

City of Santa Clara

City Council Meeting

Study Session: Initial Presentation of the Report to Council Regarding the Comprehensive Review and Proposed Update of the City Charter by the Charter Review Committee, commonly known as the “Charter Project,” including the Charter Review Committee’s Recommendation

June 9, 2026



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Today’s Objective

- **Initial presentation of the Charter Project’s origins, process and results**
- **Receive and respond to (time permitting) City Council questions and initial feedback**
- **Lay the groundwork for the next scheduled Charter Project meeting on June 15th**



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Presentation Outline

- **How we got here**
 - Charter Project Origins and Objectives
 - Process for Project Implementation
- **The Results**
 - Charter reorganization
 - Charter-wide conventions
 - Article by Article, Section by Section review
 - CRC recommendation for placement of one or more measures on the November 2026 ballot

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Introductions and Thanks

- **City staff and stakeholders**
 - Staff driven process, with input from across the organization
 - City Clerk's Office, Finance, Public Works
 - City Manager and Named Department Heads
 - Chartered Boards and Commissions and their staff liaisons
- **Charter Review Commission**
 - 13 members
 - Met 10 times as the full CRC, with most also meeting between 10 and 15 additional times with their assigned Ad Hoc Subcommittees
 - Final report/presentation subcommittee here tonight

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How We Got Here

- **Charter Project Origins**

- Initiated in early 2025 as part of Governance and Ethics Committee Work Plan.

- Current form of the Charter originally adopted in 1951 had become outdated and out of alignment with state laws and City/best practices; overly technical language and ambiguity made interpretation/application to City operations challenging; last “comprehensive” update back in 2000.

- Idea was to engage in a comprehensive review and update of the City Charter to make corrections, clarify terms, and update language and policies to align with current law and City/best practices.

- Governance recommended the project to the City Council in the summer of 2025, and the Council directed staff to formulate a Charter Review Committee (CRC) to implement the Project.

- Results of recruitment and selection process (a combination of six lottery picks and seven Council nominations) for the CRC was approved by City Council on September 16, 2025, along with the CRC/Project Bylaws, and the Charter Project was officially launched.

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How We Got Here (cont'd)

- **Charter Project Purpose (Bylaws Section 2)**

- “The purpose of the CRC is to work with City staff, with input from the community, to facilitate the implementation of the “Charter Project.” The Charter Project involves a process for comprehensive review of the City Charter to identify provisions in the Charter that should be corrected, clarified or modified for the Charter to be fully consistent with applicable state law, aligned with current best practices for City operations and, in general, easier to understand and apply. At the end of the process, the objective of the Charter Project is to produce a draft comprehensive Charter Amendment for presentation to the City Council and, if the City Council so directs, possibly the voters at the November 2026 Election.”

- **Charter Work Plan (Bylaws Section 3.4)**

- “To implement the Charter Project City staff will be preparing draft revisions to the City Charter for consideration and input by CRC Subcommittees and or the CRC itself. [. . .] The proposed “top to bottom” review process is intended to be driven by practical and legal considerations, with the prime objective being to bring the Charter up to current “best practices” for City operations. It is not intended to implement any major restructuring of City operations or to change the City’s election process. In the end, it will be up to the Charter Review Committee to recommend, and the City Council to decide which, if any, of the proposed changes will be presented to the voters as part a comprehensive update to the City Charter.”

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How We Got Here (cont'd)

- **The Process**

- Training on Structure and Workings of City Government and Open Government Laws
- Creation of Ad Hoc Subcommittees, one for each of six identified Subject Matter Areas, as the Charter Project's working groups
- Stakeholder input to the subcommittees, including City professional staff and Chartered Boards and Commissions
- Monthly "report outs" by each Group to the full CRC on issues discussed, progress made and to solicit input from the CRC and the public
- Benchmarking with other similarly situated charter cities (19) with those charter's uploaded and available to staff the CRC and the public on the City's website
- Development of "Levels" to characterize proposed changes, with Levels One and Two (and potentially some Level 3) to be included in the comprehensive recommendation; one or more possible recommended Level 3 stand alone measures; and maybe one or more Level 4 subjects to be identified for future analysis

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Ad Hoc Subcommittees

- Contemplated by the Charter Project Bylaws (Section 6.5); ended up being the working group engines for project implementation.
- Six Subcommittees created to cover six identified subject areas, with "stakeholders" identified for each:
 - Group One, Powers and Structure of City Government: Rules/Process for Action
 - Group Two, City Council: Elections, Powers and Conduct of Meetings
 - Group Three, Senior Officials Duties and Qualifications
 - Group Four, Boards and Commissions, Power and Duties
 - Group Five, Civil Service: Civil Service Rules and Commission
 - Group Six, Fiscal Administration and Procurement
- Rostered based on expressed interest, with each member assigned two.
- As Brown Act exempt bodies, had flexible schedules to accommodate member and stakeholder calendars, and an informal setting that allowed for candid, free flowing discussions.

