was m/s by Testa/Narum to adopt and waive full reading of **Resolution No. 21-2105** expressing the City's position as it relates to housing and protecting local control. Motion passed by the following vote:

Ayes: Councilmembers Arkin, Balch, Narum, Testa, Mayor Brown
Noes: None
Absent: None

- C. Review information regarding the California State Governor's budget measure to add a Housing Accountability Unit to the Department of Housing and Community Development (HCD) and authorize the Mayor to send a letter of response to this measure

Assistant to the City Manager Hopkins explained for background Governor Gavin Newsom's proposed budget included a \$4.3 million Housing Accountability Unit (HAU) within the Department of Housing and Community Development (HCD) to help facilitate affordable housing by monitoring City Council, offering technical assistance to municipalities, and enforcing existing housing protection laws.

Assistant to the City Manager Hopkins noted both the Council and Legislative Subcommittee have discussed this issue and there is a revised response letter to the Governor, capturing the Councilmembers' variety of comments. She advised it acknowledges the benefits of technical assistance and outlines the City's compliance with state laws. She noted it states the City takes issue with additional monitoring, identifies existing robust reporting and compliance measures, and adds there could be a more productive use for the funds. She reported the letter would go to the budget committees in each house of the legislature in addition to the Governor and advised there will be time to advocate on this issue ahead of the May revision period as the process continues.

In response to Councilmember Testa's inquiries, Mr. De Luca stated the issue has been heard in Senate Subcommittee but has not yet passed. He advised the matter has not yet been heard in the Assembly's corresponding Subcommittee, and budgeting is vastly more elaborate than normal this year

due to the eviction moratorium, small business loans, and the school reopening proposal which all require budgetary action.

In response to Councilmember Arkin's inquiry, City Manager Fialho advised the current letter is a mix of the original letter and the suggested new language. He explained the second paragraph intends to highlight the general importance of the technical assistance benefit being offered by the State while also stating the City's opposition to other components of the proposal. He noted it can be edited if the Council so desires and admitted it may need to be reworded. He advised the technical assistance is relied on by the Community Development Director Clark.

In response to Councilmember Testa's inquiry, City Manager Fialho compared the technical assistance offered to the benefits Pleasanton residents would receive if the City had three code enforcement officers instead of one. He advised more technical assistance is good if done correctly and this concept is the reason behind the language in the letter.

In response to Councilmember Testa's inquiry, Mr. De Luca advised he has heard no talk about the actual intent of the HAU being to hire a team of attorneys to prosecute cities. He offered to reach out to contacts to explore if this is the intention.

Mayor Brown noted there were no speakers.

Councilmember Narum said she continues to struggle with the letter and expressed her belief that Councilmembers have every intent to comply with housing laws so it is irrelevant to Pleasanton if the Governor intends to prosecute cities. She expressed her belief there are bigger issues to spend the City's political capital upon citing SB 6, SB 9, and SB 10 as examples. She explained she could support such a letter coming from the collective Tri-Valley cities but questioned why Pleasanton would send a letter individually. She motioned to table the item. Councilmember Balch seconded the motion.

Councilmember Testa made a substitute motion to authorize Mayor Brown to send a letter responding to the measure on Pleasanton's behalf with edits. Councilmember Arkin seconded the substitute motion.

In response to Mayor Brown's inquiry, City Attorney Dan Sodergren stated the Council should vote on the substitute motion before the original motion.

Mayor Brown noted the point of the letter is about the policy of a lack of trust by the State on a transparent program. She explained it reflects a policy of non-partnership and finger-pointing by the State.

Councilmember Balch expressed concerns this letter may not enhance Pleasanton's standing with the State and it's yet known if this will resolve into a funded element. He explained there are many things the City would like the State to do, including respecting the just-adopted Legislative Framework. He would like State assistance for COVID-19 relief and added staff has mentioned how the HCD technical assistance can benefit the City. He advised while he would like the Governor to watch his comments, he believes it does no good for the community to write the letter and believes it could harm the City.

Councilmember Testa expressed her view of the power of the letter's final paragraph and noted this is a solid message in response to the Governor's adversarial language. She also cited the letter's language about the \$4.3 million having better usages to help cities in expressing her view that this is a good letter. She reported she has reluctance and confusion over acknowledging there is value in the HAU, but she added the overall message is clear.

Councilmember Arkin clarified the substitute motion includes edits to the second paragraph as discussed by City Manager Fialho. She commended the wording about the \$4.3 million in funding

acknowledging it is insignificant in the scope of the State budget, but remains money better spent on pandemic relief, schools, or other areas. She noted accountability already exists because the housing elements require state approval and City Council meetings are open to the public.

In response to Mayor Brown's inquiry, Councilmember Testa confirmed her substitute motion includes cleaning up the language in the second paragraph of the letter.

MOTION: It was m/s by Testa/Arkin to authorize the Mayor to send a letter of response, with edits, about the California State Governor's budget measure to add a Housing Accountability Unit to the Department of Housing and Community Development. Motion passed by the following vote:

Ayes: Councilmembers Arkin, Testa, Mayor Brown
Noes: Councilmembers Balch, Narum
Absent: None

In response to Mayor Brown's inquiry, City Attorney Sodergren clarified there is no need to vote on the original motion because the approved substitute motion was a complete substitution.

