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>> Councilmember Liccardo: It's the 15th of August, and perhaps we'll just do a self-roll call. We have -- well I'll just do it and save us all some time. We're present here with Councilmember Herrera, Councilmember Rocha, Councilmember Campos, and myself, Councilmember Liccardo. So we have a quorum. We'll go to the review of the work plan and there are no items on the review or the consent, is that right, Ed?

>> Ed Shikada: Thank you, Mr. Chair, that's quite correct, no changes.

>> Councilmember Liccardo: Fabulous, moving on to matter D, reports to committee. Staff's report on fleet pilot program. Hi Dave.

>> David Sykes: Hi. Dave Sykes, acting director of Public Works, joined by Matt Morley who oversees our fleet services. Today we're here to present to the committee a report on pilot program in fleet services. I wanted to share a little bit of perspective before Matt jumps into the brief presentation. Committee probably is aware of the fact that I'm somewhat new to fleet services. It kind of came with the consolidation of Public Works and fleet services. I'm on a learning process as I get to know more about the fleet services that the city provides. Interesting that as I've gone through the process of trying to understand what we do, I have a lot of respect for what we do. It is a science. It's a pretty dynamic science. We maintain thousands of pieces of equipment. And it's a pretty complicated process. Not that I've personally come to any final conclusions, but my first impressions have been very positive of the services that we provide, and how we provide them. As the committee knows, this last budget process through the winter and spring, we went through a service delivery evaluation. I think that evaluation was very valuable to the department. And to the fleet services group. It was very valuable for staff. We have engaged staff fully through that process. They're big participants in reviewing our services. We did learn some things through that process. We learned that our hourly cost is very competitive with some of the work that we've seen done externally. But we've also learned there's room for improvement. And so this pilot program is designed to help us explore different ways of providing services and hopefully learn more about the best way to provide service. So I'm going to let Matt go ahead and get into the presentation.

>> Thank you Dave. As the first slide here says and as Dave talked to you. We do think we're competitive in some of the base things that we looked and we figured we finished the fiscal year at a rate structure of \$90 an hour. If you compare that with the private sector at around \$120 an hour it lines up fairly well. But again, there's some things that we do on an outsource basis now that we know we're not as competitive in. There's some things that we want to look at, moving forward, that we want to explore a little differently. One of the things that we learned through the service delivery evaluation is that our customers have some needs that we may not always meet. One of those being the availability of vehicles. So if parks and -- PRNS, the group we're doing the pilot with, needs to get a crew out in the field and we have the vehicle in the shop, it makes it a little bit difficult. So that's one of the things that's come to light that we want to work on and work towards some improvement on. There's certainly some areas on the dollar side of things that we can improve on, and be more competitive on. Or delivering an alternative model that will make us more competitive overall as a service provider. And then there's certainly some things that I'm sure we'll find that we're not aware of that the private industry can bring to the table. And that's sort of some of the looks that we want to do in this pilot. So the pilot's structured, taking a look at 20 vehicles, 20 PRNS vehicles. Both passenger vehicles and maintenance vehicles. This will align with PRNS service delivery model as they've reorganized a little bit and taken a different look at the way that they're providing service. So they want do a different delivery model and this will align with that and help facilitate that. And we'll look at everything from the replacement of the vehicles to the maintenance of the vehicles, the service of the vehicles throughout, full service, full service look at this. The elements of the RFP outline the way we do things now. They set the expectations for how we -- the city are currently managing our fleet. But they are flexible beyond that in that they allow the vendors to bring their expertise to the table and to tell us what they think we could tweak, what we could adjust to still provide the service. But yet, to have -- bring in their expertise and their vehicles, or the services that they can provide to us. So we're not trying to pin them down necessarily, but rather, to let them bring forward a menu of options for us, to help bring forward the best service that meets our needs, and helps to make us the most competitive we can be. And so this pilot would be a two-year project that we would look to take on with the vendors. We've released the RFP at this point. It went out on the 5th of August, so we're a little ahead of schedule there. And we'll have the results of -- or the results of the submissions initially from the vendors at the end of the month and look to do an evaluation moving forward from that. I guess I'll mention to date there's been 15 separate companies that have looked at the RFP and we would expect more to continue as