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Ad Hoc Subcommittees

- **Group One**
Powers and Structure of City Government: Rules/Process for Action
- **Group Two**
City Council: Elections, Powers and Conduct of Meetings
- **Group Three**
Senior Officials: Duties and Qualifications
- **Group Four**
Boards and Commissions: Composition, Powers and Duties
- **Group Five**
Civil Service: General Rules for Classified and Unclassified Employees;
Commission Composition and Duties
- **Group Six**
Fiscal Administration and Procurement

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Ad Hoc Subcommittees (cont'd)

- Early meetings involved training and issue identification
- In early 2026, staff began preparing actual proposed language changes for subcommittee discussion and input
- Stakeholder input frequently presented directly to the subcommittees, with CAO serving as a stakeholder liaison where that not possible
- Monthly report outs to the full CRC presented progress and issues discussed to the public, with opportunity for CRC/public input
- Robust meeting schedule resulted in 28 total subcommittee meetings
- **Final report outs with Group recommendations occurred at the May 20 and May 27 full CRC meetings**

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Stakeholder Input

- Senior officials and professional staff (all Groups)
- Chartered Boards and Commissions (Primarily Group Four)
 - Planning Commission
 - Parks and Recreation
 - Board of Library Trustees
 - Civil Service Commission
- City Labor Groups/meet and confer process (Groups Three and Five)
- The Public
 - 10 public meetings
 - Not much public input, but 4 to 8 individuals monitoring remotely
 - Most public input related to a desire for more ethics provisions

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Benchmarking

- “Comparable” Cities
 - 19 identified to create a “library” of Charters on the Charter Project web page
 - Criteria included similar population, neighbor cities, cities with municipal utilities and stadiums, and Chula Vista
- Cities of Sunnyvale and Mountain View
 - currently going through or embarking on a similar process
- Santa Clara’s Own History/Context
 - City Clerk’s compendium of all proposed Charter changes from 1952 to the present
 - Underline/strikeout version of the last “comprehensive” update from 2020
 - Current Charter (originally adopted in 1951) based on a “model” charter used by many other Cities
 - Charter of average/typical size, but many new Charters much shorter (mere declarations of authority over municipal affairs), with some running hundreds of pages, more like City Codes.

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Levels

Level One

Changes in form and appearance that are not substantive. Includes corrections, rewording for clarity, reorganization, elimination of redundancies, consistency of cross-references and numbering, consolidation of sections, elimination of headings for previously deleted sections, rewording of headings to better reflect content, addition of subheadings, defined terms, and other Charter-wide conventions to improve comprehension and usability.

Level Two

Rewordings, deletions and additions intended to add clarity, fill gaps, eliminate ambiguities, replace outdated (no longer used) practices with current “best” practices, and provide consistency with state law. Some changes are “substantive” but are not thought to be that significant or made in sensitive areas so as to warrant consideration as possible separate ballot measures.

Note: Both Level One and Level Two Changes will be recommended to be combined in one ballot measure

Level Three

Changes to policies or procedures that may be considered “best practices” or are otherwise viewed as desirable, and that the CRC recommends, but either involve political sensitivity, or are of such independent significance, that they may justify consideration as separate ballot measures.

Note: Ideally, Level Three changes would be combined with Level One and Level Two Changes, but some or all may warrant separate consideration

The Results

- **Comprehensive Charter Update**

--Reorganization that consolidates 18 Articles into 9, and aggregates sections more logically by subject matter.

