

The following transcript is provided for your convenience, but does not represent the official record of this meeting. The transcript is provided by the firm that provides closed captioning services to the City. Because this service is created in real-time as the meeting progresses, it may contain errors and gaps, but is nevertheless very helpful in determining the gist of what occurred during this meeting.

>> Councilmember Liccardo: Welcome to the transportation and environment committee for September 12th. We'll do an informal roll call here. Councilmember Campos, here. Councilmember Rocha, here. Councilmember Herrera, here. And I'm here as well. We have a quorum. So we'll move on to review of work plan. We have two items to be deferred, or recommended for deferral. Is there a motion or discussion?

>> Councilmember Herrera: Motion to defer.

>> Councilmember Campos: Second.

>> Councilmember Liccardo: There's a motion, passes unanimously. The airport taxi model is on consent consent, is there a request to pull from consent or discuss that item? If not is there's a motion to proven?

>> Councilmember Herrera: Motion for approval.

>> Second.

>> Councilmember Liccardo: All in favor, passes on. Reports to committee. Item number 1 is the trail and bikeway network development report. We're going to do something a bit unusual this time, we're going to start with an award. I believe we have some very good news to announce. Yves Zsutty I know has been working awfully hard to make this possible, with a lot of other folks on the city's team, along with PG&E, the Water District and Caltrans, and I think a lot of folks are here. So Yves, thank you.

>> Thank you, Councilmember Liccardo, Yves Zsutty, with parks, recreation and neighborhood services. I am really delighted to talk to you today about an award we got this recently a few months ago from the Federal Highway Administratin. And we have folks from our partner agencies both externally and internally here to receive this award. When we talked about the partnership that we use to develop our trail program, we acknowledged the Water District, CalTrans, PG&E, Silicon Valley bicycle coalition, the San José Guadalupe river park foundation, but we also talked about our internal partners, the city council, the T&E committee. We just wanted to

acknowledge all the people involved. So we are delighted to get the award from FHWA, and this gentleman is here to give us some information about that and help us get these awards out. All right.

>> Councilmember Liccardo: Thank you, and Mr. Khalid, is that right? Thank you for joining us.

>> My name is Masir Khalid. I am the acting chief operating officer for the Federal Highway Administration in Sacramento, California, and it is my pleasure to be with you here today to present you with the 2010 exemplary environmental initiative award for 2010, for the establishment of the San José trail network. Under the category of encouraging nonmotorized transportation. For those of you not familiar with this program, with this initiative, the exemplary human environment initiative recognizes outstanding examples of transportation projects that either create or improve conditions for human activities while protecting the natural environment. So you guys have done a great job on starting this trail network. You are to be commended for it. It's an excellent example of this nature. CalTrans stands ready to help you if we can. Thank you.

>> Councilmember Liccardo: Thank you very much Mr. Khalid and the recognition. We would also appreciate whatever you can do to talk to Washington, D.C. and Congress about a few more bucks but we'll take the award, for sure.

>> Example of encouraging the transportation and trail establishment throughout the state.

>> Councilmember Liccardo: Thank you very much Mr. Khalid.

>> You're very welcome.

>> I'm mention because we've cancelled a few items on the agenda, we have got an opportunity for a photo opp. So we have a T&E award, if we could get you in the corner, we'll get your picture.

>> Councilmember Liccardo: That would be great. Shall we enjoy the partners? I also notice Jody Starbird here from Guadalupe Park Conservancy, thank you Jody for being here.

>> I'll mention the folks who are here.

>> Councilmember Liccardo: Oh, great, okay.

>> So we have CalTrans staff, we have David Lee and Nick from CalTrans. Can you come up we'll get you in a picture. We have the Water District, with Teresa, and her professional photographer. [ Laughter ]

>> Councilmember Liccardo: He follows her everywhere.

>> Leslie and Jody will come up from the Guadalupe park conservancy. And PG&E couldn't join us today. And I'm just trying to think if we have missed anybody else. And if we can have the councilmembers to join us we'll get a picture.

>> Councilmember Liccardo: Thank you all for being here.

>> Very well deserved.

>> Councilmember Liccardo: Good looking, too. We all going to get in? You too.

>> Thank you all so much. Very much appreciate it.

>> Councilmember Liccardo: Okay, enough of the fun, back to work, here we go. We'll move on to receive a presentation from the City's bicycle and pedestrian advisory committee. Jill Boone. Thank you for being here.

>> Can I sit here?

>> Councilmember Liccardo: Please do.

>> A little more comfortable sitting down I think. Congratulations on your award first of all, that's very nice.

>> Councilmember Liccardo: Thank you.

>> I just really want to thank you all for putting me on the agenda today and I want to, by way of introduction, say that I am not a Spandex wearing bicyclist that clocks miles and races and things like that. I'm kind of your ordinary citizen who uses my bike to go around I do occasionally wear my bike from where I live near Campbell to where I work which is near eBay and Charcot and first street. So that's my big 13-mile ride. Anyways. So I'm not representing necessarily the people that are out there you know really using these roads hard. I'm more of your common cyclist. And so I joined the B PAC because I was interested in seeing our city really become safer and friendlier to biking and walking. So you know you just got an award for doing a great job and now I can sit here and tell you how you can really do a better job. I just want to be really clear on that. I do appreciate what the city has done and the fact that you continue to fund a position for a bike person on staff. I think that's really important. And that we have a bike and pedestrian advisory committee, those are really great steps. But today I want to talk about ways in which we can give bicycling a higher priority in the city and also ways in which we might be able to accelerate the implementation of the bike plan. And I do want to acknowledge that we are all under budget constraints. I do work for local government also and am very aware of you know what we're dealing with on the budget end. So I've crafted my comments accordingly. As far as the priority goes, I want to say that we have a great bike plan that's the bike plan 2020. But at the rate that we're funding it right now, we'll be lucky to see it implemented by 2025 or maybe not even then. So that's where the concern of our advisory committee comes in as we keep talking about how could we actually get there by 2020? So how could we keep it more -- how could we give it more priority? Well one thing is that we could give bike paths and bike trails, bike ways the same priority we give to roads. And by that I mean, one of the routes that I take when I do bike to work is the Guadalupe parkway and it's been under construction for up to a year now side street that has you know a serious number of little potholes for bicycle potholes. And it's been that way for some time as it's being

implemented. I'm all in favor of of course improving the bike way but the city would never allow a major thoroughfare for traffic to be out of commission for a year. You know, they would figure out how could we do this quickly, how could we get it done and actually keep it open to the people that are using it to travel. So I'm asking that we consider you know ways in which we can speed up the improvements that we're making in such a way that it impacts those of us that do use our bicycles less. And that's just an example of what I mean by priority. And another example would be just you know like really acknowledging that when we have little potholes in the bike ways that those are as serious as big potholes in the roads. And you know figure out a way that we are making sure that our major bike ways and bike trails, that those get fixed fairly quickly.

>> Councilmember Liccardo: Jill, I'm sorry, I don't mean to interrupt, I obviously am interrupting. What I'd like to encourage you to do as much as possible is given your role and leadership in the committee is really focus on the activities that the committee has been really prioritizing and what recommendations are emerging from the group as a whole. I think that would be very important for us to hear.

>> Okay, well these are from the committee.

>> Councilmember Liccardo: Great.

>> These are the priorities in accelerating the bike plan are very key issues for the committee. I was just using some specific examples to make it clear.

>> Councilmember Liccardo: Great.

>> One other thing, in terms of accelerating the implementation of the bike plan, that I wanted to suggest, is that we have some really excellent pieces in our bike plan where we will have separated bike ways, that will be separated by curves, and we're all very eager to see those happen but of course those are very expensive to implement. And so there are ways that we could follow from some of the examples of other cities in the country, and do things that are maybe more temporary, that would allow those to be used in is up a way without

necessarily coining the curves immediately. One of those examples would be to put up the plastic pylons that you could use to separate the bike ways from the cars. It's much less expensive of course than doing the curves. When we have the money we could do the curves. One of the things that we are looking at is what are the things that could be done that would allow us to actually have use of these for bicycles without waiting for all of the money to come. So that's a suggestion. You know, I referred to other cities. I'm sure you're all aware of the New York City program where they took paint and cones out and basically created public spaces and bike ways using paint and cones and then went back later and made them into permanent facilities. So that's kind of the approach that we're suggesting, is to look creatively at what could we do to implement it now so that we could actually get them you know the people on their bikes and using these roads. So, you know, as the other priority that the B PAC is focusing on is how do we create you know the interest and the understanding of this plan in the community. And that's you know not something that I'm here to speak on today but that is our other priority. So we'd be interested in hearing your thoughts on how we can move forward and how we could, you know, really target 2020 as the implementation date for the bike plan and see how we could get that done. And -- I think that's really all that I have to say. I'm happy to answer questions but --

>> Councilmember Liccardo: Thank you.

>> I hope I didn't get too far off track for you.

>> Councilmember Liccardo: No thank you very much, Jill. Questions or comments? Councilmember Herrera.

>> Councilmember Herrera: Just Jill thank you and I appreciated you using the personal experience to try to frame what the comeant was doing. I think it's really important, I thought you brought out a lot of good food for thought in terms of can we do something that would be an interim solution so that we can actually be able to have more bicyclists using the bike lanes. I guess my concern in some of them, some of the areas is, temporary might not be safe. Because some of the roadways like in my district in District 8 I know we're doing the phase 1 project along capitol expressway and I'm very grateful that we have the funding to do the ten foot wide bicycle lanes there, so temporary funds construction wouldn't be there. Thank you.

>> Councilmember Liccardo: Jill I definitely appreciate your perspective. As you call yourself a common cyclist, as a matter of fact, there are a very limited supply of Spandex wearing cyclists out there. You are people onto bikes as just an ordinary mode of transportation and hopefully it become commonplace enough that we'll have lots of people out there. I just want to add my two cents about the dew detour on the Guadalupe trail. I know a lot of folks, gule and Leslie were here just a few moments ago that can speak to their frustration, along with the about Department of Transportation that federal authorities so we would love to be able to eliminate that detour. But it's going to be there for quite a few months more as I understand it until we are able to get through the Gordian knot that the feds and the railroad has tied for us. Is that right Yves?

>> The latest we've heard is they are looking for an October opening so it's coming pretty quickly.

>> Councilmember Liccardo: Sooner than I thought.

>> They are holding firm on that three to four months on that.

>> Councilmember Liccardo: More encouraging than I thought. Thank you very much.

>> Will it be closed then along the airport? Because I was under the impression that we were going to close the area along the airport then for the next year to upgrade.

>> I'd be happy to speak with you afterwards.

>> Councilmember Liccardo: There will be pavements coming. Thaw thank you very much Jill, I appreciate your perspective and I expect that we'll see you before too long.

>> Thank you for allowing me to speak.

>> Councilmember Liccardo: All right. Moving on to the staff presentation for bike and trail way development. Hello Hans.