it gets exposure. So when we get the results we'll want to take a look at several different things and I've alluded to a couple of these already. But we'll evaluate the model as to how it helps us to deliver our services. We'll identify budget needs that come with it. So we've already set aside the budgets that we have for the maintenance of these vehicles. And we'll be able to redirect that to fund a portion of this, and then from there, we'll be able to hopefully work with the vendors, to provide something beyond that, that works for everybody. And then most importantly we'll gather data along the way so that the vendors will work collaboratively with us to collect the data on performance that both we can collect and they can collect, and I guess alongside of that we'll run a sample comparison of five vehicles ourselves on the maintenance side and on the facilities fleet that will give us a basis of comparison with vehicles that we're running on the pilot side. And as we gather the data and we're able to make the comparisons we'll report the results and be able to develop the recommendations and identify if this is something that works for us or if we need to tweak it further to make it something that will move forward as a full-scale implementation. And with that that will conclude our presentation and we're available for questions.

>> Councilmember Liccardo: Thanks Matt. Questions. Councilmember Campos.

>> Councilmember Campos: Thank you, Sam. So just on your last comment, you know, you'll look or evaluate to see if this is something that works for us, or make additional tweaks, to make it work for us. So is the intent at some point to outsource this service?

>> I think right now what we're trying to do is make sure we understand all the options available to provide services in fleet services. I think from my perspective we do a very good job at providing this service now. Matt mentioned, the model, there are ways to provide service and one of the areas that we're focused on providing the most is making the fleet available to those that need it. And so one of the reasons that we're so cost effective is that it's a large fleet and we're able to manage within that on the other hand we're not always meeting the needs of our clients and so there's more work we need to do to be able to get to that right model.

>> Councilmember Campos: And so by clients you're meaning our departments, is that correct?

>> That's correct.

>> Councilmember Campos: And so I'm trying to understand. Are you -- does this pilot program, I mean is it mechanics or is it the actual dispersement and signing out or what does it entail?

>> Servicing the vehicles throughout the period of the contract. So full service from that perspective. We're not trying to pigeonhole ourselves and define it too tightly. We want to be able to negotiate this along the way, so that our preconceived notions don't create -- put us in a where we're stuck and can't get back to where -- to a competitive place where we need to be. So if that means that this doesn't work down the line and we're on a good model now that's fine. If it -- if we learn some things from this then we're able to adjust then that's fine.

>> I think it's important to keep in mind there are so many different pieces and this process is so dynamic that we're hoping through the pilot, we're able to evaluate the various components and maybe come to various conclusions that maybe this particular area there maybe a different way of providing service and just being open to that to what the results of the pilot program yield.

>> Councilmember Campos: So this is starting -- it sounds like almost going out to a rental type agency, right? And then if a department, is a PRNS, they need a 15-passenger van, they would contact this vendor like you two contact Hertz if you need a represent-a-car and they would provide the vehicle for you is that --

>> It's similar, although these are vehicles that PRNS needs on a daily basis. So let's talk specifics on the vehicles. The maintenance vehicles are crew cab pickups with utility trailers that they send their crews out to their larger parks to do the maintenance with. So they would need these on a daily basis in order to be able to deliver their service. So the vendor would provide these vehicles to PRNS and PRNS would work directly with the vendor for servicing of the vehicles, for maintenance of the vehicles through the pilot program.

>> Councilmember Campos: So would it be similar to say leasing these vehicles, and, you know, the city doesn't own the vehicles, they lease them, they come to PRNS, and PRNS you know uses them every day and once

there's a problem with them, just as you would do with the lease, you take it back, to a dealership, and they work on them, and they --

>> Yes.

>> Councilmember Campos: Is that what you're talking about?