Mayor Brown recessed the meeting at 9:57 p.m. and resumed the meeting at 10:03 p.m., with all members present.

14. Adopt and waive second reading of Ordinance No. 2213 approving amendments to Chapters 18.08, 18.28, 18.32, 18.36, 18.44, 18.46, 18.84, 18.88 and 18.106 of the Pleasanton Municipal Code to comply with state legislation for accessory dwelling units ***Councilmembers Balch and Narum voted "no"**

Senior Planner Shweta Bonn reported this is a second reading to review changes to the amendments since the February 16th meeting with a staff recommendation to waive the second reading, adopt the draft ordinance to modify the Pleasanton Municipal Code (PMC), and find the amendments exempt from environmental review.

Senior Planner Bonn advised the changes include prohibiting Accessory Dwelling Units (ADU) greater than 16 feet in height, adding language to consider ADUs greater than 16 feet in height in new Planned Unit Developments (PUD), and requiring a 10-foot street setback for detached ADUs greater than 800 square feet in size. She advised other changes require landscape screening and solid fencing along rear and interior side property lines with either being acceptable along the street side of corner lots. She noted solid fencing would not be required for PUDs where open fencing is required.

Senior Planner Bonn reported the revisions also include retaining the owner-occupancy requirements for ADUs approved before 2020. She noted owner-occupancy for a Junior Accessory Dwelling Unit (JADU) and the primary residence would be required regardless of the JADU's approval date. She added deed restrictions would be required for both ADUs and JADUs and new ADUs can be a maximum of 850 square feet for a studio or one-bedroom and 1,000 square feet for an ADU with two or more bedrooms. She added the word "any" would be modified to "all" in PMC §18.106.040(C) and §18.106.045(D).

In response to Mayor Brown's inquiries, City Attorney Sodergren clarified since the ordinance has been altered after its introduction, this would be a second reading. He advised that under state law they would have to read the entire ordinance unless the reading is waived. He advised it would be appropriate to waive the second reading and adopt the ordinance at this point. He advised waiving the reading is part of the staff recommendation so moving to approve the recommendation would include it in this case.

Mayor Brown opened the public comment.

Paul Zampieren expressed concerns the language in PMC §18.106.020(F) has been modified to the extent it cannot be interpreted without written legal arguments. He clarified it is due to ambiguous language in the exceptions segment such as “result in a conflict” and “precludes ADUs which meet State standards.” He urged the Council to remove this language because the entire reason for this item is to meet State standards so there should be no exceptions. He commended the Council for keeping the owner-occupancy requirements except for the State-mandated window from 2020-25, noting an owner-occupancy requirement can be mandated in the future for consistency. He asked Council to put this future requirement into the PMC.

In response to Mayor Brown’s inquiries, Director Clark clarified the staff’s understanding is that the exemptions are necessary according to state law because the City cannot impose a standard stringent enough to preclude an ADU. She advised it would be impossible to write a universally clear standard so the language was written to allow for a case-by-case determination and believes it would not be an issue for the Council to state its intention to apply owner-occupancy restrictions after 2025 if it is permitted by the State then.

Mayor Brown closed the public comment.

Councilmember Arkin moved to approve staff recommendations. Councilmember Testa seconded the motion.

In response to Councilmember Testa’s inquiry, Director Clark confirmed staff’s original recommendation was to maintain owner-occupancy both before and after the 2020-25 window. She noted the Planning Commission decided to not support it based upon public comments.

Councilmember Balch advised he could not support the motion as currently drafted. He stated there will be a discrepancy in the owner-occupancy standard due to the period from 2020-25 when the State prohibits it so this is not fair and equitable to current residents. He advised the maximum size for an ADU in this proposal differs from the standard set by the City for 20 years and he has not found any additional knowledge offering a reason for this reduction. He advised it potentially makes currently legal ADUs non-confirming and thus illegal.

Councilmember Balch expressed his willingness to support second-floor ADUs noting it would allow for objective design standards and would follow the goals established in the 2012-13 Housing Element. He believes they can work to address parking and residents’ privacy while adding low-impact housing to Pleasanton. He noted there have only been 15 such units built in the past 10 years so he was willing to compromise.

Councilmember Narum advised she is unaware of any issues with the 1,200 square foot standard in her 15 years with the Planning Commission and City Council and advised this will lead to currently legal ADUs becoming non-conforming. She stated residents can still build a second-floor ADU but the City will force them into a two-step process and noted there can be local control through objective design standards with second-floor ADUs over a garage. She noted, instead of being part of the housing solution, the Council is instead forcing residents to design a home expansion they will later convert into a second-floor ADU. She decried the lack of consistency in deed restrictions by maintaining owner-occupancy before 2020.

Councilmember Arkin stated new state laws mandating a lack of design review are the impetus for this discussion. She advised she has no issues with ADUs or second-story ADUs except for the lack of design review and noted the ability to build an ADU remains but there are now further restrictions due to the State mandates. She advised 1,200 square feet of size removes the affordability component in the rental market.

