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>> Mayor Reed: (gavel strike) Good afternoon. Calling the San José city council meeting to order for September 14th, 2010. We'll start with an invocation. Councilmember Herrera will introduce the invocator.

>> Councilmember Herrera: Thank you, Mayor Reed. We just had a wonderful flag raising out in front of our City Hall and this week I'm proud to join into that celebration as we recognize San José's declaration of the bicentennial of Mexico's declaration of independence from Spain on September 16, 1810. In honor of this historic anniversary, I have invited Folklorico National Mexicano to perform a dance for the invocation today. This youth group draws junior high and high school students from schools throughout San José and for the past 20 years has provided these students with wonderful opportunities for personal and cultural expression. These students will perform a dance called the Calabasiados. This dance is a modern interpretation of traditional forms that combines traditional banba dance steps from California and across the American Southwest with regional folkloric dance from Mexico. Calabasiados reflects Mexico's rich cultural and historical influence on San José. I now welcome Elena Robles, the director of Folklorico National Mexicano to speak and then the invocation will begin.

>> Thank you, Councilwoman Herrera, hi Chuck, hello everyone. Thank you, councilmembers. Folklorico National Mexicano is a group of youth that come from various parts of the city, mostly from the Eastside, and a few from Councilwoman Herrera's district, as well, and we are very proud to be here. They are high achievers in school, and it took a bit of convincing on my part to get them out of school, because they take it very seriously. Part of the reason why we invited them here, and I expressed to them, is this is a moment of history for San José and for its population. We are, as students in the schools in their school books and their textbooks, the presence of the Mexican population started with the missions, and then disappeared in the textbooks until the Cesar Chavez movement about 25 years ago. And I told them it's important to remember your history. Writer Isabel Allende said that we need to write what is important. And I think in my youth -- in these youth, in their case, they need to learn what is important, and now they're going to share what is important. Thank you for inviting us here for the bicentennial of San José's independence form Spain. Gracias. [ Dancing and music ]

>> Mayor Reed: Thank you for that great reminder of our Mexican heritage. We all appreciate it. Please all stand for the pledge of allegiance. [ pledge of allegiance ]

>> Mayor Reed: First business is to consider the orders of the day. Item 2.14, travel request for our independent police auditor, La Doris Cordell is to be dropped. She's not making the trip. Item 3.2, council committee reports, need to defer the Rules and Open Government Committee report from August 25th to September 21st. Any other changes under orders of the day? We have a motion to approve. Councilmember Kalra. Okay. We have a motion to approve orders of the day. Councilmember Liccardo.

>> Councilmember Liccardo: Mayor, there is an item of mine to be dropped. I apologize, I don't have the item at this time. This is a travel request, 2.6, thank you, 2.6.

>> Mayor Reed: Motion is -- maker of the motion includes 2.6 to be dropped, okay. Anything else, all in favor, opposed, none opposed, orders of the day are approved. We will journey this meeting on the honor of Abebaw Feki, the owner of the Deni Ethiopian restaurant. Councilmember Constant.

>> Councilmember Constant: Thank you. This week has been a very difficult week for the Ethiopian community. Mr. Abebaw Merki Feki, who we knew as Moona, passed away. He was born in Ethiopia in 1962 and was educated in Ethiopia, receiving a bachelor of science degree in agricultural economics. He worked for the ministry of agricultural development and served both as a special advisor to the vice minister and as an agricultural expert. In 1990, he left Ethiopia to join his lovely wife Zeni, who is here with us today, who had preceded him to Kenya, and there he continued his education and continued working hard. A short time later he made the decision to emigrate here to the United States and came to California in 1991. And at that time, he was working for a company called Himu, H-i-m-u, U.S.A. And he held various different positions, rising to the ranks of a manager before that company changed -- changed its operations to another location. Moona had the opportunity to go with the company and continue to grow with the company, but decided to stay here and stay with his family where they had set roots and continue in our community here. That's where he really sparked up his own entrepreneurial spirit, opening up a 7Eleven, and grew that business quite considerably. In fact, he pulled off something that most people who know about franchise would know is very difficult. He was able to get 7Eleven to change their product line specifically to carry Ethiopian products, so that the Ethiopian community could have a

marketplace here. And I think he was the only franchisee to be able to get 7Eleven to do something like that. And that's an incredible task all on his own. Later he and his wife Zeni started Zeni's restaurant located in District 1 and it was immediately welcomed by the Ethiopian community as a place where you could get some wonderful authentic Ethiopian food. But not only the Ethiopian community, but the general community at large, not only from West San José or even San José, but all over the entire Bay Area. And quite frankly, it's become legendary. And it is truly the gold or perhaps the platinum standard of Ethiopian restaurants. And just a wonderful place. In fact that's where I met Moona at the restaurant. I remember going in there and any of us who know him, know that he is instantly recognizable by the wonderful ear to ear grin that was so trademark of his. I remember going in there and first time for me eating Ethiopian food and looking at the menu and thinking, I don't know what to do. And wasn't long before he and his beautiful wife came and sat with us and talked to us and we ordered together and ultimately ate and drank together and had a wonderful time. I remember leaving that place, not only being very satisfied, by the wonderful food, but also, by the wonderful company. Unfortunately, Moona became ill. He had a very courageous struggle but lost that battle on September 8th. Fortunately, when he left us, he was surrounded by his family and friends, and you see, many members of his family are here, his lovely wife as I mentioned, Zeni is here. His older brother Aialu is the correct pronunciation, of course Nebi who we of course know and many of the people from the Ethiopian community. This group here is a very small sampling of the funeral that I attended this weekend. I was shocked at the hundreds, perhaps over a thousand people. I had a hard time just getting into the church. Because of the incredible outpouring of support from the community. For me, personally, it was a great loss. Moona and I shared quite a few things. Obviously a love of great food. And that's what brought us together. A love of family. He was a family man, not only his own family but the extended family he and Zeni have. He has two children, 13 and 14 years old, Zuru and Geti, I got to see them over the weekend. We shared our orthodox faith, he being Ethiopian orthodox and he being Greek orthodox. He was the one to come here and bring his family and give his children and incredible opportunity in this country, much like my father came here when he was young. And what a gift, as I said at the funeral, to his family and to his community, especially to his children who wrote really wonderful tributes in the memorial book that was passed out at the funeral. I just want to say we all in San José mourn his loss with you. But we all of course join in celebrating his life as we did over the weekend. He'll be remembered not only for his smile, that's what I'll always remember, but his true devotion to his family, his faith, and his friends. Of course his entrepreneurial spirit, that he showed so well, and really, by all

for the gift he gave the community, and that is, really, that incredible work he did to make sure that the Ethiopian culture was not only brought here, for those of you in the Ethiopian community, but was really brought here and weaved into the fabric of our life here in San José in the community. We thank him and of course Zeni for that gift you give our community. We'll miss him as I know you all will. But we look forward to being with you and your family as we progress forward. Thank you.

>> Mayor Reed: Thank you, Councilmember Constant and thank you, friends and family of moon's friends and family that are with us here today. Our next item is the closed session report. City Attorney.

>> City Attorney Doyle: Yes Mr. Mayor, the council met in closed session this morning pursuant to notice. There is no report.

>> Mayor Reed: We'll now take up ceremonial items. I'd like to start by inviting Councilmember Chu, Councilmember Liccardo, Bob Martinez and Maria Elena Riddle of CET to join me at the podium. Today we're commending the center for employment training, also known as CET, for their commitment to promote human development and education and providing people with marketable skills, training and supportive services that contribute to self-sufficiency, and we thank them for not just touching the lives of the tens -- 10,000 people, more than 10,000. More than 10,000 people. Who have been trained, way over that. But the families of each and every person who got a better skill and got a better job. Lives have been changed. We appreciate that. So I think Councilmember Chu and Councilmember Liccardo have something to add.

>> Councilmember Chu: Thank you mayor and my colleagues for joining me to present a commendation to center for employment training, short for CET. CET is a nonprofit organization that was established in 1967 with a goal to assist low income residents throughout the South Bay area. CET is dedicated in fighting poverty with education and hand-on training for youth and adults. In addition to providing comprehensive service for youth and adult, the CET program promotes human development that contribute to self sufficiency. We are all here today to recognize the contribution of the CET and commend them today for their 43 years of transforming lives and quality education program that ensure youth and adults of all education levels to succeed with strong foundation

in competitive economy. They have a great event in August 27. I know many of the -- my colleagues, I remember Rose Herrera was there, Nancy pile and Campos was here. So here today to accept the commendations, Bob Martinez, the board chairperson and Maria Elena riddle for the chief of the center of employment and training. Before we give out the commendation I would like to invite Councilmember Liccardo for more inspirational words.

>> Councilmember Liccardo: Thank you, Kansen. I actually can't say it any better than Kansen said. I know that Irmalinda Santien has been an extraordinary -- just a giant in our community for so many years. And I think the only reason she's not here to take the award is, she's got so many awards already, they already fill up her garage. But the extraordinary work of this group and their community is really unprecedented in our community and we're so grateful for the great work they do. Thank you for your service. [applause]

>> So hi, I'm Bob Martinez, outreach program manager at IBM but my other job is chairing the board for CET. I certainly want to give thanks to councilman Chu and to the city council for this recognition. It's true, Irmalinda is doing a great job. She continues to do that but she's away on company business. She wants to give her thanks, certainly for the recognition but for the work and partnership the city has had with CET, and we hope that we continue this partnership and just do a lot of good things for the community. Thank you.

>> Mayor Reed: We'll now take up the consent calendar. We have a motion to approve the consent calendar. Any requests from the public to speak on the consent calendar items? We do have a request. We have two requests to speak on the consent calendar. Item 2.17, Councilmember Kalra.

>> Councilmember Kalra: Mayor if I could also ask if 2.2 F could be pulled as well.

>> Mayor Reed: Okay.

>> Councilmember Kalra: Thank you.

>> Mayor Reed: We have a motion on the balance. Motion is to approve the balance of the consent calendar. All in favor, opposed, none opposed, item 2.something, Councilmember Kalra.

>> Councilmember Kalra: Thank you, mayor. 2.2 F I just wanted to pull it so I could register a no vote consistent with my position when the Guadalupe Mines Road matter came before us. Thank you.

>> Mayor Reed: Is there a motion on that one? Motion is to approve 2.something F, 2.2 F on the motion all in favor, opposed, one two three opposed, Kalra, Oliverio, Liccardo opposed. That matter's approved. Item 2.17, request to speak on the updated General Fund structural deficit committee task force, I'll take that at this point, Christopher Platten and Randy Sakani, come on down.