>> There will be a structure very much like that, and the problem is once there's a problem with it we'll work out. Obviously the measures along the way are the important parts. How does this program measure up to the services that we're providing now from an availability and from a cost perspective.

>> Councilmember Campos: So in the analysis will you also include how many mechanic jobs we're going to lose you or how you decide to go down this path, we would need all information so that we could you know make the best decision. Have you done that?

>> That's correct, resources are a huge part of this. So we'll be measuring all aspects of that as we do with our current services.

>> Councilmember Campos: And then lastly, trying to remember what I was going to ask -- oh. The equipment, I know that you had said that you would allow the vendor to pick the equipment. Is that -- is that because they would -- the city would never own the vehicles? Is that -- is -- so obviously if it's somebody else they would pick the equipment and they own it and they're just providing it for us, is that correct?

>> In our preconceived notions, we would have some sort of a lease for the vehicles. We did provide a specific -- very detailed specifications on what type of vehicles we would be looking for. And would be hoping that you know obviously our vendor would negotiate with us and come out with a solution that works for everybody. And obviously that would be a -- that would be a must-have through the contract process.

>> Councilmember Campos: So if they -- I'm assuming right now that our city, our vehicles were either you know were either going through Ford, Chevy or Chrysler, would -- well, I would just hope that whatever the city is procuring, that it's American-made. Help keep America working, thank you.

>> Councilmember Liccardo: Rose and then Don.

>> Councilmember Herrera: Thank you Sam. So help me understand what's driving the pilot project. Is these customers that are not -- is it primarily a customer service program or helping us to save money overall?

>> I think it's both.

>> Councilmember Herrera: Maybe if you can explain, if you can give me a realtime situation with PRNS --

>> If I could start off, and then Matt could fill in, and I think Steve is here from PRNS, and he may want to comment as well. Certainly through the budget process, a great deal of General Fund is in the fleet program. The way we work is we're actually charging the different departments if you will to some degree on providing that service. So in these times, cost is a big driving factor, absolutely. But I think also, customer service is probably just as important, because if, depending on how we provide that service, ultimately, determines how successful the other departments are going to be in providing their service. And so as we mentioned, yes, we're cost effective on an hourly basis but if we're not providing the vehicles, and I'm not saying we're not but if there are times when we're not providing the vehicles when they're needed that would disrupt another department's service and could be costly to them. Matt can add in.

>> I think that's exactly right. If you look at our vehicle uptime on our maintenance vehicles it's at 96%. Which is, to most of us, a great number. But if, in that 4% it's a time when we're supposed to have folks out, maintaining parks, and they can't get out there in their vehicle then they're sitting idle and it becomes a little bit of a snowball effect on our budgets both on the fleet side and on the parks maintenance side.

>> Councilmember Herrera: So we're quantifying that lost productivity or whatever, that's part of the --

>> That will be part of the measures going forward, the vehicle down time and what that does to our ability to perform service.

>> Councilmember Herrera: So what's the impact to the General Fund on this pilot? Because we've got our regular maintenance vehicles and now we've got this pilot that's doing 20 vehicles. So I'm guessing we're paying extra, it's going to cost us more short term.

>> We would expect there to be some additional cost. We haven't quantified that, and that will depend on how the contract works out with the vendors. These vehicles would replace vehicles that we currently have in our fleet that are aged that meet our replacement criteria of 10 years, 100,000 miles. They're older vehicles now that are ready for replacement anyway. So the replacement vehicles would come in and supplant those. We would part of the funding for those 20 new vehicles would be the maintenance costs that we have been budgeted for or the departments have been budgeted for for the older vehicles that are now out the door.

>> Councilmember Herrera: So it might not be that much difference then although you would be maintaining staff that would -- you would have staff that would be there to maintain those vehicles which would now not have to maintain those 20 vehicles, that would be your additional cost?

>> Exactly. And this number of staff is minimal. It's less than a quarter of an FTE I think total for the pilot program.