>> Hans Larsen: Good afternoon, committee members. We have for you an update report on the development of our trail and bike way network. We've been providing update reports twice a year. And in the fall we focus on primarily the trail development. And then in the spring we focus on the on street bike way development. We were last here with a focuses on the onstreet network at your April meeting. The Department of Transportation, the Department of Parks recognizes and neighborhood services, PRNS O&M Department of Transportation on the on-street. I'd like to give you just a little bit of overview, of where we are in reference to bike plan 2020, that the city council approved in 2009. And as part of that bicycle master plan, it's our goal to be one of the best bicycling cities in the country and by the year 2020, to move our bicycle mode share from 1%, what it is today to 5%. And as part of the envision 2040 process, our long range goal by the year 2040 is to have 15% bike share. This is one of the boldest goals in terms of bicycle transportation in the country. One of the key elements of the bike plan is to develop a comprehensive bike way, primary bike way network. And this exhibit here illustrates the 120-mile network that's made up of trails and primary on-street connectors and the intent of the on-street connectors is to have almost a trail-like experience when you are on the street. So this would utilize the design standards that you see in Copenhagen. and illustrates where we are today in this combined trail and primary on-street network. Green indicates where we have completed pieces that are to the standard that we're seeking. And you'll notice most of those are on our now award winning trail network. So you can see the pieces of Los Gatos creek, Guadalupe river, Coyote creek, et cetera. Green is complete, yellow indicates on street portions or trails that are accessible but not paved. So we have some level of bike facilities there but not to the standards that we desire. And then red indicates the gaps that we have. And so this graphic represents about a 25% completion of our primary network. And if we can get the funds and resources and use some creatively, we will -- our goal is to have this complete by the year 2020. As we mentioned at our staff report in April we have been very successful in grant funding some of our trail network. I just wanted to highlight some of our two years. So if we grue to fast forwards to two years from now fall of 2013 this is how we would see this graphic changing. I'm going to highlight the projects and you will see some of the yellows and reds turn to green. First project we have under construction is new pedestrian crossing of Monterey highway and the railroad tracks and there is a illustration of that in the

regional projects staff report. We had a major project creating the Guadalupe trail paving it from the airport north into Alviso. We have a connector project in North San José, that connects Guadalupe river with Coyote creek area. Where we have an unpaved trail there currently. The next project funded as Councilmember Herrera mentioned is the capitol expressway improvements now under construction. We have in the Cambrian area a bicycle boulevard. So this utilizes neighborhood streets to provide a convenient path from the Cambrian neighborhood connecting with the Los Gatos creek trail. We have the San Fernando street connector from the Diridon station to the san Antonio street corridor. east west connector between Downtown San José east side and to Lake Cunningham park an raging waters. Very nice connects there. We're also going to be upgrading the primary bike way standards that provides a connection over to the rose garden and rose acrucial museum area. funded we have money for these and you can see the map looks a hot better. Two years from now. And then our goals are then focused on you know beginning planning work and development and securing money to go after some of the other pieces and I think Yves will touch on that from the trail perspective and we can take any general questions that you have. So I'm going to turn it over next to Yves to expand a little bit more on current activities with the trails program.

>> Thank you, Hans. Yves Zsutty, Parks, Recreation, and Neighborhood Services. Wanted to tell that you our network continues to grow. We're at almost 54 miles in terms of paved offstreet trails in San José. And we have a lot of projects going on every year but I'll highlight some of the major ones that are ongoing. Our Coyote creek master plan is just wrapping up. We'll be going to council within the next month or so to approve our master plan and at that point we will have either opened the Coyote creek trail or fully planned the Coyote creek trail so we know exactly what that future looks like so it becomes a target for grant writing and lobbying and those exercises. Upcoming construction, Hans mentioned we are going to be start early in 2012. Just this last week we got some great news from the Water District. We secured an skited agreement for joint use of the land for a paved trail and our final construction permit so now we're just getting some checks from CalTrans and we'll get a release of the construction dollars and move forward on that as quickly as possible. In East San José at Thompson creek we're wrapping up our design documents. We've got to do some landscape architecture work, we've water District on our plans and we secured a \$200,000 grant towards that project and on Friday sent out a grant request for an additional 350. So we try and lessen the burden on city investment when we can and when

we have a shovel ready project. Highway 237 in North San José there is a temporary gravel surface which was actually used as a temporary construction access road years ago when they built the highway. That construction road was adopted by the cyclists and has been used in really poor repair for years so it is now a target for us to pave that early in 2012 as well. The cost of trails is expensive and there are things that we can avoid like asphalt and the foundation work and the grading. But we can look at the other components of projects and look for cost savings. Right now we're studying the use of an aluminum blared instead of a steal steel bollard oop proper grim on it and lift it up and right now, we're exploring to see what it would cost to buy that in volume. And to look at injury data to eif this has been the subject of injury for employees. And so that might be a good cost-effective way to reduce cost in a variety of ways. We've been using concrete post and rail fencing for years because we saw it as a way to deal with arson and lessening the maintenance on these. But they're really set up like a puzzle, like a break wall. If you had one broken brick it would be so difficult to get in and replace that these potatoes bad spot if you need to replace one of the rails. So we're looking at a wooden classic post and rail fencing. It would be quite a bit cheaper and we think the ease of maintenance would probably outweigh the very less than likely vandalism that we've seen on this product. We're looking at a lower-cost means of doing our mileage markers. he merge work on site asphalt recycling and we'll be doing this on the highway 237 bike way because we have existing asphalt that we can use and it's also a really good medium for use in warm mix asphalt. Typically use hot mix and you use a lot of energy and you create a lot of carbon pollution. By reducing the temperature it adheres better to recycled material, and we use less energy. So we'll be looking at the cost advantages and the overall economic and environmental benefits of that product on highway 237. When we develop projects we need to deal with storm water runoff and make sure we don't get it going into the storm water sewage system. And what we've typically used are blankets with plastic netting and hay bales which are wrapped in plastic. And we've found new ways to spray the seed and the surface material onsite and use compostable materials for the products themselves. So we're going to have a cost reduction by using this product by having less time spent by the contractor to go back onsite to remove stuff that isn't decaying and we get better quonch this blanketed approach of spring on seed. Each year we go after a lot of grants. Last couple of years have been very busy for grant writing. In 2010-11 we submitted 14 grants. We are pursuing over \$16 million. At the end of the fiscal year we had obtained 1.1 million. That number is a little low in that we did get notice after the fiscal year of additional grants. This year we've submitted three grants at this point in the year and are probably going to keep pace with

the 14 to 15 number. We haven't seen any awards yet. But we've written grants -- I'm sorry we've written three grants and our budget through city funds and past grant fund is \$18 million. The big grant opportunity this year is the federal tiger 3 program. They're looking for big projects, 20 -- or \$10 million is the minimum grant I application so I'm working with John Brazil and other D.O.T. partners to frame what that off-street on-street project is so that it appeals to the federal government from an on-street and off-street way and we're able to build up more of our trail projects as a result. With that we'll be happy to answer any questions that you may have.

>> Councilmember Liccardo: Thank you for that presentation it was excellent. Looking at my colleagues to see if anyone has a comment or a question.

>> Councilmember Herrera: I do --

>> Councilmember Liccardo: Councilmember Rocha or Councilmember Herrera.

>> Councilmember Herrera: I just wanted you to Yves mention some of the starting daylight on the Thompson creek trail. I didn't hear you mention that when you were going over the update.

>> I can't give you a firm update now. We think it's in the early part of the year, February, March time frame.

>> Councilmember Herrera: That's what I heard springtime.

>> Because it's out of our hands we can't command the date just yet.

>> Councilmember Liccardo: Councilmember Rocha.

>> Councilmember Rocha: Thank you, I did have a question on the pursuit of funding side. A historic perspective from the amount of grants we've received from both state and federal.

>> Yes.

>> Councilmember Rocha: Is council approval required to accept grants or do we in some cases may the council not be aware of grants that have been submitted and received and projects started? I look forward to just reporting.

>> Councilmember, Kevin fisher from the city attorney's office. Council approval is required for grants over the City Manager's authority which I believe is over \$100,000.

>> \$250,000.

>> It's gone up to 250.

>> Councilmember Rocha: As far as an accounting of these and knowing where the dollars are spent I'm looking at the two different middle sections. One's the budget and one is grants received so I'm assuming these are for multiple different projects not any one particular one.

>> Yes.

>> Councilmember Rocha: So it's hard to know where the dollars are spent from this slide, I know you probably have that in more detail.

>> In my annual report I align the project to the grant.

>> Councilmember Rocha: Annual? When was that released?

>> July 1st.

>> Councilmember Rocha: That is just the past one we did so we would have heard that to committee. Does it go to committee at all?

>> No it's just released at the beginning of the next fiscal year but I'll send your office a link.

>> Councilmember Rocha: All right, as far as this report then this is just a presentation you do annually, by annually? This presentation itself.

>> Hans Larsen: These are done annually.

>> Councilmember Rocha: Could we include that information next time as part of this report?

>> Yes, easy to do.

>> Councilmember Rocha: Thank you. Nice report.

>> Councilmember Liccardo: I just want to say congratulations. I think this is an extraordinary amount of work that you've got going again now and 2013 at a time when nobody has got any resources. Obviously you're doing something right in terms of getting grants because I know it's not coming from the General Fund. So it's an extraordinary amount of work and I think we should be really proud of how many gaps are being closed here. It's fantastic. I had a couple of quick questions. One is: Typically in these grants, are we able to pay for our own staff costs at all out of these grants or are they solely going into the project? In other words, can Yves or John's salary come from these grants?

>> It depends on the grant source. But when staff time is allowed I'll put in a provision for the amount of time I expended John can speak for D.O.T.

>> Councilmember, usually direct costs are covered. It's grant to grant but usually direct labor cost for the project will be covered up to a certain limit. The challenge is direct it does help on a small scale.

>> Councilmember Liccardo: Okay, good to know because I know that obviously, you know, we're always think about the General Fund and what's going on and being able to leverage the great work you're doing and hopefully, have that pay that for another source is a great thing. Other question I have is about the lower Guadalupe trail. Obviously there's huge effort going on there with the \$6 million paving. I know I sound like a broken record on this because I know we've talked about it before but will there be some sliver of trail preserved for walkers or runners who would like to have a nonpaved experience?

>> Yes. Ultimately when the project is done it will be 12 feet of paved asphalt with gravel shoulders, two-foot gravel shards similar to the surface you have out there right now.

>> Councilmember Liccardo: Oh, great, I know we get a lot of runners out there and if they're like me they have bad knees so that's great to see. With that --

>> Councilmember Herrera: I have one more question. Sam you made me think of a question. In Thompson creek, we are doing the design in-house, is the grant then paying for some of the design work?

>> The grants will pay for work after the date of the award of grant. We can't build back for the design work and we have to have approval to reimburse for the work already done. So we're going to use that grant towards the construction which far exceeds the grant so we're winning in that case.

>> Councilmember Herrera: Okay, thank you.