--Implementation of Charter-wide “conventions” to (1) adopt a more modern Article and Section numbering system; (2) update Article and Section titles, with added (titled) subsections to better describe Article and Section contents and facilitate document navigation; (3) convert he/she references to generic references to position titles (or “they” when necessary); (4) use Capitalized Terms as “Defined Terms” with a Defined Terms section at the end of the Charter (still under construction); (5) remove section titles/text for previously deleted and “reserved” sections; and (6) delete parentheticals at the end of (most) sections providing section histories, in favor of a “matrix” (still under construction) to consolidate section histories in one place, including cross-references to any City Code section or policy that implements.

--**Article by Article and Section by Section modifications that modernize language, eliminate ambiguities, add explanations for government structure and process, fill in gaps, align the Charter with current State law and City’s current/best practices.**

Roadmap for Detailed Review

- Three Charter documents presented
 - Current Charter
 - Underline/Strikeout Version of Proposed Update
 - "Clean" Version of Proposed Update (Changes Accepted)
- Both Versions of the Proposed Updated Charter are "annotated" with comments in the margins. Annotations include:
 - References to source materials/applicable laws
 - Summary of proposed changes
 - For more substantive changes, the thought process
 - Level Three changes highlighted and explained
- Proposed changes to be presented in order by Ad Hoc Subcommittee Group; color coding aligns with each Group's Assigned Sections.
 - This presents changes mostly in order, but with some hopping around

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Group One

Summary of Recommended Changes

Addition of a Preamble

[Preamble]

- "We, the people of the City of Santa Clara, pursuant to our authority under the laws of the State of California, hereby adopt this Charter to be the rules for the governance and operations of our City in an open, fair and effective manner."

Foundational Terms (Article One)

[Old Articles I through V, New Article One, Sections 100 through 105]

- Replacement of formal language with familiar language throughout (e.g., Section 100).
- Deletion of Old Article III, Succession, Sections 300 through 305, replaced with a single sentence in new Section 104.
- More definitive statement of City's "Charter Authority" with respect to "municipal affairs" (Section 102.1), and the relationship of its enumerated Charter authority to other laws (Section 102.2)

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Group One

Summary of Recommended Changes (cont'd)

Foundational Terms (cont'd)

- Aggregate voter approved limitations on City authority into one Section (102.3), including “Disposal of Public Utilities” (Section 102.3(a)), with clarifying modifications to allow internal transfers and disposition of property no longer needed for utility purposes
- Expanded language to explain “Council-Manager” form of government (Section 103)
- New language to make clear the “effective date” of the Charter update, and the need for voter approval of any Charter amendment (Section 104)
- Use and Definitions of Capitalized Terms Section added with cross-reference to the list of Definitions to be added in Article Nine (still under construction (Section 105)

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Group One

Summary of Recommended Changes (cont'd)

Elected Officials (Article Two)

[Old Article VI, Section 600, New Article Two]

- Added new Section 200 to clearly state in one place which positions in the City are elected, with a definitional distinction for “District Council Members” and a cross-reference to Article Three regarding the process for elections and interim appointments.
- Clarifying language regarding ability to hold one office and run for another (e.g., Mayor for Council, and Council for Mayor), except that District Councilmembers can't simultaneously run for another District Council seat (Section 203.3)

City Elections (Article Three)

[Old Section 600.01, New Section 301]

- Maintains concept of a “regular election” but uses modern language to refer to as “General City Election” held in even numbered years to be consolidated with the corresponding State election. Everything else is a “Special Election.” No primary.

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Group One

Summary of Recommended Changes (cont'd)

City Council Meetings/Actions (Article Four)

[Old Section 808, Ordinances, New Section 403, Special Rules for Ordinances]

- Added language to explain what an ordinance is and to use modern language to explain the two step process for “introducing” and “adopting” ordinances (Section 403.1)
- Retains general rule for ordinance adoption at a “regular meeting” but adds a provision for adoption at a special meeting if the City Council finds an urgent necessity with five affirmative votes (last sentence of 403.1)
- Simplifies and updates language regarding repeal/amendment (403.2), effective date (403.3), emergency (403.4), codification (403.6), and adoption of uniform codes (403.7), with City Clerk only required to maintain one (was three) physical copies of the code, with added requirement for posting on the City’s website.
- Posting/publication of ordinances requirement changed from **advance** posting/publication in a newspaper (a general law city practice) to **post** adoption posting/publication in newspaper, plus website (403.5)

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Group One

Summary of Recommended Changes (cont'd)

Employee Performance Bonds

[Old Section 911, Official Bonds, New Section 503, Employee Performance Bonds]