>> Councilmember Herrera: So it might not be that much difference then getting rid of those other vehicles. After the pilot is your goal -- it would seem like you were really going to -- in looking at this if you decided that that's the way you would want to go you want to move to this program totally, you wouldn't have -- you're not looking at one department would be fleet and another would be internal? I mean would you not have lease, have some lease some not? You'd want to go probably make a decision to go all one way or the other, right?

>> I think this is a start.

>> Councilmember Herrera: Economies of scale?

>> Would be able to look at that. There are some challenges when you get into some of the larger vehicles. Fire engines are a great example. You can't take a fire engine to your local garage and have them you know change the oil or repair the ladder or you know, something along that line. It's a little more difficult to envision that.

>> Councilmember Herrera: So you're not thinking fire engines will be part of this, then, right?

>> No, not out of the gate, no, this is strictly maintenance vehicle, your typical pickups and passenger vans.

>> Councilmember Herrera: What I'm seeing, there are some vehicles that wouldn't lend themselves to doing that, like you said fire vehicles. Are there other vehicles that you wouldn't think that would be readily -- you wouldn't readily think they would be part of this program besides the fire vehicles?

>> Over 80% of our fleet are public safety vehicles.

>> Councilmember Herrera: So police cars, too?

>> So specifically we'd want to take a second look at that and evaluate that on its own I would think so we could continue to provide the availability there that we need.

>> Yes just add in I mean the fleet is so diverse that I think what we're hoping out of the pilot program is, some information out of the donate here that helps us drive future decisions. So public safety I think inherently there might be some concerns about contracting that out. On the other hand there's areas that we have maintenance responsibility of, that challenge us. For example, maintaining the rides at happy hollow. And so there's -- we just

have a very diverse fleet, and I think the more we understand about different ways of providing the service, the better off we're going to be in terms of making the right decisions.

>> Councilmember Herrera: Yeah I guess because if we have to have specialists -- the rides at happy hollow does that require a specialist to do that?

>> It requires special training to do that, our mechanics, the uniqueness of our mechanics they can work ton rides at happy hollow, they can work at the fire trucks that we bring into the central service yards for service or at the dredgers at the water pollution control plant. They're skilled at all of that equipment.

>> Councilmember Herrera: Sounds like pretty valuable employees.

>> They are.

>> Councilmember Herrera: That wouldn't be easily handled, you'd have to have several different companies probably involved in delivering those services, if we didn't have those on staff? That would be one of the negative indicators that do not outsource this.

>> Absolutely. All of these things window need to be factored in as we move forward. And as I mentioned at the beginning, you know we're not dealing with a process here, where we -- it's broken per se.

>> Councilmember Herrera: Right, trying to improve.

>> We are trying to make sure we're improving at all times.

>> Councilmember Herrera: And I'd be very concerned to not throw out the core competencies we have and substitute it with something that looks like it might be better, on the long run if we had an emergency or we needed to have to a staff person to respond to something, that we were going to rely on a company that maybe

wasn't going to be as responsive as our own internal people. So I'll very interested in seeing how the pilot program goes.

>> Councilmember Liccardo: Councilmember Rocha.

>> Councilmember Rocha: Thank you. Councilmember Herrera kind of spoke to the first question I had, sort of why are we doing that this. Forgive me if that is in the memo. But was there anything that initiated it? You spoke a little bit when you answered the question to cost and budget driven but was there any previous council direction at any point?

>> Last year and Ed may want to help me. Leading into the budget process staff had identified various processes that we were going to go through the service delivery evaluation. This was one of those processes that we kicked off the beginning of last year. And so this is what I would say is a continuation of that effort, a more focused effort.

>> Ed Shikada: Thank you, councilmember and members of the committee. Just to dovetail with that there was also discussion here at this committee that clearly expressed interest in this area as we went through evaluation of fleet services overall, and ongoing discussions with the parks department in particular, we thought that this would be a good way for us to look a little more closely at the options.