>> Good morning, mayor, city council -- or afternoon, pardon me. On this as you're well aware you've reconstituted the structural deficit committee to take up the issue of looking at pension, pension reform ideas. I believe I had been placed on that at your offer, and my acceptance. However I would like you to consider and in fact allow for Mr. Chris Platten to take my place. He can talk to you about a lot of his experience and knowledge in that but I think he would serve my membership is happy to have him do that. He certainly would be able to provide a great resource to that committee and I'm here to fully ambassadors that and ask you to take him as the representative on behalf of myself and local 230.

>> Mayor Reed: And Christopher Platten is being placed on yet another task force.

>> Thank you, Mr. Mayor and members of the city council. As you know, I serve the dual role of being both a taxpaying citizen of the City of San José and have privilege of representing several of the labor associations in the city and in the county. I am also counsel to over 100 public sector labor and private sector labor organizations and I have served as a trustee on a very large multiemployer multiunion pension plan. I'm also a labor representative appearing right now before the California Little Hoover Commission in its inquiry into public sector pension plans and would ask kindly that you approve Mr. Sakani's request so that I may take that position in terms of the very serious work that has to be done on this committee. Thank you.

>> Mayor Reed: That concludes the public testimony. Councilmember Kalra.

>> Councilmember Kalra: Thank you, mayor. I'd like to make a motion to approve the updated membership with the one change of having Mr. Platten in place of Mr. Sakani.

>> Mayor Reed: Okay, thank you. Councilmember Oliverio -- we have a motion on the floor. Councilmember Oliverio.

>> Councilmember Oliverio: Sure, thank you, Mayor. While we're doing edits, I was contacted by the Willow Glen neighborhood association, and on the document it has Ed Rast representing the Willow Glen Neighborhood Association. They would either like that struck, because he's not on the board in any way, or to actually have them appoint a member from their own association.

>> Mayor Reed: We have a motion to approve. We can certainly modify the motion.

>> Councilmember Oliverio: At least at a minimum I would like to strike the association with and move that person into I guess a taxpayer but the association was also happy to provide someone if you really wanted someone from the neighborhood to be there they'd be happy to provide someone from the board.

>> Mayor Reed: Well I think this is the day to do this. If you have a name we could do that otherwise Ed can serve representing a neighborhood as opposed to a association.

>> Councilmember Oliverio: I might defer to Councilmember Constant, since he's chairing the committee. If you wanted another neighborhood.

>> Councilmember Constant: I was going to make the same comment as the mayor. Since we are really on a time crunch to get this going, if we had a name I would -- my preference would be to keep it tied in with the

neighborhood associations, because it is supposed to be representative of neighborhood associations. But our meeting is coming up so quickly, I'm not sure how else we might be able to do it. I think Ash has an idea.

>> Councilmember Kalra: If the idea is it has to come from that neighborhood association, do we have to have the name today? Can't we just say, to be named later, a representative from the Willow Glen neighborhood association, and then at the first meeting that person officially recognized?

>> Mayor Reed: One of the reasons we wanted to reconstitute this committee, reconvene this committee, is because they have a lot of experience, and they worked up to this question, and I don't think Chris Platten will have any trouble catching up to where the committee's been, so I don't have any problem with substituting Chris in. But Ed was there, and he has been through this, and that's really a reason --

>> Councilmember Kalra: Okay, in that case, Councilmember Oliverio, you indicated that one of the requests was either put someone from the association or to strike Willow Glen neighborhood association. If we could have Ed Rast as a floating neighborhood advocate representative, if that works for the chair. Okay. So I'll just -- I'll -- that's fine to add that to the motion.

>> Councilmember Oliverio: I appreciate that, thank you.

>> Councilmember Kalra: Just strike Willow Glen neighborhood association.

>> Mayor Reed: On the motion, all in favor, opposed, none opposed, that's approved. That concludes the consent calendar. Next item is 3.1, report of the City Manager.

>> City Manager Figone: Thank you, Mr. Mayor, members of the council. I have one report today. And that is in light of the recent tragedy of San Bruno, I wanted to let the council know what city staff are doing to gather a more complete record of PG&E's natural gas transmission pipelines within San José. As you know, the city manages the public right-of-way for the placement and maintenance of PG&E gas and electric utilities. All of PG&E's work

within the public right-of-way is city permitted. Under these permits, Public Works ensures that excavation work is completed to city standards, and done in a safe manner. PG&E is responsible for managing and operating its facilities in a safe way, including areas outside of the public right-of-way. The PUC has safety standards and requires PG&E to do safety audits. We have asked PG&E to provide us with their audit findings within San José. We have information about PG&E facilities, and our records on a location by location basis based on past permitted work. The director of Public Works, Planning, Building, and Code Enforcement, and our fire chief are formally requesting that PG&E provide its maps to the city to assist us in ensuring that PG&E's facilities are known and protected. In addition, Public Works is pulling together information from our records, should we not get a response from PG&E in the near term. Generally PG&E's pipelines run north and south on the east side of Highway 101 and then move north through East San José. The information that we are seeking from PG&E will help city staff and the council respond to questions that our residents are sure to have. Looking forward we will work with PG&E to ensure that our policies reflect the need for our community to be informed about potential risks from these facilities. We do expect that PG&E will give us the confidence that their facilities are inspected and maintained, and that areas of concern are addressed proactively. And we will keep you fully apprised as we gather more information. And that concludes my report.

>> Mayor Reed: I'd just like to add that I have called and talk to the mayor, Mayor Ruane from San Bruno and offered our assistance as they begin to rebuild the city. Because we know that having that kind of damage is very difficult to cope with when everybody needs to have everything done immediately to get back into their housing. And so they will call us if they need some assistance and we can send a team up.

>>> Our next item is another City Manager's report. This is agenda item 3.3, verbal update on the recruitment of the Chief of Police. City Manager.

>> City Manager Figone: Thank you mayor and members of the council. About four weeks ago, I provided an information memo that outlined my preliminary plans for the recruitment of our next police chief. Since that time we have initiated the plan, and staff has been actively engaged in obtaining input on the preferred qualities and skills of the next police chief of the City of San José, as well as receiving input on the issues that our community

believes that our next chief will face. Given that we're now a month into this process I thought that periodic verbal updates to the city council would be a good way for sharing information on our efforts to recruit this very key position. As you know the police chief recruitment has generated quite a bit of interest and some concern. I recognize that there may not ever be complete agreement on what a selection process should look like. That said, I did want to take this opportunity to let the city council know how we're moving forward, and why, where that's relevant, and for us to collectively understand the process, so that we can be able to describe it and explain it, and that all stakeholders have a good idea for how they can participate and really influence through their participation the selection of our next police chief and to be able to do that throughout the process. Through the many community and stakeholder discussions that have been conducted so far to recruit the best, most qualified police chief to serve the city, that has been the emerging common goal. There is consensus on one thing, and that is, everyone wants the best chief for our city. And that's what I'm committed to doing on your behalf and that's what this recruitment process is designed to do. And with that, I do not have my slide showing on the screen here. So let me be sure I pull them up. What I will touch on are four key points to this update. The recruitment process and to recap for you, what is envisioned. Also, the outreach framework that we're using, some of the key themes that are emerging to date, and then again, a reminder of the time line and schedule that we're on. So first of all, the process that we put into place does rely on our city charter responsibilities. Relies on the use of an executive recruiter and a multiphase recruitment process. First of all let's talk about for a moment about the city charter responsibilities. Under the charter it is the City Manager's responsibility that I submit to the council a candidate for your advice and consent. The appointment is confirmed only if a majorities vote of the city council concurs with my proposed appointment. The city council ordinance, from 2001, meant to better define how council advice and consent should be sought, and it does require that the council do two things: Adopt a policy statement, a written statement of policy for each city department, that outlines the goals, objectives and aspirations for the department, and approves a set of questions which are intended to elicit responses concerning the goals, objectives and aspirations of the statement of policy. The questions are ones, however, that are of interest to the council and that the recommended candidate responds to in written form prior to your confirmation process. These questions however do not limit the breadth and depth of the questions that are developed for the panel interviews or any other elements of the process that we might develop. Staff does plan to bring to you a draft statement of policy and set of questions for your consideration either later this month or by early

October. These drafts will be informed by the input that we received to date from the outreach that is currently underway that I'll describe in a moment. In addition, we have talked to you before about our use of an executive recruiter. And as you know, we have hired a qualified executive recruiter from the Department of Human resources prequalified list. I've selected Ms. Terry Black Braun, who is a principal of her firm Terry Black and company. There are two factors that led to my decision. First of all, Terry is uniquely qualified. She holds the experience the skills and the knowledge to manage this high profile and sensitive recruitment. She has extensive recruiting experience. She has conducted over 20 Public Safety searches in the past and most recently our fire chief search process for San José. So she knows our environment. She's worked with me before and she certainly knows Public Safety. The second reason was time line. Given Terry was already on a prequalified list, which was a result of an extensive process conducted by human resources I felt that it was important to draw from that work and to get started on the recruitment process. Additionally, this is a multiphased recruitment process. And very quickly on the slide before you, it consists of developing the position profile for the ideal candidate which the recruiter uses basically to market the position and to knock on doors of potential candidates. I've already mentioned the policy statement, and the questions to be considered by the council. Then there is the recruitment and open application period. There's the screening period. The candidate interviews, the top candidates moving to backgrounding which consists of many steps. And then, my final assessment and recommendation to you, and then your, hopefully your confirmation. It's important to think of this recruitment process as a testing process. And that's really what we have designed, is a process whose key goal is to predict the success of candidates, if they were appointed as our next police chief. Consequently, all of these milestones require careful and thoughtful development to ensure that the city recruits the most qualified candidates leading to the appointment of the best police chief for the City of San José. The community and stakeholder input is a very important part of this process, in fact, in this initial stage, most of our focus is directed towards receiving the community input to inform these various stages. So there clearly, our public's participation is an important part of this initial stage. In addition, what hasn't received much attention is the interview panel component of this. And here, too, we will involve community members to serve on these panels. I want to share a bit of my vision for how that will work although I'm not ready to draw closure to how the panels will be constructed. Right now, my vision, as we would have about three interview panels that would assist in the interviews. But we could have more depending on the final pool of candidates who make it to the interview stage. Panel members will consist of