>> Councilmember Liccardo: Great. I don't have any cards from members of the public. So with that I'll entertain a motion.

>> Councilmember Herrera: Motion to accept the report.

>> Councilmember Campos: Second.

>> Councilmember Liccardo: All in favor, passes unanimously. Thank you, gentlemen. With that we'll move on to the regional transportation activities report. Take it away Hans. If any members of the public would like to speak, I do have one card on this item but if anyone would like to speak please submit a yellow card.

>> Hans Larsen: Mr. Chair, members of the committee, I'm Hans Larsen director of transportation. Pleased to provide you with our quarterly report on regional transportation projects. The staff report highlights many activities that we're working on together with VTA, and CalTrans. I wanted to focus just our kinds of verbal presentation on a couple of projects. The first one is, the one on capitol, Yerba Buena project which is now under construction. Last month we had an action before the council to approve an additional allocation of city funds to support this partnership with federal government, CalTrans, VTA, and the city. As you're aware the 101-Tully project is more than halfway complete and hope to have it done by next summer. We're hoping to line up a great opportunity where we have the ribbon cutting and opening for the 101-Tully interchange at the same time as we do groundbreaking ceremony for the next phase of the capitol Yerba Buena. We are in final design for the phase 2 project. And have received most of the construction money that we need. We're short \$7 million. And the council asked us to kind of report back on the efforts to close the funding gap or consider scope changes of the project, our preference is to try to close the funding gap. There are a couple of major projects using state bond funds that are out to bid right now. And we are hoping that the bid results from those two projects would allow us to capture some bid savings that we could then allocate to this project. So we're working very closely with the VTA to accomplish that and ultimately it will be a decision by the California transportation commission which Carl Guardino is a member to try and secure that additional money. So we'll keep folks posted on how that goes and within the next couple of months we should know whether there's bid savings that we can apply towards this effort. Second project, just briefly highlight, continued good progress on getting BART extended to San José. Right now, under construction is the first segment from Fremont to Warm Springs. And that's planned to be completed in 2014. And then, final design work, or actually a design-bid contract, is being developed that does

plan to be awarded next year that would extend a ten-mile section from Warm Springs to Berryessa. One thing that is important to monitor is, there is an expectation of \$900 million of federal funding for the project. And as the federal government is reevaluating their dollars, and having to reduce debt, there is a close eye on the BART project and trying to assure that that gets funded. There's some early indications that they're looking at federal transit projects that don't have -- that are asking for more than 50% federal money. Fortunately, for the BART extension to Berryessa, we are asking for less than 50%, and the federal ask is less than 50%, so this kind of puts us off the immediate target for funding reductions. So that will be an important issue to monitor with the VTA over the coming months. Other than that all systems are go, and the BART extension to Berryessa. And as we illustrate in the report, this is a rendering of the Berryessa station, with proposed development in the flea market area that's located to the back. This is a rendering of their approved development plan that they have. The third project I want to highlight and spend most time on this is the California high speed rail project. And we are kind of approaching a point of significant development in San José. As the councilmembers know the direction has been to explore two options, particularly for the downtown area. Elevated option and an underground option. Council direction is to have both of those alternatives evaluated in the entire environmental impact report. There are efforts underway to look at better defining the elevated option, and I'm going to share with you some of the visual renderings that have been developed working in conjunction with the 20-member community working group. The key issues though with the elevated option are, as you'll see a very significant visual presence that an elevated option has, associated noise, and in the downtown area the elevated option does go over land areas that could otherwise be used for downtown area development. The underground option, it's sort of out of sight. Out of mind, out of sound. But it does come with a very significant cost. Some of the cost numbers that we're looking at, with the high speed rail authority, and stakeholders in the community, are the elevated is you know roughly in the one to \$2 billion range. The underground solution is in the 3 to \$5 million range with the higher end being the one that sort of meets high speed rail's preferred design standard. So there's a significant cost differential. High speed rail authority raises the issue of construction risk associated with soft soil conditions in the downtown area. The third issue with the underground is one that they bring up relative to statewide equity. That their views is if they need to provide deep tunnel solutions, in San José, would need to be fair to provide them in other parts of the state. And that drives up the overall cost of the project. So there are clearly pros and cons between the two of these. And what we are working towards is taking this issue back before the city

council. Our staff report indicates coming back in October. What we recently have had discussions with high speed rail about bumping that to a November council date, with high speed rail currently proposing to take action on design alignments in San José at their December board meeting. I'll talk a little bit more about that at the conclusion. What I wanted to do now is to share with you some of the great work that's coming out of the community working groups. With city staff and high speed rail authority staff. Really answering the question of the elevated and at grade option what does that actually look like and how can we try to minimize the physical impact that that has on our community. So I'm going to go quickly through a series of renderings. This is the visual design guideline process in development. And I'm going to walk you through what this looks like. So I'm going to start with the south heading north and this is along 101 in the Coyote Bailey area. High speed rail would be elevated over the Bailey road interchange. You can see there the size and massing of a two track elevated system in that area. This is going north in the Monterey road corridor. And this is an area that's generated a lot of interest, where looking to have the high speed rail facility actually enhance the community. We would take Monterey highway from six lanes to four lanes to create space for high speed rail. Similar approach is taken in the capitol expressway corridor. We really want to transform this auto oriented area to something that is more multimodal. You can see here Monterey road shifted to a four lane highway, can you see high speed rail -- you can see high speed rail shifted to the left along with CalTrain and biking and walking. This plan is heavily landscaped with landscape materials that are beyond the standards the city would normally maintain. There's a new rendering that's being prepared that has sort of more of a basic low maintenance one that will be coming out with. As the high speed rail travels to the north, in the Monterey road capitol expressway area it would leave the at-grade alignment and would be elevated. Heading towards the Communications Hill area, there you can see sort of the height and mass of the structure. This is in Communications Hill through a wider CalTrain track. This would be at the Alma area and at the Tamien station it would be elevated above the existing station. So can you see the heights of the facility, the elevated portions range 40, 50, 60 feet high as it approaches the downtown. As you come towards the downtown at bird and 280, here is a view of the crossing. Some of the work with the dmunt working group, there's been efforts to try to soften the appearance of the structure, in key sensitive areas minimize or extend the spacing of the columns to around the edges of the bridges to have as soft as effect as possible. As it moves further up, at bird and Auzerais, it crosses at bird avenue. This is one of the areas where high speed rail would impact opportunities for development. But the height of it does allow for development

underneath the tracks whether it is active use parking or you could even put lower rise buildings underneath the tracks. This is to provide a sense of scale, as the area transforms and builds out consistent with the downtown and Diridon area plans. Right now, it becomes into an area that's fairly flat and low density but it would be surrounded by higher-rise development. This is a view of the Diridon station. One of the elements that there's strong support there is that the Diridon station should be a signature station. There are lots of different ideas. This is a rendering of one concept for the Diridon station, that would be located north of the existing one. As we move further north this is at the Alameda, you get a sense of the physical presence it would have crossing this area. That's coming out of the Diridon Station, and here's a view from Santa Clara street with the HP pavilion to the right, you can see the crossing there. So the highest point of the high speed rail is at Diridon Station, where it is above the existing CalTrain tracks but then there's a pedestrian mezzanine that's provided above that. And then the high speed rail tracks are located on top of that. And then at highway 880 as it moves north this would be an elevated crossing of the freeway. One of the kind of the open questions is, whether to pursue kind of a signature bridge opportunity as high speed rail crosses 280. There is not any consensus from the community working group on options of whether we should just go with a minimalist bridge crossing which is the upper left and preserve maximize the views of the downtown or to pursue a signature quality type bridge. And so the lower left is kind of more of a traditional cable-stay bridge that you see in many other cities. There was an indication, though, that if we have a signature bridge we should try to pursue something that is uniquely San José. And the two pictures on the right present a different kind of a bridge concept that is not something you see anywhere else in the world, and so there's one that is lit at night. The upper right. And then during the day, the bottom right. So this is kind of a sample of work in progress that's been done. Our intent is to try to complete the visual design guidelines. In October we would want to do some general community outreach about the project and then come back to the city council with a discussion about the City's position on the project relative to the elevated or underground options. And then this would lead towards a decision making at the high speed rail authority board meeting in December. That concludes my presentation. Be happy to take any questions.

>> Councilmember Herrera: Thank you Hans. I think if the committee would agree we can have the public testimony first. Okay, so I'd like to call David Dearborne.

>> Good afternoon and thank you. Nice job. Two and a half years ago, I became aware that high speed rail was coming to town and got interested. It's hard not to get uninterested. It's hard not to get uninterested. High speed rail will come through San José. How that happens, whatever the final design, and how that impacts the long term economic viability and vitality of our downtown and neighborhoods north and south will speak volumes about who we are, and how much we care. Above ground or below ground, blended and phased in, or one monster project. High speed rail will leave its footprint on San José. Or, San José will leave its mark on California and the country. The choice is ours. And now, because of these times, the budget problems, the schedule push-back, we have time to think about this and do our best. Thank you.

>> Councilmember Herrera: Thank you. Scott Knies.

>> Good afternoon, members of the committee, Scott Knies, San José downtown association. I really don't have much more to add than Hans updated you on the high speed rail but I'd like to leave you with two points. One, there is a very active and engaged community coalition that is following this project very closely. All of the neighborhood organizations up and down in D-2, 6, and 3, are looking at this very carefully. It's kind of hard to keep everybody motivated. You know, is it funded? Is the project going to happen? Is it not going to happen? When is it going to happen? Is it going to get delayed again? But we're hanging in there. We've done a lot of work recently on the aerial guidelines that you just saw some of the pictures of. And as you can tell, it is starting to make the underground option look better and better. So we're going to take this, we really haven't kind of gone public yet with these pictures. You're seeing them really kind of for the first time this is a public unveiling here other than the work we've done in the committee and I think people are going to be shocked how tall it is, how huge the viaducts are. How it goes down in the center of the city. How it degrades the qualities of life. How it interferes with development opportunities especially along the Monterey corridor. How difficult it is going to be to travel East and West across this north and south train line. Second point I'd like to leave you with is the decision point that Hans is talking about is still out there. The high speed rail board authority does not want San José to have any other option but the aerial option. Okay? We, thanks to you you pushed back to try to get the underground option studied. They whether it's delayed again whether it's in December at some point here we're going to have to get this into the EIR to get it studied more. We're going to need some sharp elbows from the

council and from the mayor to get this in because the high speed rail does not want it studied. They don't want this for San José. And what better place to start sharpening the elbows than the T&E committee.

>> Councilmember Herrera: Thank you, Scott. And finally Roland LeBrun.