Mayor Brown expressed her support for ADUs and how staff will work to create easy approval processes for residents putting an ADU on the ground floor, under 16 feet, and looking like it belongs in their community. She expressed support for new PUDs with ADUs, even on the second floor, because they go through a full design review.

MOTION: It was m/s by Arkin/Testa to adopt and waive second reading **Ordinance No. 2213** approving amendments to Chapters 18.08, 18.28, 18.32, 18.36, 18.44, 18.46, 18.84, 18.88 and 18.106 of the Pleasanton Municipal Code to comply with state legislation for accessory dwelling units. Motion passed by the following vote:

Ayes: Councilmembers Arkin, Testa, Mayor Brown
Noes: Councilmembers Balch, Narum
Absent: None

MATTERS INITIATED BY COUNCIL

Councilmember Arkin requested to see language in the Downtown Specific Plan (DSP) regarding active ground floor usage modified and returned to Council. She reported the League of California Cities has requested a letter be sent to US Senators regarding the COVID-19 relief bill and expressed her support for one. She discussed the prevalent Livermore Municipal Airport concerns and requested an agenda item on the airport issue when it is appropriate.

Councilmember Arkin requested an update in a month on the public education and mask-wearing signage approved in February by the Council.

City Manager Fialho stated he would like the Council to discuss the DSP language change to create a consensus to relay back to the Planning Commission.

Councilmember Narum proposed it go into the Priority Work Plan stating once a location is vacant for six months the property owner can put almost any business into the space, provided they meet some easy criteria. She expressed concerns because almost all the Main Street vacancies have been in place for over six months. She advised this needs clarification and expressed her desire to see it in the greater priority setting as opposed to a shotgun approach for not feeling a sense of urgency.

Councilmember Balch echoed Councilmember Narum's comments about including it in a work plan review stating he would hope to accomplish bigger tasks overall.

Councilmember Testa stated she would support bringing it back to Council as soon as possible for a conversation rather than waiting for it to go through the priority process. She advised one business has gotten through this loophole as an unintended consequence and would not like to see others before this issue can be addressed.

Mayor Brown stated she would like to see it come back to the Council as well and believes the priority process is for larger projects whereas this is a loophole requiring a quick closure. She expressed concern a real estate company can open an office, sell a product in the front 25 feet, and meet the DSP's active retail requirements.

City Manager Fialho reported staff will write a letter for Mayor Brown in support of the federal COVID-19 relief legislation. He advised he spoke to Livermore City Manager Marc Roberts earlier in the day and reported they are working to post the airport information Councilmember Arkin requested in the next few days. He pledged to link their information to Pleasanton's website and perhaps also send it directly to residents who have already emailed concerns about the airport expansion. He added it can certainly be discussed on the Pleasanton City Council level if appropriate once information about the project is

known. He also requested Council consensus on the mask-wearing update so it can be scheduled in the next 45-60 days.

Councilmember Balch expressed support for a mask-wearing update in 60 days.

Councilmember Narum expressed support for a white paper update regarding mask-wearing similar to the initial requested update on what Dublin and Livermore were doing. She advised it could be agendized if there are questions and concerns based upon the white paper. She echoed Councilmember Balch's sentiments about overloading staff with smaller matters amidst bigger matters like a crisis team for the Pleasanton Police Department, pandemic-related matters, and the need for a Shop Local campaign.

Councilmember Testa explained it is not a minor issue and one of significant concern for the community citing a large number of public speakers at the previous meetings.

In response to Councilmember Testa's inquiry, Councilmember Arkin advised she would like to see it come to the Council, noting she continues to receive emails on the issue.

Mayor Brown expressed support and noted everyone is following the local COVID-19 spread charts. She acknowledged the recent downward trend but noted her vote could change if numbers rocket back up again. She reported residents are interested and a brief staff report seems appropriate.

In response to Mayor Brown's inquiry, City Manager Fialho confirmed this is sufficient direction.

Councilmember Testa requested a new community survey. She stated there have been issues lately where community feedback would have been helpful.

In response to Councilmember Testa's inquiry, City Manager Fialho stated the survey is funded for this year. He advised the cycle is typically to conduct one in non-election years as not to run afoul of election laws in the City's polling. He explained the framework is laid out in early summer with results being available in September or October.

COUNCIL REPORTS

Councilmember Narum reported she was appointed to the East Bay Community Energy Finance Committee; and that she and Mayor Brown attended the Livermore Amador Valley Transit Authority (LAVTA) meeting.

Councilmember Balch reported attendance at the February Innovation Tri-Valley Leadership Group meeting, the Economic Vitality Committee meeting.

Mayor Brown added that LAVTA is offering free bus rides to any COVID vaccination center in the Tri-Valley. She reported she will present her State of the City address in conjunction with the Chamber of Commerce's awards on March 9.

ADJOURNMENT

Councilmember Testa adjourned the meeting at 10:53 with a tribute to men and women serving in the military, honoring the memories of those who have died in defense of our country.

Respectfully submitted,

Karen Diaz, City Clerk