>> Councilmember Rocha: Okay, so the statement that looking at it you're very competitive if not more competitive in some cases, so then I kind of ask my question, why are we continuing with this? And I'm assuming it's just because we don't leave any stone unturned, there may be other savings out there, and until we do the work, we won't know.

>> That's correct. I think when we talk about being competitive, it's our hourly rate. I think there's many other factors to be considered. Matt mentioned and went into the detail on the availability, so I think there's other things that we kind of need to look at to help us make that decision.

>> Councilmember Rocha: Okay, so why an RFP as opposed to an RFI at this point? Maybe I don't understand the process internally, why you chose that route.

>> I think with an RFP we're going to get real proposals here.

>> Councilmember Rocha: Okay.

>> Promotes with probably different ideas that we'll be able to evaluate, rather than just getting information or qualifications.

>> Councilmember Rocha: Okay, and next process I saw August it goes out, October, what do you see in terms of council process, committee return or straight to council or is this --

>> We'll have to take a look at what it comes -- what the proposals come back in from evaluation perspective and whether that trips the threshold to require us to come back to council. Certainly we'll want to report out on this along the way to keep you all informed and at the minimum at the committee level for that. And so if it doesn't need to go to council for award I would expect us to come back once we're in contract to committee to report-out on the progress.

>> Councilmember Rocha: So before you sign the contract to committee or after? Hard to say time wise. Because for me I'd have an interest in seeing it before we make that decision. But again that may not be typical procedures and if it's not then forget the request.

>> Ed Shikada: Speaking for staff, we have a number of what I would say variables in terms of how this contract would be structured. So unless there's some reason not to bring it forward from a timing standpoint I think it would be useful to get the committee's feedback on those elements, you know, what range of services, and any

particular financial structure that's important to the perspective vendor that may have some implications more broadly than the individual contract we're talking about so certainly appreciate that feedback.

>> Councilmember Rocha: Thank you and the reason I would ask, reading this it seems like we're really, we didn't put any parameters around it, and you did that for a reason, to hear what the private sector had to offer. For me in a comfort level I don't know what's going to come back. In other circumstances there may be something that's real specific. And we have the RFP in front of us, and we know what we're going to get back theoretically. In this case, I don't know but it seems like we don't know either, which is the part of the process of why we're doing that which is I think a good approach. One more question actually two more technical ones. You mentioned the pool is 80% public safety. Can you give me a total number just estimate, I don't need exact.

>> 2700 pieces of equipment.

>> Councilmember Rocha: And that includes public safety?

>> Yeah, uh-huh.

>> Councilmember Rocha: I think those are my general questions. And so as far as the model, again, you're leaving it wide open. Rental, lease, ownership. Any option we're looking at, okay.

>> Yeah, we wanted them, the vendors to be able to bring us something creative and we are hoping this will get it there.

>> Councilmember Rocha: We'll get to that. Thank you.

>> Mayor Reed: Xavier.

>> Councilmember Campos: One last question. You kept talking about the departments would have to wait for vehicles that were being serviced or worked on. So wouldn't -- I mean if a vendor was bringing in new vehicles, wouldn't that -- we wouldn't be comparing apples to apples? I mean, new equipment, I mean you could make an argument, shouldn't be, you know, being fixed because breaking down because they're new. Couldn't -- couldn't we satisfy some of our needs by just getting new vehicles, the vehicles will be available, and then over time, with wear and tear, normally, yeah, vehicles are going to need to be worked on because something's failing on them.

>> That's a good catch. I think that's some of the things that we're concerned about too. And we'll hope to measure through this pilot. I had mentioned that we have five vehicles that we're doing on the facilities side that are maintenance vehicles as well. That will be our in house baseline to do a comparison on. So we'll have new vehicle to compare to new vehicle and be able to do that apples to apples comparison. Yes the vehicles have less maintenance when they're new and so the cost should be -- should be lower. And we'll be able to do the additional comparison of what's the -- what's the opportunity cost of having new vehicles versus our current replacement cycle.

>> Councilmember Campos: Okay.