>> Good afternoon, and once again thank you Hans so much for your presentation. It is are very, very encouraging. Because it is going to cost a billion and a half to go elevated over San José, I got news for you, we can go underground and have a station for less than that. Why am I saying that? I come from London. London right now is tunneling right all the way from London from one end to the other for \$2 billion. The reason I gave you your handout is what I really wanted to talk to you about today is getting a dose of reality. What I did is carted the time tables between London Paris and Brussels london international is L.A. union and let's assume for the sake of argument that San Francisco transbay being Paris, the maximum you are going to see is two trains an hour and that's during the ruer rush period. commuter trains. The next thing I wanted to bring you today going back to reality is something that Mr. Campos will appreciate. Is a recent ridership study which has got interesting paragraph in section 4.2 that says, the inclusion of income led to unsatisfactory results leading us to recommend removing income from this portion of the model until further investigation with new data can take place. So I'd like to help you out with the last sheet. Which shows in England we've got a line called high speed 2, the first segment is similar to L.A. to San Diego and impact income has on ridership. Thank you.

>> Councilmember Liccardo: Thank you, Mr. LeBrun. And thank you for your participation in the community group as well. We should have I think questions and comments from Councilmember Campos.

>> Councilmember Campos: Thank you, Sam. So getting back to the statement that Scott had brought. I was under the impression that with council direction, that an underground option was going to need to be part of the study. And then, my second comment would be, I -- or question, maybe this is a question for counsel, is -- won't CEQA require that we make this study to vet out every option as a method for mitigation of impacts from the project?

>> Yeah, let me address that and Kevin if you want to add a legal perspective. So the council direction has been to pursue both elevated underground options in the full EIR for high speed rail project that covers this area of San José. The position of the high speed rail authority staff has been that the underground option is not practical. We responded back to them, in with a view that we think we'd like them to work with us to develop a modified tunnel option for San José that our efforts are trying to make it a more practical solution for them. We've been working with a group of the coalition stakeholders to work towards optimizing a tunnel solution that we sent back to high speed rail, asked them to evaluate that. We are awaiting a written response from them on the modified tunnel option. But I'd have to say kind of the indications that we got from staff is they still don't believe it to be a practical solution. And but the decision on whether the underground option is studied, in the EIR, is one that's going to be made by the high speed rail authority board, the latest schedule for that is the December time frame. So your question, in terms of the -- you know to have a -- an environmental impact report, they're proposing just one solution for San José. They have evaluated preliminarily a whole range of options and they've selected the aerial option as being the only practical solution. I think it's a valid argument to make that particularly with you know the strong community interest in continuing to look at a tunnel option, the position of the city council, I think there's an argument to be made that on that basis, both options should be carried forward for full review. As I mentioned, the high speed rail sort of has a different opinion. I think they're looking at it from just a cost perspective and a statewide equity perspective, that is kind of sort of echo the comments that we've heard from them, is that the project really isn't viable if you have to go to that level of improvement to be able to develop it. So I think it's going to be you know a very interesting next couple of months as we really debate this issue and the position that we as a city take forward on this.

>> Councilmember Campos: So it sounds to me that there's nothing in CEQA that requires to study everything, and then make the determination what's going to be economically feasible, is that correct?

>> Hans Larsen: Yes, just add to --

>> Councilmember Campos: Could the project still get sued on not studying this option? I would imagine that it would.

>> Hans Larsen: I think there's a argument that could be made along those lines. I think one -- to clarify is that we're in the middle of the CEQA process now. And we have asked high speed rail to study the underground option. Actually numbers of different variations of underground. They've also looked at variations of elevated. So there are at least a dozen options they've looked at. They go through under environmental options and alternatives analysis and as they have included with that alternatives analysis they have whittled it down to at this point one preferred option for full EIR consideration. So all the options that they look at will be in the EIR but essentially they would classify them as alternatives studied but not considered further. So it's kind of a little blending. So they have studied it but not to the detail of really a full CEQA analysis.

>> Councilmember Campos: Okay. Well, I don't know what to say on that. I mean I think we can predict the future that if we don't do a full study, and vet this out, that more delays are going to happen because of lawsuits. And what we don't want is for us to be completely bypassed because the most economically feasible thing in the future could be to bypass us. I wouldn't want to do good for California. Those are my questions. I do have a question on the 101 Yerba Buena project as well as the 280-880 projects seeing that they do is some funding gap. If we can't find the funding for those gaps, would you propose -- I know you talked about scaling back the project. Would you be able to complete the project through value engineering? Are you talking about taking out lanes or doing alternative --

>> Hans Larsen: Well, I think as I mentioned our full scope of the project as it's been planned and designed. I remain optimistic that there may be some big savings from other big projects to allow us to do that. I think if we weren't able to desire the money for that, the easiest thing to do at 101 Yerba Buena would be to defer the landscaping part of the project which is about \$3.5 million. So we wouldn't go to the point of having to redesign the bridge, or you know there's he been a lot of investment in the engineering part of it. But it would be looking at things like landscaping where we could pull that out and try to build it at a later time.

>> Councilmember Campos: Would the same thing be true for Stevens Creek and 880? Because that's another bottleneck.

>> Hans Larsen: That's right.

>> Councilmember Liccardo: Councilmember Herrera.

>> Councilmember Herrera: I had an opportunity to visit the 880- really really impressed with the work up there, we got a visual of the freeway, got to walk around up there and see the crane, in progress. And this is just really an exciting project. It's very, very important to everybody that traverses that freeway. And all the residents that are waiting for it. And it was very interesting talking to the people that are actually working up there on the project. They're very excited about it too and they say usually, oftentimes when they're work on projects sometimes they get hand gestures from motorists that are not all too complimentary. I'll leave it to your imagination what that may be about but on this project they get cheering them on since we have CalTrans here today just thank you for all the workers and the work and the transportation department and everyone and our residents for being patient and working with this project. And I'm anticipating a very exciting ribbon cutting, I've heard as early as April. I'm sure we'll say later to pad it a little bit but things are moving pretty fast on it so I'm really impressed on it and I'm very hopeful that we will find that extra \$7 million. I want to say thank you again to Carl Guardino in helping us get that extra money and the extra 10% we're seeing savings on these construction projects, I think high speed rail I just have to say personally, after blesk of living in San José and I can remember the freeway that ran through San Francisco, if Embarcadero, before it came down, and I visited Boston, the big dig after they took down their project, took down their overhead freeway. The overhead through San José just looks ugly. And I'll just -- that's just a personal comment. I hope we can find an alternative. And when high speed rail talks about the only practical solution, I just wonder the only practical solution for whom? I'm not sure it's the most practical for San José. I hope we keep the tunnel in there. I feel more strongly about it now because of the struggles we are having to fund this. The estimate was 55 to \$65 billion for high speed rail and if we get, I guess we're going to get \$6.3 billion from the federal government and I think the state's relooking at issuing the bonds and trying to make sure that this is planned out in the way that it can happen. I certainly am a big supporter of transit, of rail, of my speed rail all of it but I want to make sure we can fund it and I want to make sure we don't throw the baby out with the bath water or whatever analogy we can come up with, with our city. Because we have

a beautiful skyline, we have a beautiful community, we have a bust city, and I don't want to see us erecting a monstrosity that divides us and creates a division for the future .

>> Councilmember Liccardo: Councilmember Rocha.

>> Councilmember Rocha: Thank you. I'll start with the BART project. If you could refresh my memory when did the BART project begin? 2000 --

>> Hans Larsen: Whether the voters approved you fund I. It was November of 2000 was the measure A.

>> Councilmember Rocha: And we're looking at the initial -- so if I read this correctly, the extension from downtown Fremont to Warm Springs, under construction open, the VTA is completing the engineering and design for the ten mile. You move from that sentence to the full segment of BART after you speak about the Fremont to Warm Springs component? It's in the report.

>> Hans Larsen: I think we've just -- the only piece that we're working on is the extension to Berryessa. So from Berryessa to downtown is --

>> Councilmember Rocha: So the extension from downtown Fremont to Warm Springs is under construction and Bart is managing that contract.

>> Hans Larsen: That's correct.

>> Councilmember Liccardo: Actually I think VTA is managing part of the contract through Warm Springs. If I'm not mistaken.

>> Hans Larsen: Fremont to Warm Springs?

>> Councilmember Liccardo: The portion in Alameda County. I could be mistaken but I believe there was some contracting --

>> Councilmember Rocha: So now the VTA is now according completion for engineering design for the ten mile portion Berryessa, the remaining section of the line?

>> Hans Larsen: From weerms to Berryessa, the ten mile funding yeah.

>> Councilmember Rocha: And is any time the city spends on this?

>> Hans Larsen: Yes, actually there's a terrific partnership between the city and VTA where we actually have city staff that are working in VTA's offices to help prepare the design and the design-build contracts for it so that we -- we have direct input and interface and coordination with them on the project.

>> Councilmember Rocha: Funding for staff?

>> Hans Larsen: They funding our staff that are there and we also have agreement with them that through construction management of the project they will be supporting the city cost to oversee and to provide quality assurance on the project.

>> Councilmember Rocha: And you've worked all of the numbers out in a contract agreement?

>> Hans Larsen: Yes, you might -- Ray or Manuel, we had a master agreement between us and the VTA that was executed I think it was in June.

>> Manuel pineda, deputy director of transportation. We have staff that is working with the VTA to get ready for the design-build contract. On top of that we have a master agreement which is a commitment with the VTA that they will continue to staff the completely worked out, and currently we're in negotiation for the second

phase. Which is the design and construction and inspection phase. But we have general numbers as to how much that's going to cost. And kind of we're working together to come up to the final number associated with that.

>> Councilmember Rocha: Will you do another agreement to finalize those numbers or is that master agreement --

>> We are looking for a master agreement BART project will be paying for both engineering and inspection all city costs associated with that.

>> Councilmember Rocha: So when you say inspection that was going to be one of my next questions. Planning, permitting all of that?

>> All those costs will be paid for by the BART project.

>> Councilmember Rocha: That's wonderful news. Let's see here, master agreement, my next question was moving on to the Berryessa station campus section. And there's mention of the selection panel. And city staff's on that panel. Is that you Manuel?

>> That's correct, that will be me as well.

>> Councilmember Rocha: How large is that selection panel?

>> You know we -- they don't have it finalized, they expect they'll have VTA staff as part of it. They will also have Milpitas staff, because there is a station in Milpitas as well. My guess will be four to six people probably but that's a guess. I haven't spoke to VTA on the final numbers yet.

>> Councilmember Rocha: Thank you. High speed train project, I have a point or question or say one or the other and let's see how it comes out. When we talk about the two alternatives, the above ground and below

grounds, I know the interest is to see the above ground not included. What is the push I guess to not include the underground? Is it a matter of the social -- or the equity issue or is it the cost or both? Precedent? Because let me follow that up with what I'm trying to get at the final point would be there is a pretty good track record here in San José in this county about funding some of their own improvements.. So if the case could be made from our side that look include that in the study whatever it may show at the end of the day, if there is oog gives San José or the county the opportunity to finance its own underground portion to cover the difference of cost. That for me would be a good way to try and encourage them to include both components but if you could -- you're the one at the table not me, I'm just one sitting hearing a report on it. Could you speak to that?