- Added language to describe what bonds are for, to outline the contents of any City policy to identify covered officials and terms of bonds, with City to pay premiums (503.1), with State law to apply in the absence of City policy (503.4)

Miscellaneous and Legal Provisions (Article Nine)

[Old Article XVIII, New Article Nine]

- Overall updates/clarifications to existing language in Sections 900 (Mandatory and Permissive), 901 (Legal Actions Against the City, 903 (Severability) and old Section 912 (Oaths of Office, moved and renumbered)
- Violations and Enforcement updates allow for prosecution of Charter violations as misdemeanors **or** infractions, in prosecutor’s discretion based on severity of offense, with reference to state law for applicable range of punishments, and a clear statement that Elected Officials forfeit their position for a misdemeanor conviction (902.1)

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Group One

Summary of Recommended Changes (cont'd)

Miscellaneous and Legal Provisions (cont'd)

- The District Attorney to be the prosecuting authority; if DA declines, City Attorney to hire someone from outside the CAO to prosecute (902.2)
- Ordinance required as a legal basis for any Local Law criminal prosecution (902.3)
- Publication of legal notice updates maintains newspaper publication requirement with updated language to align with State Law (904.1), requires additional “electronic” notice by City policy based on latest technologies to maximize reach to those expressing interest or likely to be impacted (904.2)
- Where Charter requires a City Council ordinance or policy, currently applicable local or state laws to remain in effect pending adoption (905)
- Add City Clerk authority to make minor corrections to Charter if approved as to form by City Attorney and ratified by Council (906)
- Definitions, still under construction (907)

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Group Two

Summary of Recommended Changes

Voter Approval for Disposal or Change of Use of Certain City Parkland

[Old Section 714.1, New Section 102.3(c)]

- Proposal to add language to allow for “secondary uses” that do not “materially impact” underlying Park uses if approved by 2/3rds vote of Council (five votes); any revenues generated must be used to fund parks and recreation purposes.

Qualification Requirements for Elected Chief of Police

[Old Section 906, New Section 201.2]

- Proposal to add a requirement for a POST “Management Certificate” (must be a Lieutenant with Two Years Experience)

City Council Challenges to Qualifications of Elected Officials

[Old Section 711, New Section 201.3]

- Replaces language for City Council to “judge” the qualifications of elected officials with provision for them to challenge qualifications as provided “under State Law”

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Group Two

Summary of Recommended Changes

Mayor's Power and Duties

[Old Section 704.3 (and others), New Section 202.1]

- Gathers in one place without substantive changes
- Eliminates provision requiring Mayor to identify funding sources or cuts in support of any recommendation affecting the budget

City Council Powers and Duties

[Old Sections 706, New Section 202.2]

- Adds substantial new language for Council/Council Member powers and duties
- Puts parameters around City Council powers to investigate or subpoena witnesses
- New individual Council member duties emphasize consideration of public input, ethics, with an expectation of “professional and courteous” conduct towards all
- “Councilmanic interference” still prohibited, with any prohibited formal action deemed void, but language for automatic removal of office eliminated to be addressed instead in the Charter “Violations” Section at the end

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Group Two

Summary of Recommended Changes (cont'd)

Term Limits

[Old Section 600, New Section 203.2.a. and b.]

- Clarifies term limits are “Lifetime” limits, but with service in one office not counting as service in another.
- States clearly no term limits apply to offices of Chief of Police and Clerk

Compensation

[Old Section 906, New Sections 204 and 604.5]

- Clarifies current practice to include salary and benefits in “Total Compensation”
- “Salary Setting Commission” terms moved to Article Six (Boards and Commissions)
- Per current practice, benefits for Mayor/Council/Clerk (part time positions) limited to Health and Retirement, with no ability to convert Health Benefits to cash.

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Group Two

Summary of Recommended Changes (cont'd)

Vacancies

[Old Section 703, New Section 205]

- List added to specify of what constitutes a “vacancy” (forfeiture from office), including conviction of any felony, or a misdemeanor involving moral turpitude or misconduct in office.
- Clarifies process for “declaring” and potentially filling a vacancy by appointment, with the time to fill a vacancy by appointment proposed to be increased from 30 to 45 days.
- Replaces language for election to be held “forthwith” if no appointment made to a clear requirement that election be held at the next scheduled statewide election.