>> Councilmember Liccardo: Okay, great. Then at this point, you are only looking for us to accept the report, there's no motion to be made?

>> That's correct.

>> Councilmember Liccardo: Okay, with perhaps I think there's clearly been an expression of interest in seeing this come back to the committee if that works within the time line.

>> Yeah and we will do that.

>> Ed Shikada: That will be roughly the October give or take time frame.

>> That's correct.

>> Councilmember Liccardo: Great, thank you very much gentlemen. I don't have any items or cards from the public on this item. So if there's a motion to receive the report.

>> Councilmember Herrera: Motion to receive the report.

>> Second.

>> Councilmember Liccardo: All in favor, that passes unanimously. Move on then to Betsy Shotwell. Thank you Matt thanks Dave. Hi Betsy.

>> Betsy Shotwell: Hi thank you, Mr. Chair, members of the committee, Betsy Shotwell, Director of Intergovernmental Relations. You have before you, your regular federal and state legislative update report which I brought to you in the spring. And since so much happened in Washington after this memo was written, if you -- if you approve, Jim Webb of the airport would just like to give a brief update of where we are with the FAA extension. That was one of the many things that took place the first week of August before they went on their five week recess.

>> Councilmember Liccardo: Hi Jim.

>> Jim Webb government relations at the airport. In the report in front of you as the report was finished the Senate and the House had some difficulty reaching agreement on extending the FAA's authorization authority. And in effect, the house passed an extension that contains some provisions in it that had not been negotiated with the senate, and effectively said, we've passed our extension, now it's up to you to pass yours. The senate of course had some difficulty with that because normally these things are negotiated and then passed. They refused to do so and as a result the FAA shut down on the 23rd which is about a week before this

report got to you. In the meantime, as of August 5th, the senate finally activated in after four attempts to pass the extension they felt should have been passed. They essentially activated in and passed the House version of the extension in order to get the FAA back to work. This had some impact on us because as you know we had the taxi way whiskey project at the airport, \$55 million project. We had just gotten the \$7.5 million grant. We were just beginning to talk to the FAA going through the preliminary administrative processes of having the preconstruction conference, getting a notice to proceed, so we could actually start the work. But when the shut down occurred at the time this report came out the FAA office up in Burlingame literally closed their doors for the 12 or 13 days that the FAA was closed and there was just no one to literally talk to, to go forward. So we had begun to slow things down. But then they've opened up. We've since had the chance to do our preconstruction. We're working on the notice to proceed and right now we expect to go forward in September. The extension passed by the senate and sent to the president, signed the same day, August 5th, is only good through September 16th. So mid next month we could be back in this same situation again. As we noted in the report, the FAA reauthorization bill has been extended 20 times, including three times since the last time Betsy made a report to this committee. They're doing these extensions in increments of six to eight weeks and so that's the -- that FAA has authority for six to eight weeks to do its business. And so it's been very difficult to get any kind of predictability on this. So we don't know now after this last go-round with the extension, the first 20 have been pretty routine but the last one was pretty contentious. So no one's taken the 22nd extension for granted.

>> Councilmember Liccardo: Thanks Jim. Does anybody have any questions for Jim while he's here?

>> Councilmember Herrera: How many extensions to do we need before we can get whiskey done?

>> This is the five phase project, this is the beginning of the third phase. It will probably take us a year to year and a half to do the next phase of it. So hopefully, that's a question like how many beans in a jar.

>> Councilmember Herrera: Well usually how long do the extensions typically last? Since we have 20 of them we have a history of them how long?

>> Well they've been average over the 20 extensions about 52 days an extension. So you know they started out over a several-month period. They've gotten progressively shorter. Both chambers have passed their versions of the new FAA bill which would normally be about a four-year bill. But those bills have differences. And I think the reason why for the short extensions is sort of keep some pressure on to finally get an overall bill. But they've kind of gotten into this mode of operation, and the extensions have been about six to eight weeks. So we just had one August 5th that's good until September 16th. That's been about average for most of this year. So when you ask that question --

>> Councilmember Herrera: 16 extensions or something, I don't know.