>> Hans Larsen: High speed rail authority staff's concern with the underground option is really the three things that I mentioned in the report. So it's cost construction risk and statewide equity. So the cost I suppose to respond, if we're willing to pay the added cost for the alternative that if we wanted the more expensive solution, we are probably looking at something in the order of a couple of billion dollars. So there's a big cost differential between the two of them. So it is a high cost to go underground and as you heard from Roland LeBrun, there are -- we're working with Roland and Scott and David and others to really kind of audit the work that the high speed rail authority has done in terminates of their scope assumptions and costs. But so cost is a big issue. The other one that they are concerned with is with an underground station at Diridon given the high water table and soft soil conditions they believe that there is an element of higher risk in doing that kind of construction, which could risk, you know, the safety of workers, could risk the overall budget. And so there's a risk factor that they're trying to avoid. The last issue in terms of equity is one of really you know setting a precedent. There are communities around the state would love to have the high speed rail facilities tunneled underground. And their concern is if you had to do it, you would have to do it in a fair and equitable way. And the cost then of the overall project would rise so high that it really doesn't pencil out as a viable project anymore and that's their concern. That if you do it in San José, why not in L.A., Anaheim, San Diego through the peninsula et cetera. So their view on really the cost issue is that to look at tunneled and underground solutions in an equitable way doesn't really work for the overall goals and the financial viability of the project.

>> Councilmember Rocha: And that's a legitimate point especially if we were asking them to bear the cost.

>> Hans Larsen: Yeah, so I mean they've had discussions, particularly some of the discussions in the peninsula, on putting out there that if you want a higher-cost solution or the local communities are willing to pay for it, I think the challenge is that we're dealing with costs that are so high in magnitude it's really beyond the ability of a local community to cover those kinds of costs. I'm not sure you know San José has an extra billion or two laying around to push for a tunnel solution.

>> Councilmember Rocha: Okay, thank you. I'll jump over the regional projects and the people mover item. The genesis was way back when when there was a gate issue at the airport and the cap group and the Atra, I think the whole thing about getting the connection from light rail over to the airport. And that was settled I think through an agreement. Can you speak to where we're at here now and why we're moving forward with this? Because my point at the end of the day is that I've heard on many different occasions and many different individuals, the cost for this is so significant, I keep wondering why do I keep seeing it as something we're pursuing if there are really no dollars set aside for it and really no funding ability to do this.

>> Hans Larsen: Okay, let me try to address that. So generally this project is part of the 2000 measure A program. So when the voters approved that BART BRT --

>> Councilmember Rocha: This is included probably as a result of that issue and may not have been included.

>> Hans Larsen: Overall there's been a community interest in having good train connection to the airport. You've got CalTrain on one side and you've got light rail on the other side but it's not real close. So there's been an interest in having a higher quality connection better than sort of the shuttle service that's there today. So the traditional automated people mover projects like you see at San Francisco international the sky train, they were penciled, to have that kind of system, I forget what the cost is, was, but it was like \$600 million to put something like that in place. And so, away we have been exploring is really a new kind of automated transit technology that some refer to personal rapid transit or pod cars. That has the promise of being able to provide actually a better service at a lower cost. And so San José has been taking the lead on exploring this new

technology for automated transit systems for an application at our airport. And so we received a grant from VTA, to hire a consultant team to evaluate this project, and there are projects that are in play in London Heathrow airport to evaluate other projects in Europe and Asia and we have been evaluating issue we have connecting our airport to transit. So we expect we will be finishing this work towards the end of this calendar year and I expect that we would come back to this committee, probably in early -- probably next -- in the next work plan, calendar so winter springtime report on what our findings have been.

>> Councilmember Rocha: The study will be completed in this phase?

>> Hans Larsen: Yes.

>> Councilmember Rocha: Any previous studies that we have done?

>> Hans Larsen: The previous studies have been using traditional technology and the outcome of that has been a very expensive solution.

>> Councilmember Rocha: We've done a number studies trying to look at this, this is not the only one?

>> Hans Larsen: The base project which was kind of the base of what was in the ballot measure, using traditional technologies, resulted in a very expensive solution. So this is an effort to try and look at something that's new and innovative. Trying to.

>> Councilmember Liccardo: 600 million is what I recall the VTA number being.

>> Councilmember Rocha: I think that's right. Then I'll jump over to the last I guess section and really ask about new projects. And the process that you're going to go about to look at new projects in San José.

>> Hans Larsen: So on for regional activities. Well, we have I mean most of the projects that we have are ones that are funded through generally a voter initiative. We're building out the measure, 2000 measure A program so we're active with those. In terms of new freeway improvements, we have kind of the prominent ones we're working on 101, Tilly capitol Yerba Buena 880, 280, Stevens Creek, as part of the city's traffic capital improvement program, we have a list of the City's highest priority regional projects so there are some on there, that you aren't funded for construction. Sort of ones that come to mind, 101-Mayberry interchange which is close to the BART station.

>> Councilmember Rocha: 85-hoive lane. I'm sorry, highway 87 wasn't that discussed?

>> Hans Larsen: Well there's the hot lane projects so 85 and 101. So this would open up the carpool lanes to -- for a toll, that anybody could use those. So those are projects the VTA is doing some planning work on. So I think those are bubbling under, not real active right now. But you know those will rise in prominence you know over the next year or so. Then we have things that support, like the North San José area, 101 Trimble interchange, 101 Zanker, we have a few others that are tied into some of our economic development strategies.

>> Councilmember Rocha: Okay, I'll leave it there, thank you.

>> Councilmember Liccardo: Thank you very much Hans. Just two questions. One is, on BRT, which I know will happily be under construction I think next year, the impacts I know downtown, I know Scott Knies spoke I was out when he spoke, unfortunately I missed it. I know there have been some concerns about downtown businesses and downtown association about exactlily how that will built out with bulbouts and expanding the sidewalks to accommodate special station BRT. We are looking now modified options. Has that been vetted or discussed yet with the downtown community or is that still in the formation stage?

>> Hans Larsen: Yeah, I've talked with Scott about that and I think city staff and the downtown association. Both have some concerns with the configuration of the BRT stations. In the downtown, but as well as other parts of the corridor, and how they will actually operate. And so we've sent a letter to VTA, downtown association has also

sent letters with their concerns really seeking to understand how it operates, what kind of impacts it would have. So we're awaiting response from VTA on that particular issue. And we can keep you posted as it goes along. One of the things I've suggested is as we tradeoffs in terms ever quality of the BRT service that those are the kinds of issues that are appropriate to raise to the policy advisory board or the Santa Clara Alum Rock project so we'll continue to follow up with VTA to get a better understanding and look at the alternatives that have been put out there.

>> Councilmember Liccardo: Okay. So I understand that it was something of a hybrid approach that's being analyzed and at this point is not nothing settled on is that the case?

>> Hans Larsen: That's correct.

>> Councilmember Liccardo: Okay. And then secondly with the high speed rail, you know I agree with my colleague Councilmember Campos that there seems to be some vulnerability under CEQA one would think if they go full speed ahead although as you said they would be quote unquote studying the underground option to the extent they throw it in there to the extent it's already been studied. But assuming that you know in December as you indicate the staff is leaning towards sort of going ahead with what they've got, and recognizing that we're a long way away from high speed rail coming north, from the initial starter segment, I'm certainly been hearing plenty of rumors that if anything that gravitational pull is pulling it South from Bakersfield before it ever comes north of Merced. Is there some statute of limitations for lack of a better term on the CEQA clearance here where after five years they have to come back or however many years where they have claimed to cleared this and obviously conditions change, how stale or how long do we have to wait before that is so stale that we can then again challenge the document?

>> Well, I should should think that -- let me just start with high speed rail's objective is to refine the planning for the high speed rail system in California. So all for the entire project, San Francisco, San José, Central Valley, L.A., Anaheim, they're doing environmental clearance and going through a process in which they select the repaired alternative, the preferred configuration and getting that cleared. It helps the project in terms of overall

readiness and getting money and resolving outstanding issues, so that's their basic approach. If an environmental document is say completed and it's five, ten years down the road before they actually get it into final design or construction, they would have to reevaluate whether there are any changed conditions or issues that would warrant them to have to go back and redo some of their environmental work. So there isn't, as I understand, a real hard and fast rule on how long an environmental clearance can last. It's really more of a function as you know as the environment of the community, the factors you know, changing to the point that requires them to open up their decision making process. I don't know, Kevin, if you have any added perspective, feel free to chime in. But that's sort of my understanding at CEQA and the shelf life of an EIR.

>> Thanks Hans. Yes, councilmember. We can -- our office can get back to you on that question. But, you know, every time that the decision maker takes a discretionary action, you have to you know they're relying on the CEQA so there's a potential for a challenge at the time of the discretionary action. But we also you know can get back to you on when, in the CEQA process, there is a positions for challenge.

>> Councilmember Liccardo: Okay, just be helpful I think as we think about how to move forward and we have a limited number of bites at the apple where they might be, I think we recognize there are certainly forces beyond our control here that are pushing but be helpful to know where exactly we can push back. Thank you very much. Okay. With no further public comment we'll entertain a motion.

>> Councilmember Herrera: Motion to approve the report.

>> Councilmember Rocha: Second.

>> Councilmember Liccardo: All in favor, that passes unanimously. Moving on to item D-3, thank you very much Hans. Welcome, Kerrie and Mary. This is the quarterly progress report on energy efficiency and renewable energy activities. All the transportation engineers have left the room.

>> Only the cool people are left. Good afternoon, Kerrie Romanow acting director of environmental services. I'm joined today with our energy program manager Mary Tucker and our regular report on our strategic energy plan so with that I'll turn it over to Mary.