members of the various interest groups that we've heard from. And not necessarily be limited to but would include most likely representatives of our community at large, including our neighborhoods, business representatives, workforce, labor, faith groups, police accountability groups, certainly management and administrators and law enforcement experts. So the goal here is to ensure that the panels represent the full breadth and diversity of our city and represent a microcosm of those that we've heard from. It's also very important to me and I hope to you, that panel members who we invite into the most want to fully participate and contribute to a successful process. This becomes a partnership where the common goal of those serving on the panel should be to ensure a successful process and the selection of the best chief possible. In that regard, regardless of perspective that one represents, we should become allies in that goal. The role of the panelists will be to meet with each candidate in a focused meeting setting to ask predeveloped questions and evaluate the responses that the candidates provide. The questions will be formulated based on what we've heard from the community input process. If you have never been a part of these panel interviews they are very, very thorough. The panels meet with the candidates. They hold a facilitated discussion at the end through debrief, and then discuss the strengths and weaknesses of the candidates that we've seen. This is typically a very, very long day but at the end of the day the top candidates emerge from the debrief session and then I take the next step in narrowing, taking this narrow list of top, typically one or two candidates, and explore them further. This initiates the very significant due diligence period whereby the top two or so go through an extensive psychological evaluation. There is a financial credit history review. There are reference checks, further due diligence, perhaps around education and completed -- completed education is validated if that hasn't already occurred. In some cases we may visit communities where the candidates of top one or two have come from. Again, to confirm their track record. All of this information serves to develop a complete picture of the candidate. What I'm calling in my public settings as a 360° view from this 360° view we have a fairly complete picture of each candidate including their strengths, weaknesses and gaps. Moving on to the next slide. Right now, we're at the most time sensitive part of the first key milestone. And that is to get to a stage where we have enough input where we can begin delivering on some of the initial products. That is the marketing brochure and the council policy statement. I want to make it clear that even if we are producing a brochure or bringing to council your policy statement, that does not mean that the input session or the input component has ended. We will continue to receive input, all the way up till the point of interviews. But we also need to ensure that we're moving this process along and feeling comfortable at the various key

stages. The outreach I think I've already touched on in terms of the strategies. But let me just recap. The outreach is occurring through community meetings, targeted stakeholder groups and meeting with our police department and getting input from our workforce. In addition, the process is accessed through direct e-mail to Terry. Also, accessible through translation services, online survey, all of this is designed to ensure that our public is fully informed about this process. We're also trying to be as flexible as possible to allow for input that meets, in particular in the area of the targeted stakeholder groups, meets the needs of the differently groups that we're trying to outreach to by letting them help us determine how best we can get their input. Let me move on and just say that all of this is designed not only to get us the information we're seeking but hopefully as we move through the process that trust and credibility will be gained as a result. The next slide I think perhaps I've touched on much of this. But let me just say that we've already conducted five citywide meetings. But we've decided to add two more. One will be on September 20th next Monday in South San José at the Oak Grove school district offices and then on October 4th in East San José at the Mexican heritage plaza. So far over 100 individuals have attended the first five meetings. But we shouldn't be deceived by that. We have literally received hundreds and hundreds of comments, both from citywide meetings, through the surveys, through the outreach to the targeted stakeholder groups that we've been able to hold from our workforce and from the coffee talks that have already been conducted. On the next slide, I've already touched on that. Let's move on, Deanna. I want to talk a little bit about our workforce. They are very important constituents in this process. And we communicated with them early on after the chief announced his retirement. We have provided access to them in several ways. First of all they have confidential access to Terry Black Braun as does our community. I hosted a coffee talk with about 25 employees representing a cross section of the department last week. They continue to have confidential online access as I mentioned to Terry. Next slide. So what have we learned so far? And I was asked a while back at the start of this process, how would I know when we had done enough outreach? And my response then and my strong sense is now, when we start seeing overlapping themes and common themes through five community meetings and all of the outreach to date, I think we're starting to see some themes and trends that are worth commenting on. Now, what I have here on the slide are what I would call common high-level themes that are emerging. Certainly, there is lots and lots of detail behind these themes. If you go to our Website, our commitment is to post the notes from the meetings that we're conducting within 72 hours. And what you'll see is just lists and lists of feedback. But what we're trying to do is to organize this information into some common themes. So this is not the extent of the list but

some that I think are worth noting. What people want to see in our next chief is cultural competency, strong leadership, the ability to build a positive and strong relationship with community groups, someone who believes in community policing, an effective communicator, someone who applies continuous improvement and best practice thinking, someone who can connect with the workforce and is visible and present. Someone clearly, this should be at the top of the list, has a track record of crime suppression. Someone with administrative effectiveness and strong management skills. We need to remember this is the head of our largest department with the largest budget. Someone with the values of honesty and integrity. Someone who supports and practices transparency. A creative and proactive problem-solver. One who surrounds himself or herself with talented staff and knows how to use their skills. You know the comments at our community meetings is this person should have a big S on their tee shirt. And in the same breath we're hearing you know, this person cannot be all things to all people. And must draw upon the talent both internally and in the community, to help them. And then, finally, one who can work collaboratively with other organizations and agencies. So this information will be fed into the process, and let me just say, without regent this ring to you, there is a very extensive process. Beginning with the vision for the ideal candidate, and we are only in the first segment of this -- of this wheel here. All the way through to providing our new chief with a very rich starting point for their successful beginning in San José. And let me say that, with all of that that's going on and all that is on our Website about what we are hearing, our candidate should have no surprises about what this community is expecting. And we should expect that they come into the interview process very well informed, and ready, to engage with us as we proceed to making a final selection. So in closing, the time line, again, just a reminder. We are at community and stakeholder outreach meetings. It is my goal to bring you a candidate for your confirmation by the end of the year. But let me be clear: If we do not have a sufficient pool of qualified candidates, or we find that even after interviews, that we may not have the best candidate, I will keep the process open and keep working at it until we can bring you a chief that I'm proud to recommend for your confirmation. And I'm happy to answer questions. Thank you.

>> Mayor Reed: Thank you, City Manager. I had a question to start with. You had 100 people at a community meeting. You are doing a lot of outreach. But when you add it all up, you are going to reach a very small percentage of the people of the City of San José, a percentage of a million. And I know that we have to figure out a way to get beyond just talking to the activists and the stakeholder groups and you're doing -- trying to do

that. And I'm wondering whether or not polling could help us in that regard. We had a poll done in January, I see Tom Manheim is coming down here. There was some data in that poll of our community service that we did in January about community services, police department. I can't remember what it was, I think there was an open question and I think 1% of the respondents thought problems with our police department was the number 1 issue for them. The real question is whether or not we can work in the cross-tabs to figure out if we're missing somebody in this outreach because of concerns with the police department. So Tom could you just bring me back to a little bit of data from January, if you can't remember about that question?

>> Tom Manheim: Sure, thank you, Mr. Mayor, councilmembers. The survey actually surveyed more than 900 people, residents throughout the city, it included 10% of them were on cell phones, so we are now in these surveys reaching the cell phone population. So the demographics of the survey absolutely did reflect the city. However, I do need to sort of caution when you get down deep into some of these things, and with the cross referencing, the margin of error goes up significantly. But there were two open ended questions that we had that really invited residents to talk about what their concerns were. One was, we asked them, and they could answer anything they wanted, there was no prompting, what could the City of San José do to improve city services for the people who live or work in San José. And there were 32 answers that reached the 1% level, and better police behavior, which was one of the things that would be of most concern when we're looking for a new chief. Was 30th on that list of 32. So there were several -- there were only two things that were actually lower or at the same 1% level. The other question was, very similar. What is it that city government should do something about. In terms of the most serious issues facing the city. And again, among those responses these were again open-ended questions. Among the responses that reached at least the 1% level, police department issues and excessive force was the lowest. It was the 30th on the list.

>> Mayor Reed: Those, you're talking about 1% of a response of 900, you're talking about 9 responses. So it's pretty hard to break that down further and say there's anything statistically reliable you could draw about those people to point us in a direction that we ought to go.

>> Tom Manheim: Exactly. Yeah.

>> Mayor Reed: Okay, thank you very much, I appreciate that. I know the City Manager has got a lot of outreach efforts and I would just urge the city council if there's a group or an organization that you may have a relationship with or you're meeting with, that would be helpful to invite the City Manager to come in and talk once you've created that audience to think about those opportunities. Because there are plenty of people who will not come to a community meeting, no matter what. You just got to reach them in another way, and our connections could be helpful to the manager in that outreach. Councilmember Liccardo.

>> Councilmember Liccardo: Just wanted to note that I've had a conversation with Ms. Terry Black Braun really about the issue that carried so much attention in the media, which is the extent to which we would disclose the identity of the applicants prior to a council determination about who the police chief would be. She indicated obviously that that we haven't begun the process yet so we don't yet know a lot. But what we do know is she's spoken with a dozen potential candidates, a dozen potential candidates of significant sized cities who are not interested in applying, if they have to reveal the fact that they're applying to their current employer. So it is important for us to keep in mind, we value transparency enormously in this city. I think we do, by the standards of I think virtually any other city. I think we do an exceptional job but there are costs of transparency. We need to recognize if our goal is to get the very best candidate, one thing she did point out is the candidates that we would seem to want the most are in fact those candidates that are happiest to their current jobs and are least inclined to want to reveal their candidacy to their employer. I think we need to be sensitive about that if we are really going to try to get the best and the brightest.

>> Mayor Reed: Councilmember Kalra.

>> Councilmember Kalra: Thank you, and I just want to thank the City Manager for adding the additional outreach meetings. I know that one coming up in my district on Monday, I think that will be good, and as someone that actually did serve when I was a community member on a panel for the hiring of Chief Davis, I found it to be a very valuable experience, and it's something that we discussed one on one about making sure that the -- that those community members are fully taken advantage of in your analysis of the candidates, including having ample

opportunity and ample sometime to truly allow them again along with questions that they agree upon ahead of time to also allow them flexibility to kind of go off-script, given any individual candidates experience, what have you, as well as the opportunity for you, after the community members have had a chance to evaluate all the candidates, allow you the opportunity to really have a healthy amount of time to debrief with them so can you get a good sense of what kind of consensus starts to build regarding the different qualities of different candidates. Thank you.

>> Mayor Reed: One more thing I'd like to ask of the councilmembers and that is, as these community meetings roll out to be sure to circulate that to your own contact list your own e-mail list your own newsletters so that we reach the broadest possible people to invite. It is harder to get them to come to the meeting, but at least we can invite them and give the City Manager as much help as she needs. Any other comments or questions for the City Manager on this item? It's just a report. The work is far from being done. Good luck, City Manager.

>> City Manager Figone: Thank you.

>> Mayor Reed: I think we'll have a later reports as we move through the process. We'll now move to item 4.1. It is an amendment to the San José municipal code to clarify the definition of a massage parlor use. We have a motion to approve. I have a request to speak, yes or no. On a different item. No requests on this item, none. Motion to approve, all in favor, opposed, none opposed, that's approved. Item 7.1. It's an agreement for the first phase of environmental documentation related to the San José-Santa Clara water pollution control plant master plan. We have just received a recommendation from our treatment plant advisory committee that came in, we have a written recommendation want to make sure councilmembers all saw that, I think it just came in yesterday, to make sure that as we go through the process, with our consultants, that we get information that we will need in order to make a reasoned decision about some alternatives. I know there are a couple of people that want to speak on this matter but I want to make sure that that letter got circulated so staff I signed it on behalf of FAC so I just want to make sure John Stufflebean can you make sure we got that circulated?