City Elections (Generally)

[Old Section 700, New Section 300]

- Language added to clarify relationship between local and state law (Elections Code), with Charter governing except as necessary for the ROV to administer the election

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Group Two

Summary of Recommended Changes (cont'd)

Administration and Determination of Election Outcomes

[Portions of Old Sections 700 and 711, New Section 302]

- Clarifies ROV primarily responsible, working with City elected/appointed Clerk officials, to administer City elections
- Assistant City Clerk to handle matters related to elected City Clerk to avoid conflicts
- Provision for City Council to “judge” elections returns replaced with role to “certify”

City Council Members Elected by Districts

[Old Section 700.1, New Section 803]

- Mostly language clean up; but additional changes needed to replace 2018 judicial map with 2022 map approved through redistricting process as the “base line” map.

Redistricting

[Old Section 700.2, New Section 304]

- Adds a redistricting “process” including provision for a Redistricting Commission, with composition, authority and process to be established by ordinance.

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Group Two

Summary of Recommended Changes (cont'd)

City Council Meetings/Actions

[Old Sections 707, 708, 709, New Sections 400 and 401]

- Adds a general section to set framework for Council action only to occur at a properly noticed public meeting under the Brown Act
- Adds flexibility for one month a year where only one regular meeting required (401.1)
- Clarifies that any action taken at a regular meeting can also be taken at a special meeting except as required by law or the Charter (e.g., ordinance adoption) (401.2)

Procedures and Requirements for Action

[Old Sections 710, 712 and 713, New Sections 402.1, .2 and .3]

- Added language clarifies quorum requirements per existing rules/best practice (402.1)
- Assistant City Clerk to assist at meetings and keep records of proceedings (402.2)
- Clarifies four affirmative votes required for action unless otherwise required (402.3)

Powers to lease, sell or convey City property

[Old Section 714, Proposed for Deletion]

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Group Three

Summary of Recommended Changes

Chief of Police Powers and Duties

[Old Section 906, New Section 202.3]

- Language added to make clear that the Chief of Police is the “head” of the Police Department (as currently provided by ordinance)
- Added obligation to update and advise the City Council and the City Manager on matters relating to public safety and law enforcement (202.3(d))
- Not able to develop language mutually agreeable to City Manager and Chief to clarify their relationship regarding appointment and discipline, but they are both supportive of the other proposed changes.

The CRC recognizes that while these changes make sense and reinforce the professional nature of this position this could be such a sensitive area that even this modest proposal could be challenging for the City Council to advance.

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Group Three

Summary of Recommended Changes (cont'd)

City Clerk Powers and Duties

[Old Section 903, New Section 202.4]

- Reflects in the Charter the current allocation of duties between the City Clerk (elected) and the Assistant City Clerk (ACC) (appointed by the CM)
- City Clerk primary duty to serve as the City's "Elections Official" to administer elections and related duties under State and local laws (202.4(a)(1))
- Adds duty to consult with Assistant City Clerk, and with ACC concurrence, authorize the ACC to assist with their duties.
- ACC to perform typical City Clerk "day to day" duties to support CC meetings and maintain City records (202.4(b))
- Adds provision for ACC to act in the extended absence of the City Clerk to ensure continuity of City operations and compliance with laws (202.4(b)(7)).

Group Three

Summary of Recommended Changes (cont'd)

Structure of Government

[Old Articles VIII and IX, New Article Five]

- **General sections** added/updated to describe City organization by departments, as determined by City Council (500.1), with an "Administrative Code" implementing details, to be updated from time to time (500.2), with the City Manger as the head of operations, and with the City Manager, City Attorney and City Auditor to be appointed by City Council (501)
- **City Manager** Sections consolidated and updated to better reflect duties and to align with other department head duties (501.1), with added provisions for exercising "professional judgement" to make recommendations and take actions to assure high quality performance of services, compliance with contracts and with the City Code (501.1(f,g))
- Outdated language regarding City Management appointment, and process for removal "for cause" deleted, as this is all now handled by contract (Old Section 806)

Group Three

Summary of Recommended Changes (cont'd)

Structure of Government (cont'd)

- **City Attorney** provisions updated to give authority to initiate legal proceedings subject to City Council approval and in consultation with the City Manager (501.2(c)), act as the appointing authority, in consultation with the City Manager, for professional legal staff (501.2(d)), where conflict exists, refer matters to outside attorneys/agencies (501.2(j)); required years of experience increased from 4 to 7, with such other qualifications City Council may impose commensurate with demands of position (end of 501.2)
- **City Auditor** provisions updated to reflect duties for both financial and performance audits (501.3) per an annual work plan the Auditor develops in their professional discretion with required approval from the City Audit Committee (501.3(b)), to be implemented or overseen by the City Auditor (501.3(c)), with a requirement that they conduct themselves in accordance with all applicable professional and ethical standards (501.3(d)). **Note:** language recently updated with further input from City Auditor.