>> Thank you, good afternoon, I'm Mary Tucker. This is our third quarterly report on our strategic energy action plan which was first adopted by the council in June of 2010. The action plan is guided by the same framework of strategies as the City's Green Vision, and you see those five frameworks up there on the slide. And within the City's Green Vision there are a range of energy goal from jobs to reducing per capita energy use to zero waste and zero net street lights. So we're going to give you a quarterly report on what's been going on that. Within leading by example the city received an \$8.8 million energy efficiency block grant in December of 2010. And about \$4.5 million of that is being dedicated to energy efficiency of city facilities. And so with those funds there will be 71 retrofits on a variety of city facilities completed by the end date of the grant, December of 2012. We've completed 14 to date, 28 are underway and we are achieving annual savings to date of about \$78,000. With additional rebates associated with those. Typical projects include lighting projects, retrocommissioning, improving the controls within the city facilities, and also, HVAC retrofits, heating ventilation and air conditioning. We've also been leading by example on our solar on city facilities. We've come to you in the past with the central service yard and the rooftop and ground-mounted solars that's been out there. As a result of an RFP that we one week delay on that. With a proposed power purchase agreement with solar city which will give us about 4 megawatts of solar on 28 different city facilities. This will be a combination of both roof and ground-mound mounted. Parking lot installations that together have an estimated 20 year savings to the city of 5.5 million we have also been very active in advocating for policies that are supportive for the city. City positions were adopted recommending specific California legislation dealing with the California solar incentives, renewable self generation public goods charge funding and community choice aggregation, we have learned that the bill for the community commercial solar incentives were put on hold because they ran out of money. But state Senate Bill 585 has been passed and is now on its way to the governor's desk and that will allow for some additional resources to be given to the commercial side of the solar incentives. The residential still has money in it. But we've also learned that the public goods charge program funding did not pass in the senate. And the impact of that is approximately \$265 million of funds will not be coming for energy efficiency and renewable projects. And there is definitely a potential impact to

the city as a whole as a result of that. In particular, there's a possible impact to the City's Silicon Valley energy watch program which is a partnership which PG&E. And also, with several other groups throughout the area that provide these community direct-install program. These are the results of the facilities that have been served to date by our partner, ecology action. These are for the direct installation of energy efficiency measures, so you see the numbers of facilities that we've served both open the municipal and that includes this energy watch provides services for all of Santa Clara County and the city administers it. And so we've been working with other cities in Santa Clara County, in providing them resources and then also, nonprofits and small businesses. Strategic partnerships, this is so an update from what was written in the memo, where we said that the city was in the process of signing agreements with the CEC. We have completed now agreements with the California energy commission and harvest power entered into a year long feasibility study process that will provide a recommendation on the construction of a demonstration scale gasification facility on plant lands that we'll be using both wood waste and biosolids and a wide range of stakeholders will be involved with the city in ensuring that this project is a success. Other strategic partnerships. If you look out of your 18th floor windows over to the wing, you will see this one kilowatt solar system that is now installed on a little metal portion of the wing here at City Hall. So there is solar on City Hall. This is done through the City's demonstration partnership process. We worked with Armageddon energy which produces the solar closers. They also had a dismai over at the solar showcase. This will help provide Armageddon energy with the needed before taking their product to market. Communication and engagement. With funding from the Department of Energy through the better buildings program grant, we've proposed a project had a concentrating in bringing a variety of services to bear within the neighborhood. And so we have chosen the doress Hoffman with ESD office of economic development and the housing department. And it's been a very successful program so far to date. We've had 93 assessments, we don't call them audits. That kind of freaks the people out in this neighborhood. So they are an assessment of the house and what could be done, and we've had 72 installations now from a variety of different funding sources for energy efficiency activities or funding sources to really help the neighbors and their housing. And so here's a quote from a very happy customer, a success story within the neighborhood. We've been working very closely with the neighborhood leaders. With the churches, the community activists, the Boys and Girls Club that's within this neighborhood. San José State university students provided and assisted us in a real neighborhood assessment to understand you know what would trigger these residents and businesses in putting in energy efficiency. And we found that they

really valued health and safety and so that's how we've been addressing energy will help you with health and safety issues, too. And so how energy efficiency and you saw by the preceding numbers how successful it's been. So the black dot on your showcase, your handout, this is an example of the marketing efforts for the clean energy showcase druse street from there City of San José, project funded 50 Department of Energy through our solar America city project. So this is an example of the television marketing that we have undertaken. And if all works well --

>> Want to go solar but don't want to start, check this out. The San José clean energy showcase. You'll see the latest in solar technology and get the facts from the City of San José experts like how to go solar with no up-front costs. This is a place to learn all about solar.

>> You can save a lot of money right now going solar.

>> The San José clean energy showcase. It's open Saturdays from 9:00 to 1:00 and it's free! Come get solar shabby.

>> So over 4,000 attendees have gone through showcase since opening and we're getting about 40 to 60 attendees every Saturday. What's also happened, now that school has started back up again, is that school tours will be happening throughout the week. We were able to present to the San José unified school district principals when they had their meeting right before school started who were very excited about seeing this as an opportunity to provide their students with inspiring them on clean and green technologies. And we're also on finishing up our workforce training activities in coordination with the IBEW union, in providing clean tech and you know workforce development activities. I do want to note that the showcase will be closing in November. Probably right before Thanksgiving or soon thereafter. As our solar America city funds will end in December, and we need to get everything off the spot. So we're looking at opportunities on, you know, will the donors you know provide us with their -- the solar systems that they're showcasing there or are many of them want to take them back and use them in real life installations but we're looking at some opportunities, you know this has been such a success and what can we could with it? And another part of our solar America city program on Saturday, October 1st, San José will

have its first solar home tour. This is part of the national solar home tour that's sponsored by the American solar energy society and so there are solar home tours happening all over the country on that weekend. And then, so I would encourage you, we've worked with many of the solar businesses, to have them highlight the installations that they've done and I think we're close to ten solar homes throughout the community at this point, we'll be finalizing those numbers very soon. Encourage you to come on out and you know we've got lots of marketing too to let folks know that this is an opportunity to come out and really talk to a homeowner and see why can you go solar and dps why did you go solar and what are the advantages of that concludes my presentation on this topic and open to any questions.

>> Councilmember Liccardo: Thank you, marry and Kerr Kerrie. questions? Councilmember Campos.

>> Councilmember Campos: Just a few quick questions, the families from the Dorsa and park neighborhood, do we have an idea per family what their annual savings might be with getting some of their appliances and you know things converted?

>> I don't have those exact numbers in front of me right now but I can get those.

>> Councilmember Campos: So going into the program though did we have an estimate what we might have thought?

>> In the best case scenario we were hoping from like 15 to 30% depending on the --

>> Councilmember Campos: Okay those if you've got any information on that I'd like it, thank you.

>> Councilmember Liccardo: Councilmember Herrera.

>> Councilmember Herrera: Yes on the Dorsa Hoffman neighborhood I was able to attend one of those events at the Boys and Girls Club and it was a great event and San José State students welcomed United States at the

door and everyone was out there. I guess the way it became successful is people went actually door to door in informing the residents in gathering people to come and participate so I guess this program will not have funding now it's ARRA funded?

>> This is part of the stimulus funded so this funding will go from December of 2012.

>> Councilmember Herrera: Thatons program will continue thank you.

>> Councilmember Liccardo: I think the concept of trying to get the entire community engaged for a period of time is really fabulous. I know in the downtown community we got several residents get enthusiastic on it including mine it was a great deal they negotiated a good deal with the solar provider with a great help from Mary and the whole team from the city and really I think that's a great way to pull people into the solar experience. I just had a quick question about HR 2599 because I know the pace program has been something that's been out there for some time, we've all been hoping this might be a great way to kick-start the solar industry again. Here at least locally. Is there -- looks as though it's a bis partisan bill but Lundgren is the primary author. Have we tried to get our own representatives on board? Given fact we've got several --

>> Yes we are actively monitoring that and working with our representatives to be ability to support that. Some good news, that has come out of the California and please don't quote -- one of the civil courts the Supreme Courts, or something, that the FHA couldn't really stop it the way they did.

>> Councilmember Liccardo: Great.

>> So there are some added activities going on that you know could eventually get us a pace program again.

>> Councilmember Liccardo: That would be great. I know we're sort of first in line as I recall when this whole thing grounds to a halt. Would we be ready to go when the leg authorities have told us we're kosher?

>> Possibly upgrade California which was the another stimulus funded program, administered by the California energy program. So a lot of them went into that to try to develop financing methods for energy upgrade California which we definitely you know use and promote within our area. So there probably could be some readjusting of folks.

>> Pace may just not be as competitive as it was at the time given the lower interest mechanisms available.

>> Councilmember Liccardo: I see okay, well thank you very much.

>> Councilmember Rocha: I did have one question.

>> Councilmember Liccardo: Sorry Councilmember Rocha.

>> Councilmember Rocha: Solar on city facilities, the pace of that is that moving that pace you're comfortable with? Is it -- I'm looking at you started in June 2010, you're expecting to return to council in fall with an agreement.

>> We're coming to you on September 27th.

>> Councilmember Rocha: Yes I saw that it was September 28th.

>> We hope to have everything installed by December of 2012.

>> Councilmember Rocha: Perfect that's where I was going with this. Fantastic.

>> The 28th I'm sorry. With that --

>> Councilmember Liccardo: Everything that doesn't move.

>> Councilmember Rocha: Okay, got it. Okay thank you.

>> Councilmember Liccardo: Councilmember.

>> Councilmember Herrera: I just had one question. Mary on the public goods transfer funding my recollection was we were in San Francisco talking with the CPUC. I thought there were other alternatives is that okay to mention right now?

>> When we did meet with the executive director of the CPUC he thought there was another mechanism that they would be looking at to continue the programs within the public goods charge.

>> Councilmember Herrera: They seemed to be anticipating a legislative -- a possible solar on the legislative front.

>> I'm actually going up to the CPUC for a meeting on Wednesday so I'm hoping for monitoring --

>> Councilmember Herrera: There may be a way to capture some of that funding back?

>> Yes.

>> Councilmember Herrera: In terms of the solar that's installed currently how much solar do we have on city facilities, how many megawatts? I thought we had two? Four?

>> We have 2.4.

>> Councilmember Herrera: This is additional to the 2.4?

>> Yes.

>> Councilmember Herrera: And we have another 12 in the work, right? Proposed or something? Am I adding other things together?

>> We had originally thought that there was -- we thought there was going to be 12 to 15 megawatts. But, you know, better analysis on the facilities, you know, and looking at how much we could put on some of them had revised that down.

>> Councilmember Herrera: So what's total installed and potential we have, what's the total six or sit more?

>> For right now it looks like 4 based what we received from solar city. Like Mary said we started out with the possibility of 12 just looking at that time physical facilities available not that's what we're looking at now.

>> Councilmember Herrera: That's in addition to the 2 you have installed right now isn't it?

>> Yes.

>> Councilmember Herrera: In addition to the six.

>> One of our guiding principles is there has to be an ROI on it. Cost savings. So we could put more solar if we're ready to put more money but we're not. So that does pull in the potential a little bit we agree that that makes sense.

>> Councilmember Herrera: As chair of economic development, thank you.

>> Councilmember Liccardo: Great. Well thank you very much. I think we just need a motion to receive.

>> Councilmember Herrera: Motion to accept the report.

>> Councilmember Liccardo: Thank you. All in favor? That passes unanimously. Thank you very much. And we're back for more. Community choice aggregation. Hello Kerrie.

>> Good afternoon. So we'll continue with Mary on this particular topic. This is one that we've spent a lot of time investigating, and you know, we want to make sure before we move forward with something that it makes sense, particularly where there's a potential for General Fund investment or the potential to have a lot of community involvement around something we want to make sure it's really viable before we go out with it. So with that Mary's going to -- hold steady at the computer and you can ferret that out and we'll go ahead and start to share what we've learned and our recommendation for next steps.