>> John Stufflebean: It was distributed today, so it is out, or it might have been out late last night but it is out. It simply has the normal paragraph which says the TPAC accepted the item and then the second paragraph explains, kind of describes briefly the TPAC recommendation in addition to that.

>> Mayor Reed: Okay, and just so councilmembers who don't serve on TPAC will understand, that is Santa Clara, Milpitas, San José and then our other tributary agencies all have representatives on this advisory committee just giving us councilmembers advice. So that's the advice that they've given us. Anything else to add on this, John? I have a request to speak, and I'll take public testimony at this time. Joey McCarthy.

>> Honorable mayor, members of the city council, my name is Joey McCarthy with McCarthy Ranch. I'm here speaking on behalf of my family's business. I'm also a member of the community advisory group that is part of the plant master plan. First I'd like to thank Mayor Reed and councilmembers Campos and Nguyen for listening to the concerns of many stakeholders, including Milpitas Unified School District, several local businesses, homeowners associations, and other property owners with regards to the odors emitted from the plant and their impact on our properties. Your consideration of all our concerns at the most recent TPAC meeting is greatly appreciated. For years there has been tremendous concern by nearby property owners of the odors emitted from the plant. Therefore, we strongly encourage the city council to ensure the city staff use the information learned about the odors, in the mitigations for addressing those odors in the alternative for the treatment plant master plan they presented to the city council. We are fully supportive of modernizing the plant. To our knowledge this is the only plant in the United States that currently uses solar drying bed in their processes, and we think it needs to be updated to the current more modern processes. Again, we thank you for listening and responding to the concerns of nearby stakeholders and we look forward to continue to participate in the plant master plan. Thank you.

>> Mayor Reed: I have one other request to speak, David Wall.

>> David Wall: Good afternoon. The issue at hand, the odors, or the apparent odors, come from very many different sources. What this whole plan is, is a push for redevelopment of an area that has been already signed off by the property owner into an agreement. And the agreement wants to be reopened by agreement for their own

personal enrichment. This is fine, this is the American way but contracts are what contracts are and the underlying cost to the City of San José residents will be significant as to the plant operating cost to deal with moving this operation, which by the way is perfectly environmentally sound. Solar drying. Can't beat it. The issue is, why should the City of San José taxpayers in a very questionable and presumably unconstitutional rate structure be compelled to move this operation just to suit the developments of a third party city and third party entities within that city? True, the plant has to be rebuilt but that will come over time. This plan that was proposed has very many flaws to it and should be rejected on its face. Thank you.

>> Mayor Reed: That concludes the public testimony on this matter. Councilmember Nguyen did you want to make a motion?

>> Councilmember Nguyen: Sure. I would like to approve staff recommendations with the recommendations from TPAC.

>> Councilmember Pyle: Second.

>> Mayor Reed: Motion is to pass with the recommendations as outlined. All in favor, opposed, none opposed, that's approved. Our next item is 8.1, application for Department of Homeland Security federal emergency management agency grant with potential award in 2011-12. We have a motion to approve. Chief McDonald is here in case anybody has any questions. Looks like no questions. On the motion, all in favor, opposed, none opposed, go get the money. Thank you chief. Want to check. I think we're going to take up the high speed rail item 6.1 now. Although I have a note, it is going to be heard last. Although we have the redevelopment agency agenda. Clerk says it's right. Clerk is never wrong. 6.1, high speed rail project, we have a presentation, there is request to speak, council discussion. Paul Krutko is going to take the lead.

>> Paul Krutko: Thank you mayor, Paul Krutko, chief development officer. I want Hans to take the lead. We are joined by colleagues on high speed rail, if he can introduce them.

>> Mayor Reed: First, let me recognize the board member from the high speed rail authority, Rod Diridon, Sr. is here with us. Rod, thank you for joining us.

>> Hans Larsen: Thank you Mr. Mayor, members of the council, I'm Hans Larsen, acting director of transportation. And joining us as part of this session with council from the high speed rail authority is Dan Leavitt, Deputy Director with the California High Speed Rail Authority, and to his left is Gary Kennerly. He is the High Speed Rail Authority's project manager for the San José to Merced section of the project.

>> Paul Krutko: Thanks, Hans. As we start, mayor and council, I just want to describe what we're going to try to do today in terms of schedule. We are in sort of the format we've used for other topics that are weighty of this type. This is going to have a feel of sort of a mini study session. What we propose to do is present the information in three chunks for council to digest and then ask questions. The first of that would be the context of the project, and San José's engagement over the last few years in that project. We'll do that, then we'll stop, and entertain questions, and interaction with the council. We would then move to a technical, more of a technical presentation on the design options that are available and present for implementation of the system in San José. Following that section we would suggest mayor that that would be the appropriate place for the public comment. And then when we move to the third section which is really the presentation of the policy alternatives, those policy alternatives would be informed by that public comment. So that's the approach that we are suggesting.

>> Mayor Reed: Want to wait and see how much public comment we have. I'm not sure when is exactly the best time to do that so --

>> Paul Krutko: Okay. So let me tee up what you're going to hear in this first section. The recommendations that are contained in the staff memo are that council accept this overall presentation relative to the scope status and benefits of the project. And also, in terms of what we believe are the City's guiding principles as we advocate for the best possible project in San José. The presentation as I mentioned will include representation of design options for both the aerial option as well as the tunnel option, as it -- as the high speed rail system comes through our downtown. And then finally we would want to spend some time with the council discussing what our policy

position should be, as the staff engages with the high speed rail staff on the downtown design options. So the guiding questions for the first part of the presentation today is -- are shown on the screen. We would like to explore you know what is the status of the project, what we perceive to be the benefits of the project to San José, what are our goals for its successful implementation, what are the elements of -- would go into the best possible design for San José and how do we ensure as we engage with high speed rail project and the high speed rail project team is what happens in San José is in San José's best interest. And with that I'm going to turn it over to Hans.

>> Hans Larsen: Thank you Paul. Provide council with a quick overview of the project, and I think many people find it remarkable that the project was initiated in 1996. Clearly it's gotten a lot more attention following the voter approval of more than \$9 million of bond funds in 2008. But this project has been in the works for more than a decade. The plan for the system is shown on the map here. It's intended to connect the major population and job centers between northern, central, and Southern California. This is a true bullet train system, similar to the systems that run in Asia and Europe and is planned to have train speeds upwards of 220 miles per hour. The benefits from a statewide perspective is, this helps accommodate projected growth within the state. It allows for focused growth around the major metropolitan centers of the state. And particularly the areas that are served by the high speed rail system. And the system is mapped out already serves 90% of the population centers within California. It improved mobility, in moving across the State of California. It does it in an environmentally friendly way. High speed really system is electrified power and benefits include reductions in greenhouse gas emissions from driving, as well as plane travel. And it can enhance the economy, providing all these benefits and improved mobility and accommodating growth. This sets California on a track to continue to have a strong economy into the future. The key priority for the project is the development of what's called the priority segment, which would extend from San Francisco, San José, Fresno, Bakersfield, L.A., Anaheim. That's intended to be the first segment that's built. That has a cost estimate of \$43 billion to implement that. The good news is, is that this piece is 25% funded based on approvals of state funding, as well as federal funding. And the completion goal for this segment is the year 2020. So with the dollars that are available, there are near-term opportunities to move forward in building parts of this priority segment. Like to apply a little bit of context from an international perspective. High speed rail is the way many countries and developed countries around the world move in distances 200- to 500-

mile range. There's 14 countries in the world that have systems now. There are seven more countries that are planning system. Recently, in 2009, the federal transportation administration released a vision for high speed trains in America, where they identified ten bullet train corridors, as you can see on the map here, and has made funding available at a national level for the development of these systems. And so we are very much an environment of increased recognition of this as an important way to travel in the United States, and there are significant commitments being made to funding these systems. And so the areas in which already with their planning and project development and have cost-effective projects will be the areas that receive the initial investments from the federal level. I'd like to now present to the council a video. This is a seven-minute video prepared by the high speed rail authority, that provides additional overview perspective. I'll need a little help to get this started. There we go. ∂ ∂

>> In 2000, Californians made more than half a billion trips between the state's different regions. By 2030 that number will double to nearly 1 billion. The demands on our roads, our airports, ever increasing, as our population and economy grow.

>> With the passage of proposition 1A in November 2008, California established itself as a leader for building America's first world-class environmentally friendly transportation alternative for the 21st century, a truly high-speed system, rivalling the best known systems already operating in 11 countries around the world. Traveling at speeds up to 220 miles per hour, over an 800-mile route, it will whisk riders from downtown Los Angeles to downtown San Francisco in just over two and a half hours.

>> California's high speed train system will be the largest Public Works project undertaken in the state in 50 years. Building this state-of-the-art network will create more than 600,000 construction jobs. And another 450,000 permanent jobs.

>> Clean electrically powered high speed trains will also provide crucial environmental benefits. By using just one-third the energy per passenger of airplanes, and one-fifth the energy per passenger of automobiles, high-speed

trains will help California meet long-term goals in reducing greenhouse gases, eliminating as much as 12 billion pounds per year, and reducing the state's demand for oil by 12.7 million barrels annually.

>> With trains carrying up to 1,000 passengers departing as frequently as every five minutes during peak hours, high speed trains will carry as many as 100 million passengers per year by 2030. About 10% of the state's interregional traffic. Train stations will be developed to connect with local and regional transit systems and airports. Locating stations within existing transportation corridors will continue to promote transit-oriented development within urban centers, helping ease urban sprawl and loss of open space.

>> The first step in building California's high speed trains is design and environmental review. State and federal law require a full environmental analysis to assure that all significant environmental impacts are identified and mitigated with alternatives fully considered. In 2005 the California high speed rail authority completed the first level of environmental review for the full statewide system.

>> Now the authority is preparing detailed project-level environmental review reports for each individual section of the system. Those sections are: San Francisco to San José. San José to Merced. Merced to Sacramento. Merced to Fresno. Fresno to Bakersfield. Bakersfield to Palmdale. Palmdale to Los Angeles. Los Angeles to Anaheim. Los Angeles to San Diego via the Inland Empire. In addition, the authority and regional partners are pursuing a passenger rail improvement project in the Altamont corridor connecting Stockton and San José.

>> Each of these sections will undergo a separate environmental review, public input from individual residents who live along the proposed high speed line, to local governments and nongovernmental organizations. It is part of the planning process. Community meetings are held to provide citizens with details about the project in each section and to listen. Answer questions. And seek input.

>> Is that something that you're considering?

>> Next, a draft environmental impact report and statement will be issued identifying preferred routes through each section. A second round of public input and review will occur before a final analysis is completed, and route selection is made.