>> We could talk double figures here the way it's going.

>> Councilmember Herrera: Okay.

>> Councilmember Liccardo: Thanks Jim.

>> Betsy Shotwell: Thank you just a minute and also, in the report is reference to the state legislation pending. I did issue a supplemental on Friday with regards to the city supported bill AB 57 carried by Jim Beall with regards to increasing the membership of the MTC, adding representatives from the cities of San José and Oakland. And where that is, it is a two-year bill. Scheduled to be heard in January. And there will be the interim hearing here actually in this room, September 13th in the morning. On this, plus many other issues related to regional governance and I'm sure other legislation on implementation of various -- the climate control legislation and things of that sort.

>> Councilmember Liccardo: Betsy will Senator de Songie reservation be here for that hearing?

>> Betsy Shotwell: Yes, I'm not sure who others will be here but I'm sure Jim Beall will be as well.

>> Mayor Reed: Rose.

>> Councilmember Herrera: How important will that be in terms of moving this forward? I want to say publicly thanks to Jim Beall for pushing this forward and Sam Liccardo, you have, pushing this forward on MTC, it is critical for our future. Can you frame what it's going to be?

>> Betsy Shotwell: It's hard to say. Because frankly they just came back to session today from their recess so I haven't seen even a draft agenda yet. Which I know we've been wanting to participate in that, when the staff return and the senator. And so you know obviously looking at speakers, working with the mayor's office, to have people champion this issue, strongly, without diluting, you know, not the same message but from different avenues and different support that we've seen in the community and the region. You know, I can't predict. I mean I hope it plays a role and provides the information and definite need for this legislation to be signed into law.

>> Councilmember Herrera: So what's the roadblock now? The senate because it went back to committee and it sort of -- sounds like it was being stalled.

>> Betsy Shotwell: The committee chair did want to put on this hearing with regard to this bill and I'm sure others but there was opposition from the legislators in San Francisco.

>> Councilmember Herrera: Okay.

>> Betsy Shotwell: As stated in the policy committee meetings in the assembly.

>> Mayor Reed: Any other questions or comments? Betsy, can I throw a couple at you? In the -- thank you for the report on the key legislative items. I know that when I've inquired about roadway pricing in the past, what I've heard from the Department of Transportation is that there appears to be a state law that prohibits us from being able to be able to charge fees for roadway usage that would help us maintain the roads. And of course, we've got this enormous maintenance backlog and so forth. Has there been -- I know there are thousands of bills running

around Sacramento right now. Is there any likelihood of anything being introduced on that issue that could provide local governments some ability to be able to engage in railway pricing beyond what we are doing on southbound 680 and so forth? Ben, thank you for taking the hot potato.

>> Mr. Chair, members, Ben Triposis, Department of Transportation. I think that -- (inaudible) that was intended to get me up here.

>> Councilmember Liccardo: Very successfully.

>> Quite successfully. In terms of specific legislation we're not aware at the moment of legislation beyond that, that allows -- that would allow VTA to expand the express lane network which they've been trying to pursue. As you recall, there was a piece of legislation, AB 744, which has gone the way of the dodo and we're trying to find ways to rekindle that. Their belief is that they can achieve much of the same outcomes as AB 744 had intended administratively. So they're pursuing that avenue. To our knowledge there is not anything beyond that specific to tolling either state or the ability to toll local facilities like the expressways for example that's currently in play.

>> Councilmember Liccardo: Okay. I know we'll probably have this conversation, when is it January when we set our alleviate priorities?

>> Betsy Shotwell: In January I will be bringing legislative priorities and this is the opportunity for you to set your specific priorities for 2012.