>> So thank you very much. So community choice aggregation, what is it? As defined by California adopted legislation, this would permit any city, county or city and county, to aggregate the electric loads of residents businesses and municipal facilities in order to facilitate the purchase and sale of electricity. In March of 2011, this year, as part of the Green Vision report, staff received the direction to explore community choice aggregation, as a way to meet several city goals and Green Vision goals. And was asked then to return to the T&E in September with our report. So with the combined help with the City Manager's office, ESD and I want to thank Amy Chan from the City Manager's office for her help in this, we undertook a wide range of research activities from individual interviews and group interviews with a number of people involved in this issue to extensive document review on what has undergone since this, the legislation was passed many years ago. Marin clean energy is the only operating community choice aggregator in California at this time. This graphic explains you know the responsibilities involved in community choice aggregation, where Marin clean energy as a C CA is responsible for buying and positionsly building the energy supplies, PG&E remains responsible for delivering the energy, repairing the lines and delivering opted out of the process. Of a community choice aggregation process. As this is all undertaken. So community choice aggregation was envisioned as a way to achieve goal 3 of the Green Vision, receiving 100% of our electricity from clean, renewable resources. In addition to other economic development goals, possibly lower costs, for electricity rates and generating green tech jobs. Staff looked at the variety of

resources in various ways that the Green Vision goal number 3 could be achieved. And these are outlined within the report. To what extent would all electricity in San José be generated by renewable energy installations throughout the city? Solar on every single house that could take it and the businesses. To what extent could we, would renewable generated direct access and I'll talk about that in a minute. Feed in tariff and other tariffs are available and then community choice aggregation. So as we conducted our research into community choice options, it was like peeling back an onion and finding more and more details and issues that really needed to be addressed. We identified a number of priority areas that would need further due diligence, research, and analysis, in order to present to the council a much more comprehensive and judicious recommendation on whether a community choice aggregation effort should be established in San José. Details on these issues were outlined to the report that was presented to you and played a large part in the recommendation that was finally presented. So as part of our research, we looked at other alternatives to community choice aggregation as a means to achieving Green Vision goal number 3. Direct access, an option that would allow eligible customers to purchase their electricity directly from competitive energy service providers, direct access has not been available to new customers in California since the legislature suspended this program during the energy crisis in 2001. The California Public Utilities Commission though issued a decision in March of 2010 where they approved a limited reopening of direct access for nonresidential customers. And so that was -- you see the load that was allowed per PG&E and specific loads were also allowed for the other investor-owned utilities. And they've been doing these in a series of phases. In you know that you can apply to be -- to get direct access from another electricity source. The applications, once they were submitted, were oversubscribed nearly instantly once it was opened up by PG&E. One of the areas that we would be looking at would be to work with the legislature or the state regulators, as they have been called. So a solar feed in tariff program would to sell the electricity they generate back to the utility for a guaranteed price. Net metering gives you the up front incentives but then not that guaranteed price over the year and it does not give you the incentive to maximize your rooftop potential. You basically try to size the system according to what you need. So with a better feed-in tariff, rooftop installations could then be built to provide the maximum power rather than only to power the buildings below. And not only rooftop, but other, you know, ground-mounted types of systems too. Another option that we looked at, and could be used, would be increased involvement in current smart grid activities that are all currently underway within California. Smart grids are integrated and comprehensive activities that are -- with goals to optimize grid

operations and resources, deploying smart technologies, integrating a variety of smart appliances, and allowing more customer participation in energy decisions. Including the increased use of solar. So achieving the city's energy goals is definitely a multidisciplinary effort that involves numerous community and parties throughout the region, the city and the state, and we feel that we believe that San José has and can continue to bring a value to the discussions on the energy future within San José, and for now, we are making the recommendations that you have before you that we monitor community choice aggregation efforts so that there is an -- when there is an opportunity and a better economic climate we can address it, but that we continue or expand our collaboration with the California Public Utilities, PG&E and other stakeholders, you know, in a variety of other alternatives that would achieve our Green Vision goals. And with that, we are available for questions.

>> Councilmember Liccardo: Thank you very much Mary. Councilmember Herrera.

>> Councilmember Herrera: Thank you. I really want to thank Mary Tucker and all the effort from ESD staff and everybody that helped put this report together. I was one of the folks that was interested in this because simply it looked like a possible way for us to reduce energy costs and provide an attractive rate for businesses. And you know, encourage more businesses to stay in San José, grow in San José and then, by extension account create more jobs and of course, also achieve the energy goals. So I was a little disappointed when I saw the results. But I absolutely agree and I certainly wouldn't want to push any kind of a strategy that doesn't make fiscal sense, doesn't make sense for San José. I had the opportunity to go with Mary up to visit the CPUC in San Francisco and that was a very worthwhile trip to meet their director and to hear his impressions. We met with their staff. Just shorthand and I'm not the technical one but, the city that wees compared ourselves to is Marin who has actually adopted or is utilizing CAC. And really the bottom line you are not going to save the money on the energy. And there are folks in Marin that would pay extra because they are so concerned with the energy goals that it can work there but I think it's a unique situation and I don't necessarily think it would work here and also, funding that we would have to put in up front to make this happen. I think it's a half million dollars probably not a wise thing to do. But what we did learn up there I became very intrigued with the direct access opportunity, and then the feed-in tariff as well. And some of the comments that the director made. Being very impressed with the amount of solar that we have implemented in San José. As Mary presented it you know it doesn't sound like a really high number

but compared to other cities we're doing quite well. And so they were very, very positive towards us and very positive about assisting us with our relationships with partners like PG&E. So I felt that was a very important message from them. They also seemed to be fairly supportive of community choice aggregation though. They are supportive of it so who knows in the future, things may change and there may be opportunities. I just don't think so right now. But on the feed-in tariff, Mary, can you tell me, how we moved forward on that because I know in terms of direct access we do need some sort of state legislation I think to centers it. You didn't mention it on this report what we would need to do to mention feed in tariff that looks like a possible opportunity there.

>> That is probably both a legislative and a regulatory effort in working on both sides.

>> Councilmember Herrera: So I do think that we should continue to explore and move forward on supporting legislation and regulatory changes to provide a feed in tariff that would present a great opportunity it would be a motive to use loops size it just to the minimum that they need but have that ability to sell back to the utilities so -- and thank you very much for including me in it and I'll be supportive of either making a motion to accept it, I'd like to see this cross-referenced to council too for them to get this information too.

>> Councilmember Liccardo: Councilmember Campos.

>> Councilmember Campos: Thank you, Sam. Just one question. So how does this alternative, the smart grid alternative, get us to accomplishing Green Vision goal number 3 or what percentage would that get us to accomplishing that? I'm assuming that that's the stern that would have to go to try to satisfy Green Vision goal number 3.

>> We think there's going to be a lot of different parts that together get us to that Green Vision goal and so we think it's going to be a combination and lots of different market forces making it viable for everyone to participate in solar. So I don't know that there's one way. I mean certainly, CCA would have been a very large piece of that. But a very expensive piece and probably not something that our community would have embraced. So we think there's going to be lots of parts to get us to that 100%. So we haven't pulled back on that 100% goal. It

certainly seems a bit more of a stretch today than I had hoped it would be but we're still moving towards that goal.

>> I think one of the more immediate results of us having a smart grid is people understanding their energy use within their home and you know, looking to ways to reduce it, definitely through their appliances and everything. But then at that point thinking well, where am I getting my energy and to what extent could then renewable and solar energy provide some of that to me? So it's that multiplier, you know, effort.

>> Councilmember Campos: So would this also mean pushing out the time line to getting to 100% what's the term efficiency? And I would expect you would come back to the council with an alternative plan on how to get -- howto to satisfy policy or vision goal number 3.

>> And we don't have that answer today. But we are -- we are exploring lots of options. And the more you know this exercise really helped us to learn a lot more refers to start to pull. And who else we neat to mead to move legislation or other incentives forward. But we don't have an answer on how that path makes sense yet but we haven't veered off it. So we're not willing to pull back on the goals yet. And we're hopeful that as we continue to explore things, I mean imagine, if the feed-in tariff programs happened and the price was very healthy, what more people would be interested in installing solar. That would be great for our businesses and that would be great for the people who installed solar because they would get a little money back. Who wouldn't be interested in installing solar if you got paid to do it? We think that a lot of that will emerge and that will be part of helping that to emerge. We have a couple of months to our next Green Vision update and we'll keep thinking about it and put it to you then.

>> Councilmember Campos: That's what I'm trying to get, not a good idea, too expensive?

>> Not today.

>> Councilmember Campos: We have this goal and we need to accomplish this goal and so you'll come back to us with other ideas, hopefully?

>> Definitely. We'll come back to you with even better ideas.

>> Councilmember Campos: Okay, thank you. He.

>> Councilmember Rocha: Thank you. Page 2 the statement achieving rate relief is a means of increasing economic development opportunities. I've read through the report and I was looking for a little bit more on that and maybe I missed it but could you maybe expand on that or point me to where it is in here?

>> Do you want to point to where it is?

>> Achieving rate relief? One of the --

>> Councilmember Rocha: So what's really meant by that statement?

>> There was the -- there was the opportunity with CCA for San José to set the rates. So we could potentially lower rates for businesses than for residential.

>> Or the reverse. So we would have some opportunity maybe to -- for very large businesses have them pay lower rates. So we would have a little bit more flexibility in that. We'd also have the responsibility for that. So we thought there could be some drivers around pricing, that would help -- that would help to attract some businesses and initially there was the hope that overall prices be lower. So you'd get renewable energy plus lower prices, wouldn't that be great for businesses to come to San José.

>> Councilmember Rocha: So that's what I kind of thought was meant by this because initially if memory serves me correctly I wasn't on the council at the time, because I believe the Mayor did pursue something like that and

on the agency side we had always looked at this because every time we're competing with a company and looking for a location oftentimes they would land in Santa Clara because the rates were lower. Because the PG&E to see if in some way be competitive on that side of it. So I guess I'm disappointed in that component but I guess the overall you capture do the one of part of this without the whole part of it is really what we're looking at? Because that part is a little bit specific outside of just the whole overall.

>> Right because we wouldn't be the broker for the energy, we wouldn't be able to set the rates. We did learn more about partner with our local businesses to try and again them to get better rates and we've never really done that so that could be an outreach mechanism for us to attract businesses as well in addition to municipal operations. Anything?

>> Yeah, and you know, one of -- in talking to many of the cities that, you know, are looking at community choice aggregation, that was one of their goals to meet or beat the current utility rates. And within the report, we did a preliminary just sort of a comparison between Marin's rates right now and the current PG&E rates and found that you know they were all over. Some of the small businesses, you know, paid a little bit higher than as Kerrie said the larger businesses. You had the opportunity for dark green which was much more renewably supplied power. It really comes as you start to look at the cost and supply issues, all of those issues that we identified in our due diligence, you know, so being able to say whether we could or could not as part of the CCA, be able to research time that we had available.

>> Councilmember Rocha: Okay.

>> And we'll just keep looking at the horizon and seeing when the market indicates that when would it be a good time for us to jump in on it. Pratt we didn't think we would want our General Fund to be spending money . The last page, 500,000 for the cost I guess that would be covered in just purely staff time on the city sides or are you looking at consultant?

>> Staff time consultants.

>> Councilmember Rocha: Both, okay.