>> While construction of local projects necessary to support the system could begin as early as 2010, construction of key components of a high speed train are expected to begin in earnest by 2012. High speed train systems are among the most sophisticated engineering projects in the world. To build a high-speed train route California will draw on the expertise and experience of those who have already built other high-speed train systems. Building of bridges, tunnels, and track required for high-speed train travel will create hundreds of thousands of jobs. Early benefits will be evident as existing conventional train corridors are upgraded with electrification, improved tracks, separated grades that eliminate crossings, and fail-safe automatic stop safety control systems.

>> As construction continues, California's first high-speed train will begin running on a designated test section. Engineers will fine-tune the many complex system that make high-speed train travel the safest in the world. By 2020, passenger service will begin on the Anaheim-Los Angeles to San Francisco backbone of the system. A route of roughly 500 miles. The Merced to Sacramento and Los Angeles to San Diego sections will then come into service several years later, completing the entire 800 mile system.

>> The California high speed rail authority's board of directors, appointed by the governor and the legislature, is committed to managing the project at the highest level of fiscal account accountability. And independent peer review committee will also review the planning, engineering and financing of the California High speed rail authority's plan. Periodic audits will be performed by the State auditor.

>> California is on track to the future. Clean, electrically powered high speed trains are the best means for meeting Californians mobility demand in the 21st century and will put Californians at the forefront of the emerging green economy.

>> By providing unprecedented safe comfortable environmentally sustainable travel from city center to city center, California is leading the way into America's future. The future begins now.

>> Paul Krutko: So --

>> Thank you. I'll just give a very brief update to this video which was made nearly a year ago. In 2009, President Obama announced an \$8 billion stimulus program for high speed rail showing his commitment to this mode of transportation and implementing high speed rail in the United States and making this a focal point of the administration. In late January of this year, California was awarded \$2.25 billion of this stimulus money to provide matching funds for the ongoing environmental work and also construction funds for four potential section of the high speed train system which are L.A. to Anaheim, Fresno Bakersfield, Merced Fresno and the San Francisco to San José section of the high speed train system which includes Diridon station. For the construction funds, the federal funds must be encumbered by September of 2012. The implementation must be completed by the end of 2017. And in order to accomplish this, we must have environmental clearance by September 2011. On August 6th of this year, the high speed rail authority applied for another \$1 billion of federal grant money for high speed rail construction, which if we get that money will be added to this additional money that we already have, the \$2.25 billion. Completing the environmental work for the four sections eligible for construction funds is the highest priority of the high speed rail authority and we do expect the draft environmental documents for these four sections to be released to the public by the beginning of next year.

>> Paul Krutko: Thanks. So there are just two slides left in this section before we begin the dialogue with the council. The first is just a reflection on the benefits to San José proper. We have talked a lot about in our economic development strategy the notion of connecting this to the world and connecting this to other economic regions. And clearly, this project will enhance that many-fold, particularly if you reflect on the ability for us to connect with centers that will bring talent and jobs and investment because of the ability to connect easily and seamlessly to the rest of the state. And you see the time frames of travel that we have on the screen now. And as we know in the valley time is money, productivity is very important and the system will really enhance the productivity of our companies that are located in San José. So that really reflects on my second point about the

key that this will allow talent to come here but will also allow our companies to easily access other key centers in the state. The third point is that we do have an opportunity, it's pretty clear from the map that we as the third largest city in California have the ability to be the linchpin between the other two major cities in the state. And ultimately when the system gets all the way to San Diego. Key as I said already is the ability for our residents then to not only for business but for pleasure, easily access the rest of the state of California. And as has already been pointed out in the presentation really, this is a project beyond economic development that really dovetails with everything we are trying to accomplish in the Green Vision goals that we have for the city. So one more slide and then we will stop.

>> Hans Larsen: Just wanted to reflect on some of the City's engagement with the high speed rail project and really over the last decade we've been actively involved in some key strategic issues. Probably the one that's been the most active from the council and politically ask to ensure that San José is well positioned to receive high quality service from the high speed train system. And the key issue there has been how does high speed rail come into San José, does it come in through the Pacheco pass which puts San José on the main line between San Francisco and L.A? And fortunately that is the preferred route and the other one that was considered was Altamont pass. This has been an active issue certainly over the past five years. Another key priority as Paul mentioned was to develop a great world class train station in Diridon as the a transit hub to expand the existing system to connect BART and high speed rail. In 2002, a Diridon arena strategic plan was adopted that identified the policy goals of developing a station with world class function and architecture. And these goals were further reflected in the 2005 downtown strategy plan. Just last year, city council endorsed a strategy for investment in the Bay Area. This is the San Francisco Silicon Valley investment strategy which promoted the idea of getting early investment in San Francisco to San José having the benefits of upgrading the CalTrain system and providing early investment and development of both the Diridon station and transbay terminal in San Francisco. And lastly it's always been a goal of ours with regional projects is to develop them in a way that's compatible with the community and promotes quality design. Today we're really talking about a focused look at that time downtown area. But for all of the high speed rail project, the 20 miles in San José that extends from South San José and the Monterey highway corridor to the northern part of the city, the Newhall neighborhood, garden, Alameda, this is an important goal to build it in a way that fits with the community, mitigates environmental impacts and ensures a

quality design. So these have been really kind of our guiding principles and policies that we have been actively working on to date. So that closes our overview comments. We wanted to offer the council an opportunity if you have any clarifying questions, on sort of the big picture, before we move into the next piece which is more the technical discussion of the design for the downtown area.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: Actually, mayor, I wasn't aware that there was going to be an interruption in the presentation. I was just going to ask that there be public comment before council discussion. I know a lot of folks have been waiting for some period of time.

>> Mayor Reed: Okay. Any other questions on the big picture? All right let's move on to the next section which is not the little picture but a different perspective.

>> Hans Larsen: Okay. So we're going to talk next about the design of the project. And start with the overall project in San José. So as mentioned in the overview video, there was a program, environmental clearance completed for the project. And that was supported by planning work that was done in the time frame from 2000 to 2005. And that identified high speed rail, traveling through San José, in the Pacheco pass corridor, for a 20-mile length along the CalTrain corridor, really in its entirety. And so included an at-grade profile, where the train tracks are at ground level, along the Monterey highway area. It did propose to come into Downtown San José, and Diridon, above the CalTrain tracks in the downtown area. And then north of Taylor street, north of downtown it was contemplated to have a trench or tunnel section in order to have the high speed rail fit in with all the other merging train systems that come in from the Altamont corridor, Amtrak and other services. So there's a lot of weaving and mixing of the trains in there so a trench tunnel section was proposed in the northern section. So that plan was adopted through a program EIR. And what high speed rail is engaged in now is a more refined project-level environmental clearance. And this work has been going on over the past two years. There are three kind of significant refinements to the original plan. And to characterize those as an alignment shift away from the CalTrain corridor in the greater Gartner neighborhood area and to move the high speed rail system into the route 87 and

280 corridor. This is a design refinement that has been recommended now by the high speed rail authority. A second option was to consider providing high speed trains in a tunnel within the downtown area. This is an option that has not been recommended by high speed rail and it would be a topic of further discussion here in a moment. The other design change that's been considered is in the area north of Taylor street where there was a trench-tunnel section proposed. They've put on the table considering an elevated alignment in this area. High speed rail is recommending further consideration of both of those options. One thing to point out with the aerial alignment, we're working closely with our airport department on any potential issues with an elevated line up close to the airport to assure that there aren't any conflicts there. Talk a little bit about the process that we're engaged in. In February of 2009 the high speed rail authority officially noticed the preparation for detailed engineering and environmental clearance for the San José section of the project. And at that point they had done a solicitation to stakeholders in the community on, are there any design refinements that we should study as we further plan the project? And in April of 2009, the Department of Transportation issued a letter to high speed rail and requested that they look at the 87-280 alignment shift that moves it out of the Gartner area as well as a tunnel option. Through input from other community stakeholders there were a total of eight design variations requested for study. And there were numerous public and stakeholder meetings that were held after that. So for the period of April to November of last year there was a study on these variety of options. In December of 2009, high speed rail recommended dropping the tunnel options in Downtown San José, because of the complications and costs. And at that point there were concerns expressed by the city and articulated in a letter from Mayor Reed, Councilmember Liccardo, Councilmember Oliverio that we felt that there was further study needed on the downtown tunnel options. And we also wanted to refine work on the elevated option. And so we promoted the concept that we wanted to find the best aerial and best tunnel option in the downtown area. High speed rail staff agreed to do additional work on both of these, and between January of this year and May there was further technical work done on these two options, more public meetings, stakeholder meetings, and in total there have been over 30 meetings in San José regarding the high speed rail project. In June of this year, high speed rail authority proposed recommended actions that based on the further review, they recommend dropping the tunnel options. They are supporting the 87-280 aerial option in replacing what was the original plan of high speed rail in the CalTrain corridor through the Gartner neighborhood. That is an action that was very well received, certainly by the neighborhoods, on moving high speed rail out of the middle of the neighborhood and into the freeway corridor

at 87 and 280. Where we are now is essentially that we need to react to the recommendation from high speed rail that they made in June and we are targeting providing city input on this particularly the aerial and the underground options before the next high speed rail meeting that will address this which is targeted for early October. Just to provide council with a visual of these alignment options in the downtown, so the green one represents the original plan that passes through the Gartner neighborhood next to the existing CalTrain tracks. As I mentioned this option has been dropped primarily due to concerns about the direct neighborhood impacts. So what are the two options that are kind of most actively under consideration, are what we consider the best evaluated option which is in the 87-280 corridor which is shown in yellow and then it comes back into the CalTrain corridor at Diridon station. The concerns that have been raised with this relate to the noise and aesthetics. And I might add that while there is noise generated from this, we should be aware that while high speed rail is a 220 mile system, as it approaches the Diridon station and executes these curves it would be traveling around 50 miles an hour and emitting a relatively low level of noise through the downtown area. Aesthetics certainly is a key issue, and that is sort of the hot topic that we'll be talking about, is how this is designed to be an attractive facility, and there are concerns from the community about the potential, if not designed right, it can have a negative view on the skyline. This is a high structure. It's a roughly 50, 60 feet as it traverses this corridor from the Tamien station to Diridon and then north towards Taylor street. The other option that's been looked at is the number 3, the orange line, this is an underground tunnel and some of the concerns or the advantages of this are that has less noise and doesn't raise the aesthetic issues but it does have a number of significant concerns regarding land development. It will occupy land areas and -- that aren't within a transportation corridor and limits development opportunities. And we'll touch on that a little further. The construction of a tunnel and underground station is much more complex and disruptive. To place a tunnel for high speed rail would create conflicts with the BART tunnel that's already planned in this area. And so there's a competition for space between those two systems. If high speed rail takes the level that BART is planned it would then force BART into a more costly deeper tunnel configuration to pass underneath it. Cost has been a major issue raised by high speed rail that the difference between an aerial line and an underground line is about five fold. The aerial alignment is about half a billion dollars. The underground alignment is approximately \$2.5 billion. So about a \$2 billion increase in cost between those two. In the Downtown San José area we have some very challenging soil conditions. We have loose soils, sands and gravels, below the surface as well as the high groundwater table and these create difficult, challenging costly conditions in order to build a

tunnel. And that's one of the construction risk factors that's been cited by high speed rail. Like to provide a little bit of context comparing BART and high speed rail. It's been often asked well, if we can put BART underground why sit so challenging to put high speed rail underground? And clearly they are both challenging but with high speed trains, there is a more significant, perhaps -- let me defer to --

>> Mr. Mayor, Rod here. I've just got an emergency call and I have to leave. I had intended to stay throughout the testimony and I apologize, I'm not going to be able to do that. And I have seen the background materials time and time again so I do understand it. Let me pledge that I will be an advocate for the City's position. And strongly support it as it goes to the board. And I do really appreciate, as does our board and our staff, the collegial relationship we've had with the council and with your staff in finding the best solution for San José. And I apologize for having to leave.