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Group Three

Summary of Recommended Changes (cont'd)

Structure of Government (cont'd)

- **Positions Appointed by the City Manager**, updated with input from current department heads, to better reflect their duties, including as follows:
 - Director of Finance, update outdated terms, expand duties to City "enterprises," align with other changes to City's financial reporting and budget process, designate as the City's "Treasurer" for all purposes, including financings, add oversight of City's purchasing system, and applicable professional standards (502.1)
 - Public Works Director, update to reflect current duties, including oversight of City public works procurement, with ability to serve as or appoint the City Engineer (502.2)
 - Fire Chief, update to expand duties to reflect modern "all risk" fire service, to include emergency medical response, and other functions approved/funded by the City Council like hazmat regulation/response, mutual aid and rescue ops (502.3)

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Group Four

Summary of Recommended Changes

General Provisions for Chartered and City Council Created Boards and Commissions

[Old Section 1000, New Sections 600.1 and 600.2, 600.4, 600.5 and 600.6]

- Lists and clarifies terms for the “Chartered” boards and affirms Council flexibility on creating and setting terms for the City Council Created boards (600.1 and 600.2)
- Adds the Salary Setting Commission (600.1 and 604.5)
- Clarifies that conflict of interest/gift rules apply per state/local law (600.6)

Qualifications (Qualified Elector/Resident Status)

[Old Section 1000, New Section 600.3]

- Chartered Board members to be both residents and qualified electors
- City Council created Board members need only be residents

Appointment/Removal

[Old Section 1002, New Section 602.1]

- Retain full City Council discretion to appoint/remove but requires City Council to adopt policies for this to occur in “an orderly and transparent manner.” (602.1)

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Group Four

Summary of Recommended Changes (cont'd)

Term Limits

[Old Section 1002, New Section 602.2]

- Codifies existing practice allowing two 4-year terms (“Lifetime”) on any one board/commission, with Council flexibility to change this for Council created (602.2)

Vacancies

[Old Section 1004, New Section 602.3 and 602.4]

- Applies same “Vacancy” rules as for Elected Officials, with exception of existing (different) rule for non-excused absences, with a City Council policy to clarify rules.

Conduct of Meetings

[Old Section 1003, New Section 603]

- Clarifies Brown Act/City Council rules apply (603.1)
- Eliminates ability to go into closed session in conflict with Brown Act
- Clarifies actions require majority vote of authorized number of members (603.3)

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Group Four

Summary of Recommended Changes (cont'd)

Planning Commission

[Old Sections 1006 and 1007, New Section 604.1]

- Updated Powers and Duties based on staff and Commission input, with additional references to advanced planning, environmental impact analysis and public input.
- Added provision requires City Council “due consideration” of PC actions (604.1.c)

Parks and Recreation Commission

[Old Sections 1008 and 1009, New Section 604.2]

- Updated Powers and Duties based on staff and Commission input (**see list**)

Board of Library Trustees (BOLT)

[Old Sections 1012 and 1013, New Section 604.4]

- BOLT proposed for increase from 5 to 7 members included
- BOLT proposal to eliminate “qualified elector” requirement not recommended
- Outdated authority to “administer” the Library deleted, but authority retained to approve the City Librarian and certain other library policies, with some restrictions and coordination with CMO and the City Librarian

Group Five

- CRC proposed changes to the Civil Service Commission composition, powers and duties and the Civil Service rules are outlined in the CRC Final Report
- Through the meet and confer process with labor groups, progress was made, but potentially significant issues remain.
- Efforts are ongoing, but the CRC and City staff believe that moving forward with the proposed language without concurrence from the bargaining units could create difficult issues that might negatively affect the success of the Charter Project as a whole.
- Staff will continue to keep the CRC and the City Council apprised of any progress.