>> Marin clean energy are operated by four up and running, wult it's the getting it started and all the outreach et cetera, it was pretty time consuming and costs.

>> Councilmember Rocha: Okay, page 5 configuration paragraph it uses exiflight testimony for and billing. Can you expand a little bit on that statement and what it means? I'm assuming today it means we would be using the infrastructure they already paid for and set up to reduce rates and would there be any -- I mean I could be sympathetic really with PG&E's case that thz this is our investment.

>> That relates to graphic that I had put up on here, CCA you go out and purchase electricity. There are a series of charges that you would then be make the utility, in this case PG&E, for the use of those, of the distribution.

>> It's reminisce eptd of when the phone companies was kinds of broken up, you still got to make a phone call over their phone lines and you paid those line item charges. That's what made us think we could do this, because we wouldn't have to put in new poles, although we would lay it underground and layer a bunch of wires but they would be compensated for those lines.

>> Councilmember Rocha: How would you be compensated for those levels?

>> They are established for us.

>> Councilmember Rocha: Through the CPUC. I think I have just one more question. So the last page, similar to

--

>> Last page of the memo? Or --

>> Councilmember Rocha: Page 9 of the memo. Staff is specifically looking for council direction on the following. That's from us today or full council?

>> Yes, it can come from the committee.

>> Councilmember Rocha: Okay, all right. Those are the end of my questions.

>> Councilmember Liccardo: Okay, we'll probably have a motion on that in a moment. I just wanted to ask a couple of questions about a couple of the attachments. Mary, an enormous amount of work been into this, thank you, really thorough and very impressed by what we see here. The electric rates that we see in attachment C comparing Marin, and the PG&E rates, clearly not competitive on the residential end. On the commercial end, it seemed to be much closer. In some cases quite competitive. And I'm curious, what, why is there such a big difference between residential and commercial?

>> Marin is -- was looking at a phased in approach of getting their customers, and one of the target customers that they worked with first was the commercial sector. You know, in order to address those, you know, high rates on that, and understanding, too, with as the councilmember said about Marin, this was a community that was very involved in their greenhouse gas reduction goals and ahead of time to understand their community and what they would be willing to pay to get more clean you know supply.

>> Councilmember Liccardo: So the residential uses were essentially subsidizing the program? Is that right?

>> And they were willing to.

>> Councilmember Liccardo: And they were willing to, okay. For the benefit benefit of the businesses.

>> Councilmember Liccardo: I certainly understand. In attachment A there is away some discussion about community choice aggregators, across the country, I know it's a small number. But the San Joaquin valley power

suspended their program, as I understand it, the explanation given was a change in market conditions. Did it have to do with market energy prices specifically or --

>> A lot of activities been on with San Joaquin that caused them to suspend their model and effort. As we identify here there was you know issues with PG&E and also, you know, and the other cities and counties, you know within their whole area dropping out so that it did not look as viable as it did when they went in.

>> Councilmember Liccardo: Okay, thank you. Yeah, I also wanted to echo the support for the feed-in tariff. My own experience was the vendor really talked me down in terms of the system that I was willing to buy which was you know obviously a credit to the vendor in a sense. But I know many people would happily by a much larger system and there's a lot of remaining roof space among those who are willing to try solar if we had the incentive to do that. Hope we can get there. For that I'll leave it for Councilmember Herrera to make a motion.

>> Councilmember Herrera: I'd like make a motion to support the recommendations of the support, support the oocht whole council to hear the discussion on the other options here, direct access, feed in tariffs.

>> Councilmember Liccardo: Great is there a second to that?

>> Second.

>> Councilmember Herrera: I wanted to speak to it briefly.

>> Councilmember Liccardo: Sure.

>> Councilmember Herrera: Again I want to say thanks to Mary. We went up to San Francisco I was already told that community choice wasn't probably going to happen, I thought why am I going, there is so much to do here. It is very worthwhile. I was folks in our city and the CPUC is going to be very vanl into the future and I think it will, help us move towards these alternatives it will help us with regulation it will help us with figuring out how to move

forward on legislation and there will be other opportunities. We learned a lot from them and one of the things we learned was, they're going to be looking at San José as a leader in terms of the things we're already doing. Because the state has some very aggressive goals in terms of solar with Simitian's bill passing and the governor would like to go 10% higher than Wass already been forecast in termination of alternative energy. They need us to do these projects they need us to move forward on this so I think there's synergy there so even though I'm very disappointed that CCA didn't prove to be the big opportunity I thought it would be, I think that going up there and working with them and looking at these other alternatives is going to be very useful for us moving forward.

>> Councilmember Liccardo: Okay, thank you. So I don't see any members of the public who would like to speak at this time. If you would like to speak please run to the microphone. Then all in favor of the motion? Any opposed? That passes unanimously. Thank you. Very much, Kerrie and Mary. Move on to item 5, proposed storm water permit plment.

>> With me this afternoon is Michael Rhodes with our environmental services department. Before you is an update to the City's post postconstruction urban runoff management policy as well as associated modifications to title 20. As you know from other reports that have come to this commission, I will not be using a PowerPoint, just a quick verbal update for your consideration. This afternoon.

>> Councilmember Liccardo: Very merciful thank you.

>> Laurel Prevetti: As you know we are participating in the municipal regional permit with the regional water quality board. This covers essentially the central and southern portions of the Bay Area. San José is one of 76 municipalities that are participating in this. And in our regional permit we have new regulations that kick in December 1st of this calendar year, requiring certain implementation of storm water runoff for projects of greater than 10,000 square feet of imperch use surface. So we are before you this afternoon to request we update our local policies and ordinances to align with the municipal regional permit. So specifically the permit requires the use of low impact development as a primary technique for managing urban storm water runoff. San José has

been a leader for over 13 managing the high quality of a developed areas. Now the state has expressed interest in us essentially minimizing the amount of disurbed areas, looking at how we can use more natural approaches to handling storm water runoff, and that's called low impact development. That includes using things like rain barrels and cisterns green roofs permeable pavement rain gardens as well as flow through planter boxes and in this way we're using runoff essentially as a water resource and not just something that is considered waste which has been the prior approach. We are looking at modifying our policy so that way we are very clear about what is required, as I mentioned sites that would be creating or redeveloping 10,000 square feet or more of impermeable surfaces would now be required to use these techniques in addition our municipal permit identifies special land uses that would create or review 5,000 square feet of impervious surface which is not really very much. Some of those special projects include things like restaurants, and park lots, either stand alone parking lots or park lots associated with other uses. As you can well imagine our development community has been interested in these requirements. We have been getting communication from some of our larger developers, and we are assuring them that these are not City of San José only requirements that all we are doing is implementing a municipal regional permit that has already been given to us from the regional water quality control board. So essentially our policy is one that essentially looks at how we can first minimize runoff through good site design, prevent polluted runoff, through good source control, and then finally, treat any remaining storm water through low impact development. So this new policy approach essentially aligns with the policy very much also aligns with the environmental leadership this city has been exinting with respect to storm water management and brings both our policy and time 20 of our municipal code in compliance with that. We are recommending the committee's approval of the staff recommendation for cross referencing, to the council meeting of October 4th. The title 20 changes are going to our Planning Commission on Wednesday, so the council will also have the benefit of a Planning Commission recommendation regarding the ordinance change. Staff is available for any technical or other questions that you may have as well as any certainly interested in any public testimony that we have on this as well. Thank you.

>> Councilmember Liccardo: Thank you, Laurel. Questions, Councilmember Campos.

>> Councilmember Campos: Thank you Sam, just a really quick question or clarification on the recommendation B. There is a requirement for property owners to keep an inspection and maintenance schedule. Does that include the individual detached single family homeowner that is not part of a larger project? Would it be just upon occupancy, city inspectors go in to make sure that they did the improvements and then that's it they're in the clear?

>> Laurel Prevetti: Right so we are -- this would not affect the individual single family homeowner. This would be for the larger developments where they would need to have inspection records available so there are provisions for that.

>> Councilmember Campos: Okay, thank you.

>> Councilmember Liccardo: Thank you. We do have one member of the milk who would like to speak. Mr. LeBrun, come on down. Thank you very much, I really can't resist this, and Planning probably already know what I'm going to talk about. Santa Teresa spring, the first bottled water company in San José, what the county has done they physically connected a storm drain to the city sewer system. That spring is currently discharging half million gallons of crystal clear water into the wurnlt because the plant floods. And I read in the parent that the thought was well maybe the sewage system is somehow, you know, leaking, I mean sorry the storm drain systems are somehow leaking into the sewer system. That's what's causing the system. It isn't physically connected. Ist afternoon with a shovel because we can reroute the well water straight to the Coyote Alamitos canal and that can end up in the percolation pumps thank you. And the address is in front of 341 Manila drive. Can you see it. I'd be happy to see you.

>> Councilmember Liccardo: I'm sorry you're saying in front of your home?

>> One of my neighbor's homes physically we put a storm drain, we don't have a storm drain in our street. We have a waste system.

>> Councilmember Liccardo: Okay.

>> And that's connected the storm drain to the City's sewer system and we're getting half a million gallons of water in there. 30 gallons of minute in the summer and up to 100 gallons a plin during the winter during the storms.

>> Councilmember Liccardo: Okay, thank you. Maybe we'll be coming back in to find out how much you charge with your shovel Mr. LeBrun. Okay, great thank you. Without any other questions or comments, we will be recommending to go to the council through the Planning Commission. Is that correct?

>> Laurel Prevetti: Actually, from this committee cross referencing from this committee.

>> Councilmember Liccardo: Great, Oscar.

>> Councilmember Herrera: Motion to approve cross referencing to council.

>> Councilmember Campos: Second.

>> Councilmember Liccardo: , that passes unanimously. We now have time for public comment. Mr. LeBrun, you're on again.

>> I know you're going to hate me for this. The reason I'm addressing you right now is there is a sense of some kind of a disconnect between council and what a committee can provide in terms of information in terms of, you know, world class transportation solutions all over the world. And what seems to be happening in the case of high speed rail is one way traffic goes high speed rail authority, D.O.T., council. And it's a shame. And I've been attending many other meetings in cities up and down the peninsula, and tjat each city has got their HSR committee meeting. Some of them got two, they've also got rail corridor task force. And the end result that you get at the end of that, working with the community and many rail experts is something like the blended system

that wasn't even mentioned today, which is quite capable of handling the kind of capacity I showed you earlier on, which is two high speed rail trains an hour. And I'd like you to consider -- I know it's an additional meeting, but remember tonight is the last 2040 task force meeting, okay, so there's an opportunity right there for a replacement. But in closing, what I'd really like you to do is just start working and cooperate with other cities up and down the peninsula and San Francisco in particular and maybe move that gravity pull up north instead of going the other way. And one last thing, as an example of this, we hope to very soon be able to share with you a solution that will save \$2 billion in the CalTrain connection to transbay. Thank you.

>> Councilmember Liccardo: Thank you, Roland. With that the meeting is adjourned. Thank you.