>> Mayor Reed: That's okay. Sometimes that happens. Thank you for being here, and I want to thank the high speed rail authority board and you in particular, Rod, for all the community engagement, all the meetings that you've had in San José to make it easy for our people to get access to the process. Thank you.

>> Hans Larsen: Thank you, Mr. Mayor, thank you, Rod. So in comparing BART and high speed trains there are significant differences in the magnitude of the facilities. This chart here points out some of those. The BART system that's being planned is a two-track system about 60 feet wide. The high speed rail system coming into downtown would have four tracks. So it's approximately -- it is more than two times the width. A bullet train station is about twice the length than a BART station and so if you look at twice the width, twice the length, you're looking at a station facility that's about four times larger than a BART system. From a tunnel perspective, BART is a relatively low and it's outdoor by a third rail at the track level. So it has a very compact tunnel diameter in comparison to the high speed trains which are taller and have overhead power so if you do the math on the difference between the tunnel, it's about a two and a half times difference in terms of the area that would need to be excavated for a tunnel. And so some of those -- those are some of the factors that relate to more significant level of construction and cost associated with a high speed train.

>> Paul Krutko: Mr. Mayor, and council, Hans asked me to speak a little bit about the concerns we have relative to tunnel construction. You remember at the beginning we laid out sort of five guiding principle questions and that one key question was, what is it that we're going to do with high speed rail to ensure the City's best interests. And I think this diagram indicates a real concern that the professional staff has with the tunnel. And that is that a tunnel construction of this magnitude in San José would be our version of Boston's big dig. What is -- what tunnel construction would represent here is if you can imagine with me, we take the empire state building and we turn it on its side, and we bury that in this site that is directly between our existing HP pavilion asset and the proposed baseball stadium. The duration of that construction is between five and seven years. The disruption to HP pavilion which is the fifth best performing venue in the world, would be substantive. We would be talking about bridging streets over the construction. And even beyond that it's important to understand that this alignment would require the acquisition of something on the order of 80 property easements because as you can see it doesn't go down the center of the street or a thoroughfare. We would be going under homes and businesses, as you can see from the alignment, including historic neighborhood. So the concerns, while some have indicated you know in media and in criticism that the staff is not mindful of the value of potentially putting the station underground, we also think it's incumbent in terms of our role to point out the ramifications of a seven year construction project that would look something like this. Those of you who have had the chance to travel to Boston know what that project looked like. This would be a similar condition for a similar period of time. Again, the key notion would be that I, as your economic development lead, am very concerned about what we would do to ensure the viability of HP pavilion. Yes, the building could open its doors. Yes, it would be readily available. But as we all know that surrounding area is used by all the patrons that access that building on something on the order of 230 dates a year.

>> Hans Larsen: Now I'd like to talk about the aerial alignment. And we have a two-minute video here a simulation, might give some assistance on getting that started, there we go. So this is a simulation prepared by the high speed rail authority that looks at the proposed elevated alignment from the Tamien station area, traveling north towards the downtown. And as I mentioned in our earlier comments, it is up in the air as it travels through this, of course, it's -- it reaches heights of 50 to 60 feet. And so this is along the 87 corridor. Traveling towards downtown Diridon station. And obviously, the aesthetics is important. What this represents is really more of a

massing diagram of the -- kind of the size and scale of the facilities. High speed rail, though, has taken -- looked at two areas in terms of focusing some special aesthetics or architecture, and one of them is a special bridge that crosses the 87 and 280 area that uses kind of a cable stay structure that is popular in other parts of the country and world for iconic, interesting bridge structure. So this is passing over 280 and then it's making a northern turn towards the Diridon station. And this simulation shows the back side of the ballpark approaching in this area here. And it's generally high speed rail is two tracks but as it approaches the station it widens out to four tracks. And here is the train approaching the Diridon station. So the design here is just one concept of how it could be with an elevated canopy. This is simulated to look like a similar station that is in Spain that has this kind of architecture, intent with this concept is to have a relatively open design. Can you see between the ballpark and HP pavilion plans for ten-story buildings just beyond the station towards downtown. At one of the issues with the tunnel is that it would actually constrain the ability to put in that kind of development, because of constraints with building on top of the tunnel. I'm going to touch a bit here on quality architecture. And clearly, a message that San José has sent to high speed rail that if we're going to consider an elevated line, running through the downtown, it needs to be designed in a way with quality architecture. In fact the council position is we're seek world class architecture for the Diridon area. I have some slides to just illustrate kind of a vision of quality architecture that have been put together by the City's architectural consultants that are working with us on developing the expanding Diridon station. That is the team of Aarop and Perkins and Will. So some of the key architectural components of this are they call a big roof which would be over the top of the Diridon station as a canopy. And this is an example of a canopy system in Spain. This is a big roof concept also from Spain. This is some architecture of a rail station in Lyon, France. So one of the opportunities with an elevated station is this grand sense of entry that you would have at the top of it is with a big roof, big concourse you can create a great sense of arrival into downtown. Here is an example of a bullet train station, also in Spain. One of the things that's important, as the high speed rail, is linear, coming through the downtown, how can you make that look attractive and interesting? And introduce elements of public art? Here is an interesting concept from the Hague in Netherlands where they have a two tube system artistically designed system that provides an attractive element to the skyline of their city. Here is another linear example, from Vancouver, British Columbia, as part of their elevated train system. Some other pictures of structures with architectural character. I think one of the things that we see as an opportunity with the elevated is to create something unique and identifiable, that helps expand a

positive visual image of the downtown skyline. Here's some bridge structures. This is a bullet train bridge in France for TGV system. Here is a recently constructed bridge in downtown Boston. This was built as part of the big dig project that is an element of their skyline now. We don't have to look too far for some good examples. The city of Cupertino built a very nice bridge over 280 for bicyclists and pedestrians and if you've been there at night you can see it has a very striking design. The idea of introducing lighting and public art to an elevated bring system is something that's done other places in the world. This is an example from Rotterdam in the Netherlands. And then this is a bridge structure from the United Arab Emirates. We have some great examples of great architecture here in San José with our City Hall building and the new airport, and we feel that we have established a new world-class design standard for new buildings in San José, and our expectation is that an elevated high speed rail system would meet or exceed those standards. Just to close out this section, the staff's opinion as outlined in the report, it's our view that an aerial system with an attractive design is the best option for San José. It provides a -- it maximizes our economic development opportunity by allowing the best use of urban land. It puts the high speed rail system within a freeway corridor, an existing rail corridor, and doesn't limit development of other land areas, particularly in the Diridon area. It minimize construction duration, as Paul pointed out. It has the potential to add a positive visual amenity if designed with an attractive design to the downtown skyline. It avoids impacts to the BART project. It can be delivered with a reasonable cost, and it would provide us with the best opportunity for early implementation. If we can deliver a plan, and get a consensus and move forward with a plan, we're then best able to capture state and federal dollars that are available now for building high speed rail in California. So that ends our comments. On kind of the technical part of it, we're open for any clarifying questions from council and perhaps this might be a good time to hear public testimony. The last piece is really the policy discussion of the options that we have in the staff recommendation, and it's a very brief one-minute presentation on that piece.

>> Mayor Reed: All right. I think it would be a good time to take the public testimony, got about well a few people. Not everybody in the building wants to speak but most of them so you can see we've got a lot of folks that have an interest in this. Please come on down when I call your name so you're close to the microphone. There's room in the front row to sit, or can you stand there. John Adams, Paul whose name I can't remember but he

represents Bellarmine, Brian Adams also some connection to Bellarmine I believe. And then Bill Rankin. Go ahead.

>> Good afternoon. My concern is, with the -- I mean, I really like, really like trains but I'm concerned with the financing. You know, we voted for -- to cover the first \$10 billion of what was projected to be a \$42 billion project. But as you can see from building tunnels, that \$42 billion could easily balloon up to 46, 48 billion. But that's not the real cost of the project. According to the treasurer of California, our bond rating, the way to see how bad off California really is, is a single A minus. That's worse than any state in the union. Worse than any country in Europe outside of Greece. Consequently, our interest rate is very high. And then if proposition 22 passes, where the state keeps tapping into city revenues, the state's going to be even worse off. So you borrow \$4 you pay back 9. So the true cost is going to be, could possibly be 110 billion. And so -- and since current debt and unfunded mandates is between \$500 billion and \$600 billion, you know we could end up having massive state layoffs, layoffs of state employees. And so my point is that after all these layoffs, I don't think any further funding from the state is going to happen. What happens if there's no further state funding? If \$12 billion is it?

>> Mayor Reed: Sorry your time is up. Your time is up.

>> Okay.

>> Mayor Reed: Our next speaker is Paul Sheridan followed by Brian Adams and Bill Rankin.

>> Mayor Reed and councilmembers, my name is father Paul Sheridan I'm president of Bellarmine college prep. As you might be well aware of, we're a school that has 1600 student enrollment located in the college park neighborhood of San José. Our campus is located adjacent to the college park station. And we are situated just West of the railroad tracks. While much discussion today has concentrated on whether the high speed rail should be underground, or consist of an aerial structure through the downtown area, Bellarmine is greatly concerned about the alignment of the track in relationship to our school. We strongly favor an eastern alignment because an alignment West of the existing tracks will have a terrible negative impact on our campus and encroach on our

property. It is our understanding that a West alignment will take away our eight-lane track and football field. We are certainly not in a geographical position to move and have alternative sites for those operation of our program. Recently, Bellarmine has spent well over \$60 million in campus improvements. And this project has the potential of a devastating major impact on our campus. And severely impacting obviously the programs we offer. Regardless of your decision today, we respectfully ask for your support of an eastern alignment along the section that parallels Bellarmine and the college park neighborhood. Thank you for your kind consideration.