>> Councilmember Liccardo: Well, maybe I just throw it out there for staff to consider, and we can obviously take that up then when we can discuss. Thanks Ben, appreciate it. I know I had another question in here somewhere. Oh, on the infrastructure of financing districts, I know that everybody is clamoring to figure out how we can create an RDA version 2.0 to help us with a whole lot of things we're trying to do between affordable housing infrastructure and so forth. My understanding is that the -- I'm not sure which of the three bills had the most momentum but there seem to be some interest in taking away the two third voter requirement.

>> Betsy Shotwell: Right. SB 214.

>> Councilmember Liccardo: And checking into a legislative body. Is that's something that's likely to come to council for us to be able to put our vote of endorsement on?

>> Betsy Shotwell: Certainly the council if they're so inclined to support this we can do that. We are monitoring these, to date some if consensus was as far as with the league of California cities and others, that some of the arguments in favor of this were arguments to defeat redevelopment and eliminate redevelopment. So we obviously didn't want to get into that -- that group.

>> Councilmember Liccardo: Right.

>> Betsy Shotwell: Or you know lend the support to, you support this bill and this is going to help us eliminate redevelopment.

>> Councilmember Liccardo: Right.

>> Betsy Shotwell: And of course we all know where that issue is right now. So these are very much on our list of bills that we are tracking. We've just had this internal discussions with regards to that. And your -- the redevelopment sort of reform guiding principles came to rules, and the council maybe -- I can't remember, maybe it was in May and that was one of the bullets, as possible alternatives, in the future that we might want to consider. And you're right, the voter issue has been a hindrance. It's only been one successful infrastructure assessment district in the state and that was for Lego land down south.

>> Councilmember Liccardo: Everybody loves lego land.

>> Betsy Shotwell: That's why it's been used as an example, it's been so onerous to try to use, unless you specifically try to have, for instance, the legislation for treasure island or the legislation to have the World Cup here in San Francisco, it's more challenging to get that 2/3 vote. But we are definitely tracking those bills.

>> Councilmember Liccardo: Now that the RDA issue is out of one playing field and into the courts I'm hoping that back on the legislative playing field we might be able to start to think about alternatives like this and get involved. I know that you know I recognize the politics of doing that. If it suggests that we're supporting the elimination of RDA but it just seems like we really need to push for very quick implementation of legislation that enables us to be able to move forward. Anyway, thanks Betsy.

>> Betsy Shotwell: Thank you.

>> Councilmember Liccardo: Okay, any other questions or comments? I see no cards from the public. So I'll entertain a motion to accept this report.

>> Councilmember Herrera: Motion to accept the report, legislative report.

>> Councilmember Campos: Second.

>> Councilmember Liccardo: Okay, all in favor? Nobody opposed, that passes unanimously, thank you, Betsy.

>> Betsy Shotwell: Thank you.

>> Councilmember Liccardo: We'll move on to open forum. I do have a member of the public. Yolanda Bernal.

>> Good afternoon, my name is Yolanda Bernal, and I'm actually the assistant property manager here, your friendly neighbor from the federal government on second and San Carlos. I'm actually here as an ambassador for the urban development and good neighbor program. San José has been selected as one of the 11 metropolitan

areas that we would like to really make relationships, and create relationships with key stakeholders and key planners, developers and exchange information about maybe some of the projects that are going to be going on federally, that will benefit from some input from the city and vice versa. So in short our goal is to promote good information exchange, and between GSA and the City of San José and work with key decision-makers. So this was just my very first research to kind of talk a little bit with Jennifer Haight and see what kind of meetings I can attend and at the very least give my business card out and hopefully, ask you to rack your brains about maybe some of the personnel that I can be in contact with in getting this committee or getting a meeting, preliminary meeting of any sort set up.

>> Councilmember Liccardo: Great, thank you very much, Yolanda. While you're at the mic can I ask you a quick question? Since GSA is intimately involved in the federal courthouse issue, is that an issue that we should be engaging you directly?

>> On a microlevel, yes. On a macro level, as far as funding or time lines, that is something we would help you connect with our regional folks there.

>> Ed Shikada: Happy to follow up with Yolanda.

>> Councilmember Liccardo: Thank you very much. This meeting is adjourned.