Group Six

Summary of Recommended Changes

Budget Preparation

[Old Section 1301, New Sections 801.1 and 801.2]

- Language added to allow for current “biennial” budget process, with alternating operating and capital budget approvals

Budget Contents

[Old Sections 1311-1314, New Section 600.3]

- Deletes multiple sections of outdated budget elements, including no longer used terms for budget reserves
- Retains requirement for “Reserve Accounts” to cover future operations/capital needs funded to levels per City Council policies based on “recommendations from the CM and Finance Director regarding best practices and available funds” (801.3)

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Group Six

Summary of Recommended Changes (cont'd)

Budget Implementation and Amendment

[Old Section 1300, New Section 801]

- Clarifies which budget amendments require City Council approval, versus which can be administered by the City Manager (within the various departments and funds approved/appropriated by the Council) (801.5)
- Allows for carryforward of funds (i.e. no new CC approval required) for approved Capital Improvement Projects and multi-year contracts (801.5)
- Retains requirement for Council level amendments to be approved by five votes, but adds provision for four vote approvals where funds not needed for original purpose, there are project savings or where the Council is allocating new revenues (801.6)

Purchases of Goods and Services

[Old Section 1318, New Section 802.2]

- Adds provision for consultation with the Director of Finance for Council policies (802.1)

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Group Six

Summary of Recommended Changes (cont'd)

Public Works (Option A Recommended)

[Old Section 1310, New Section 802.2.3 and 602.4]

- Proposal to replace outdated rules containing very low (\$1,000) thresholds for formal bidding and City Council approval of contracts/use of City forces, and no provision of “alternative” (best value/design build) procurement processes.
- Option A (recommended) proposes public works procurement to be implemented by ordinance within certain prescribed “best practice” guidelines (**see list**)
- Procurement “Alternatives” allowed, including sole source/limited bid, “best value” contracts (e.g., design build), and other alternatives adopted as part of a City-wide program determined to be in best interests of the City.
- Maintenance/repair exclusions from “Public Works” description clarified and expanded to apply to minor interior improvements and equipment bidding and installation

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Group Six

Summary of Recommended Changes (cont'd)

Audit Requirements

[Old Section 1319, New Section 803]

- Eliminates language suggesting that each City employee gets audited (803.1)
- Imposes “generally accepted auditing and accounting principles applied to government agencies” standard (803.1)
- Provides for reporting through the City’s Audit Committee up to the City Council (803.2)

Special Rules for Utilities Expenditures and Revenues

[Old Section 1320, New Sections 804]

- Eliminates outdated details for allowed expenditures and replaces with reference to as allowed by law
- Updates language for the 5% transfer to the general fund to make clear that monies can be used for general City purposes as approved by City Council

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Group Six

Summary of Recommended Changes (cont'd)

Finance and Tax Authority

[Old Sections 1309 and 1321, New Section 805]

- Replaces outdated language which inaccurately summarizes state law, with new statement of broad authority to impose taxes, fees and assessments, and issues debt subject to State law requirements, (especially regarding Revenue Bonds)
- Retains but clarifies existing limit on bonded indebtedness to 15% of the total assessed value of City real and personal property (805.3)
- Retains express rights/requirements for voter approval of taxes/fees/debt where required by law, and voter approval of any financing ownership of an interest in a nuclear power plant (805.4)

CRC Recommendation

- **Proceed with the Comprehensive Update for Consideration by Voters at the November 2026 Election**
- **Include all Level One and Level Two Changes, and such Level Three Changes Council feels comfortable will be supported by the community**
- **Level Three Changes Under Consideration include:**
 - Modifications to Measure R to allow for secondary uses of park property (
 - Proposed deletion of notice and bid on sale of City property above \$500
 - Increased qualifications and duties for the Chief of Police
 - Public Works procurement update to implement by ordinance with alternative mechanisms allowed
 - Civil Service Rules update subject to meet and confer resolutions

Other Considerations

- Election Costs
- What Goes on the Ballot
- The Need for Public Education
- Additional Work Required if the Measure Passes

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Concluding Remarks/Next Steps

- **Extraordinary Project**
- **More work to be done**
- **June 15th will allow for a deeper dive**
- **Questions or initial comments?**

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Final Thoughts or Questions?



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City of Santa Clara

City Council Study Session

June 9, 2026 Meeting

ENDING SLIDE



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