>> Mayor Reed: Brian Adams, Bill Rankin, Larry Burnett.

>> Mayor Reed and members of the council I'm Brian Adams vice president of advancement for Bellarmine college prep. Our campus has been located in the college park neighborhood of San José since 1925. Today we are not disputing the importance of public transportation. Hundreds of our students depend on train service every day. And as father Sheridan indicated we are fortunate to be located adjacent to the college park CalTrain station. In fact our social justice theme this year is one of sustainability, and we certainly favor the concept of green mobility. But today, as you discuss whether the high speed rail should be underground or an aerial structure through the downtown area, we ask that you please keep in mind to what extent track alignment comes into play. Bellarmine is greatly concerned about the alignment of the track in relation to our school. As our campus is located just West of the existing railroad tracks, it is our understanding that a high speed rail alignment West of the existing tracks will have a negative impact on our campus and, as previously stated, encroach upon our property, forcing the removal of our eight-lane track and football field. If this happens, we simply have no option for moving this important school resource, used not only by our students but also by athletes from other schools and other organizations as well. And we understand that many properties will be affected by a project the magnitude of the high speed rail. And that the City of San José has a variety of interests at stake. As you discussed, the ramifications of your decisions as it relates to the project, we respectfully ask for your support of an eastern alignment, along the section that parallels Bellarmine and the college park neighborhood. Thank you very much for your consideration.

>> Mayor Reed: Bill Rankin, Larry Burnett, Kimberly Brady.

>> Hi, good afternoon, my name is Bill Rankin and I live in the north Willow Glen neighborhood. And I believe the downtown underground option needs to be analyzed. And would I like to urge high speed rail to keep the tunnel option of in the EIR. I believe the option for underground should be studied in order to design a world class transportation hub that really works for San José. That has minimal impacts on all surrounding neighborhoods, and connectivity to all forms of transportation including trail systems for pedestrians and bicycles. Thank you.

>> Mayor Reed: Larry Burnett, Kimberly Brady, Tina Morrow.

>> Good afternoon, Larry Burnett, I'm a real estate manager with Cisco Systems, but speaking to you today in my role as cochair of the regional policy of SPUR San Francisco planning and research. I want to urge the council to take a reasonable and practical approach to the alignment through San José. I don't want to weigh strongly on which way you should go but when you look at the cost versus the functional tradeoffs of undergrounding versus an aerial structure I think there are a lot of good arguments for the aerial approach. I think there are as been pointed out some visual benefits to taking an aerial approach and path through the City of San José. I want to also I guess advocate for the importance of frankly keeping this project statewide on track. Whether you agree with stimulus funding or not the fact of the matter is, there are going to be billions of dollars in funds available from Washington from this administration that could go a long way to building this system statewide. California has the best demographic argument for putting in high speed rail, and yet we could very easily as a state fumble the ball if we don't push forward our planning efforts in a responsible and timely fashion. Furthermore, I would also encourage the city to weigh in on a regional level on the alignment up the peninsula. Once you settled your own internal issues here in San José I think some of the biggest challenges for the system statewide actually present themselves on the peninsula, and if we don't get high speed rail into San Francisco, it's very bad for San José. Arguably some of your best benefits economically will come from having that 30-minute connection to Downtown San José, in an electrified CalTrain system through the biggest job centers in the Bay Area. That's going to be a huge boon to Downtown San José. So let's keep the system on track. Let's keep San José focused on a practical approach here. Thank you.

>> Mayor Reed: Kimberly Brady, Tina Morrill, David Wall.

>> Hi Mayor Reed councilmembers, Kimberly Brady vice president of the San José downtown residents association. I'd like to quote an old and, in hindsight, overused cliché, which states there's never enough time to do it right but always time to do it over. It's a bad business model and in this case it doesn't present any opportunity for a do-over, and we want to make sure that we have intimately explored every option before making a decision that will permanently affect the landscape of the downtown core. I'm speaking on behalf of our members. We are also deeply concerned with potential ramifications of settling for something that would exclude any prospect of studying an underground option, especially this early in the game. Moreover, putting a deadline on offering up the underground tunnel study in exchange for an agreement that would give us design input would surely jeopardize the integrity of any full environmental review process. Shouldn't a full environmental review include an underground option, especially one so critical that it might preserve the integrity and vitality of the downtown landscape? The city has invested billions of dollars building a world-class urban environment for downtown San José. Why then would we not protect this investment by taking advantage of the best practices of those cities that have traveled these tracks before us? Let's also look at lessons learned. Do we really want to risk anything on a project that may later set us back in time? We urge council to make its decision based not on an agreement deadline, rather its own comments on the memo before you now, which states high speed rail project must enhance those investments and add value to our city. Whether a deal is met by October 1st or not the residents of San José deserve as also stated in the memo further study of the underground alignment to protect us from the impacts of a project that does not meet our vision for our community. Whatever we decide to do I'm sure it will be the right thing as long as we take the time to do it right that he way we could avoid any regret later. Thank you.

>> Mayor Reed: Tina Morrill, David Wall, Harvey Darnell.

>> Hello, good afternoon, my name is Tina Morrill. I live in the Vendome neighborhood, and I want to say first I definitely support high-speed rail. I think it's a very good thing. In reading the staff report, though, I felt like there was a definite bias to rush to eliminate all of the options except for the aerial option and I have a concern about

that. I urge you to please keep all of the options on the table. I do understand it's the intent to build something of high quality, and I think that by keeping all of the options alive, my hope is that the bright minds that we have working on this project will come up with a design that will enhance our quality of life, and not blight it or cause headaches later down the road. The designs that I have seen so far show above-ground images such as this one but not many show what life is going to be like under an aerial structure. So the question in my mind is how many folks are going to want to set up shop live under or close to that kind of aerial structure. That's a concern of mine. So I urge you to please vote for keeping all of the options open and studying them. Thank you.

>> Mayor Reed: David Wall, Harvey Darnell, Carl Salas.

>> David Wall: I'm always impressed upon how well you spend other people's money especially when you don't have any. I reference the city's \$5.8 billion indebtedness, billion with a B. State of California's basically a laughingstock if not for the nation, if not for the entire world hypothesis high speed rails in its sense is to stretch the system out not to bring it into areas where you have to curve it around. Basically, any notion of high speed rail coming to San José, and San Francisco, except via the Altamont pass is nothing but a train wreck in progress. It's a train wreck in progress from an economic standpoint, a safety standpoint, and for the quality of life standpoint in our city. City of San José has long had the chance to set this thing up. Many, many years ago, you could have been acquiring land, educating the public not to buy, or have houses in these areas. The City of San José has negligently and or incompetently not done so. What I believe high speed rail is, is a titanic, the titanic being hoisted upon the taxpayers of San José. Because no real cost to the taxpayers of San José is being put forward by you and that is troublesome.

>> Mayor Reed: Harvey Darnell, Carl Salas Kent Mather.

>> Mayor Reed, my friends the councilmembers, and I consider all of you my friends. It is really neat to be able to stand up here. I'm wearing three hats today, chair of the greater Gartner neighborhood advisory committee, SNI, I'm also a member of the Diridon station good neighbor committee and also a task force member of the 2040 envision task force. I started this journey with high speed rail in November 2008 when I talked with Hans Larsen

after the envision meeting in November 2008. Then began with Ben Tripousis at the first community meeting that high speed rail had in 2009 in February. The greater Gartner community has developed a 55-page document of scoping questions that it submitted in April of 2009 and submitted to several of the councilmembers that were in the areas that were affected. We have supported high speed rail to -- through San José ever since the beginning. We believe that the Gartner alignment was not appropriate. We asked it to be an 87-280 alignment or a tunnel. And we still feel that way. I want to thank Jim Ortbal, Manuel Pineda, Harriet Servine, as well as Hans Larsen and Ben Tripousis from DOT, Harry Mavrogenes, Dennis Korbiak, Kim Harkness -- Kip Harkness, excuse me. Mayor Reed I really want to thank you for the memo that you and Councilmember Liccardo and Oliverio sent early that helped our move out of the Gartner area. I want to thank Councilmember Nguyen and Kalra for bringing the community concerns on the present memo that's coming forward. Also I want to thank Dan Leavitt and Gary Kennerly sitting here and the honorable Ron Diridon for their support. The Gartner area believes the design should protect the adjacent neighborhoods, not just Gartner, but all adjacent neighborhoods. The design should protect the creation of the expanded vibrant downtown into the Diridon area. A walkable area without visual and physical barriers to connectivity. Structures should be of world class design and visually pleasing.

>> Mayor Reed: Sorry your time is up.

>> To this end we support both the tunnel --

>> Mayor Reed: Next speaker is Carl Salas.

>> Okay, thank you.

>> Mayor Reed: Kent Mather and then Connie Martinez.

>> Mayor and councilpeople, Carl Salas. I have a company here, Salas, O'Brien Engineers, I have 50 employees right here near downtown. I just want to tell you my whole business is pipes. We put pipes in the ground, basically, we design that. And we oftentimes say, well, we like pipes. We always say, let's put them above

ground. It looks fine, you can maintain them easier. And people look at us, all you would look at me and say, put pipes above ground, what are you, hitting? And I just want to make sure that you realize the options you have right now. I mean, most of you, like me, I've been to Rome, I've been to New York, I've been to Washington, D.C, I've been to Atlanta. All the systems I've seen are underground. And they're there for a reason. And it's a good reason. I also want to mention those wonderful renderings up there, they didn't have graffiti painted on them. I think you guys should add some graffiti on those, because I spend a lot of my weekends painting out graffiti, and that is a perfect place to put it. We don't have much of a skyline here, and I think you are going to define San José by that system. If you put it above ground with what I read world class architecture, then realize it's going to cost every bit as much of the cost to put it underground, and you won't have any noise. You have an opportunity to have a vision right now, and I think by limiting the tunnel option downtown, you're limiting the ability to have a vision, the ability to possibly do it right, and even the ability to leverage the money you're going to need to put world-class architecture above ground. I close by saying that I've only ridden one above-ground system, that was in Sydney, Australia, it was that monorail they put in. And I said, well, how come you didn't put it all over the whole city? Talked to the city people, and they said, oh, well, it's too expensive to put it above ground. So there's going to be -- and it doesn't look half as good as those renderings without graffiti on them. So please don't limit yourself now, don't limit San José now, or put so much money in the budget that it is going to be 2 billion above ground or below ground so this city's as great as it can be. Thank you.

>> Mayor Reed: Kent Mather, Connie Martinez, Chris Tome.

>> Good afternoon, I'm Kent Mather. I'm an architect, and I'm a member of the San José downtown association board of directors. I'm here to speak in favor of the resolution before you to keep the tunnel option in the EIR study. I believe you need to keep in mind that the presentation made before you today is made in favor of the above-ground system. As previous speakers have pointed out already. Many of the opportunities for design and to have this be seen as a transportation hub are available to you whether the station is above ground or below ground. And I believe that taking the tunnel option out of the EIR study now keeps you -- deprives you of the benefit of that more objective review of comparing the options that are available. Thank you.

>> Mayor Reed: Connie Martinez, Chris Tome, Ellen Chapman.

>> Good afternoon, first of all let me share my excitement and enthusiasm for the project overall, high speed rail. And I wanted to encourage you to continue playing the role of the stewards of our region and our future and pay the attention to the aesthetics and the urban design that our city deserves. Recently, your city staff and 1stAct Silicon Valley hosted a three day trip of 50 leaders from San Francisco and they spent three days with us and learned about our plans and our visions for the future. And their four take aways were that they were impressed by the quality of our leadership of civic and city staff. The magnitude of our challenges, having inherited the suburban development patterns of the '50s and the extreme success of Silicon Valley and all the challenges it's placed on our city and thirdly the amount of progress that's been made, but probably more importantly is the spirit of innovation and courage that they felt in our city. And it is with that I ask you to be the stewards and make the courageous decisions not just only today but into the future to ensure that the aesthetic and the urban design is never put in second place. Thank you.

>> Mayor Reed: Chris Tome, Helen Chapman, Yaz Naol.

>> I'm Chris Tulle, and I'm the vice president of the College Park Neighborhood Association, and I'm speaking on behalf of our board members. We are a neighborhood of much historic ambience. We have been in existence since 1866. We sit today around highway 880, the airport, CalTrain, Union Pacific, and more than any other neighborhoods, we really have seen the march of progress take its toll on our neighborhood and we are concerned with what this will do as well. We are in favor of high speed rail but we do strongly believe that the below grade underground option merits full study and understand what that could mean for our neighborhood. We do in our specific position believe however that the high speed rail design and route alignment should minimally impact residence, schools such as Bellarmine and highways of worship. Currently for the best that we know the eastern alignment that is elevated appears to cause the fewest of these impacts. Noises of great concern within our neighborhood and as you have noted, the creation of an iconic world class station is key. However, please do not forget our adjoining neighborhoods that keep this historic nature and we want to maintain this within our neighborhood as we go forward, and we are ready to work with high speed rail on that design.

>> Mayor Reed: Helen Chapman, Yaz Naol, Craigs.

>> Good afternoon Mayor Reed members of city council my name is Helen Chapman president of the Shasta Hanchett neighborhood association. We are the lucky ones that get to straddle both the north and south alignments, so we have been to many meetings on high speed rail. We have followed the work of the high speed rail closely over the past two years. We continue to support the underground alignment as our primary choice until all options have been thoroughly vetted by the environmental review process. We wish the leadership of the city of San José to provide to the neighborhoods and our community an alignment and design that provides superior mitigation for noise, excellent design and the best connectivity that encourages all modes of transportation. Thank you.

>> Mayor Reed: Yaz Naol. Craigs, Tom Klevel.

>> Good afternoon, my name is Yaz Naol, I'm living here, Santa Clara Station, and I already read the purpose of this project for stimulus package from Obama, and I disagree with the how to implement this one. Because the aerial option is a higher priority than the tunnel. So I agree with the tunnel due to the noise. Because I am a Japanese. I grew up in Japan. There are lots of court battle for noise problem. So I know a need 1970, there is a lot of social problem, and then I leave you the table 1, the memorandum there is a plus and minus, and this table is not fair, because just only plus and minus, we need to weight the -- each items. And then regarding the noise, we should put the much more weight to the noise. And there is no future risk, right? This is -- there is no potential issue like a court battle, and then there is a stability, if the noise is huge, we need to make a wall to the rail. So there is not related to the city visibility, in the future, so please consider the future problem and then also, please learn about the history. And I can help you, some case study from Japan. So yeah, if this project move to me because of our 20 century governor Schwarzenegger visiting Japan to get a ride. How many people get a ride on bullet train? How many people experience the noise of the bullet train? This is a serious issue of the bullet train.

>> Mayor Reed: Your time is up.

>> Thank you very much for the opportunity.

>> Mayor Reed: Craigs, Tom Clavel, Henry cord.

>> Good afternoon, Mr. Mayor, council. Mary Craigs, Newhall neighborhood. The only way to pick the best alternative is to fully and fairly evaluate all options. That means the underground must be evaluated and the aerial must be fully loaded with all of its true costs. This is going to be an 85-foot-high in some places structure, 15-foot wide barrier, slashing across the city, blasting 90 decibels of sound every three minutes. It will destroy communities and property values, and allowing HSR to destroy property values without compensation cannot be allowed. In addition, San José will be left with a mile wide swath of urban wasteland through its heart with this massive permanent blot on the landscape that divides neighborhoods just like the Embarcadero. The cost for aerial must include all of those costs. If you want to make aerial palatable, then you better call Harry Potter right now because he is going to need to have time to conjure up one very large invisibility cloak with a noise cancellation feature. The buried option has none of these problems, especially if it's utilized in areas like Newhall, where it does not go under any existing residences or businesses. The only issue will be to make sure that where it comes out of the ground is not near a residence due to the major impact of noise from that entry/exit point. And also I hope this process will improve going forward. For months I and hundreds and hundreds of other residents have been to dozens of HSR meetings and we have been expressing our opposition to aerial, but today is the first day we have been allowed to talk to our city council in a public forum, and that is after the council has already taken positions that significantly undermine the buried option. I really had hoped our entire council would use all of its muscle to support the solution that residents have asked for. I am aware however one memo from council that did argue for underground to protect two neighborhoods from the acoustic aesthetic and vibration related impacts of aerial. Right on, that was good. But why were only two neighborhoods mentioned? There are at least three other neighborhoods that will be directly affected by this system, but they were directly left off that list, why? Thank you.

>> Mayor Reed: Tom Clavell, Henry cord, Scott Knies.

>> Good afternoon. So I am Tom Clavell and I live in the Campbell avenue area. About five or six car years ago the zoning of this area was changed into a residential area. Over the last year, our residential area has taken a lot of toll. We have seen the value of our homes decreasing dramatically. We have the Earthquakes stadium moving in, we've lots of noise disturbances coming into the future from the stadium. And now we've seen the elevated option coming creating an eyesore, a lot of noise and definitely depreciated value for our home and for our livelihoods so I want to urge the council here to only support an underground option and to make our area really residential, a truly residential area. I also want to point out that this presentation that we've seen, we've seen a few picture from the French high speed train. And I can tell from you personal knowledge that most areas especially in Paris, most tracks are under ground. The picture is, the elevated pictures that we've seen are in rural areas or in the airport areas. So the French high speed train in urban areas is mostly underground. I would urge you to follow the same track. Thank you.

>> Mayor Reed: Henry cord. Scott Knies. Elizabeth Monley.

>> Good afternoon, Henry cord, board member of San José downtown association and I have been serving on the now closed good neighbor Diridon committee. I'd really like the colors, though. You know, I think the colors, Cal bear colors. My little levity here. I'm here not to advocate but to request that you not advocate but require that we study the tunnel option. You know there's a lot of concern about that structure that's proposed to be overhead. And you know, I don't think we're asking for any delay here today. We're not -- we're not causing any money to be spent whatsoever. We're just asking you put it in the EIR which could have been done many months on their own initiative at high speed rail. So this meeting today was unnecessary as far as I'm concerned. As a member of the Diridon good neighbor committee I can report out that their final recommendations and their final meeting last week were unanimous to request you the council to put the tunnel in the study. So you'll get that report after you make a decision today. But I thought I would mention that. You know I've been in real estate a long time. I've been with transit authorities. I'm from Washington, D.C. The nation's capital, you don't see a rail downtown there. And it has not precluded development as is suggested here. Good planning, joint public-private development can make the Diridon station be built out at capacity it currently is intended to have in the general

plan. So I would urge you not to misstep for the future history of our city, cause the tunnel to be studied, and give us the facts. Thank you very much.

>> Mayor Reed: Scott Knies and then Elizabeth Monley.

>> Good afternoon, Mayor Reed, members of the city council, Scott Knies, executive director, San José downtown association. We like high speed rail but we love San José. What's good for high speed rail is not necessarily good for San José. We want you to learn more. We want you to learn a lot more about this project before committing to a 200 year project. To do this you need to study the underground option. You have to put it in the EIR, that's what an EIR is all about. It allows you to look at alternatives and impacts. If you only study one option, the EIR will be defective. The recommendation that you're about to hear holds out a hope that a deal can be struck by October 1st that San José will get veto power over the aerial design. You are to believe that this is the best deal San José can get, when our experience with transit projects shows that is not the case. Vice Mayor Chirco at the transportation committee meeting in June pointed this out in relation to the highways 85-87 project. San José was the first one in. We got elevated freeways, full interchanges. The other cities got our savings. Trenched freeways, separated grades, and single interchanges. History is repeating itself again today but at a much larger scale. Be realistic. More is going to be revealed on high speed rail. You do not know what you still do not know. You need to take this, be patient and be realistic. It's a very complex project. You need the detailed EIR analysis. Look at our experience with BART. This is going to be a decades long project. You don't need to make the call in the first inning. Keep the options open.

>> Mayor Reed: Elizabeth Monley and Roland LeBrun.

>> Good afternoon, Elizabeth Monley. I live in College Park. The country is watching high speed rail in California. Future rail projects will be built on our successes and not from our failures. And future rail projects will be built with California as the model to follow or the mistake to avoid. We're San José. And the collaborative work we've done to both preserve our history and reach to the future is the benchmark of our success as a community. Simply allowing the expedience of the single option solution to getting high speed rail done and in

would be neglecting to insist on excellence of the project as a component of our vision. We must not allow ourselves to fall to the cheapest and seemingly easiest solution so that high speed rail can meet some deadline. A deadline that will have come and gone and we will be left with the results of our decision for at least the next century. Simple and cheap rarely turn out to be in the end. So like all true master builders do, high speed rail must measure at least twice, before they make a single cut through our city. Thank you.

>> Mayor Reed: Roland LeBrun.

>> Hello, members of the council. My name is Roland LeBrun. I come from Europe. I've been using high speed rail for 20 years. And digging a tunnel really is not a problem, just ask the French how they connected London to Paris. They didn't go around digging a hole in the ground. They used a thing called a mole, a 30 foot mole. I think its nickname was José. It's slightly used, I believe it's available under the bay right now. Now, looking at the way California is going about high speed rail it looks like California in 20 years from now will be the way the rest of the world was 20 years ago. And what I really want to get across to you is that people in California use cars. They need cars. They need the car to go to the station, they need the car when they get off at the other end. And the way it works in Europe is very simple. If I'm in London I want to go to Paris I drive down to the south of England, I drive my car straight onto high speed rail, it goes underground and I drive it out. And they can do this up to 40 tons, I'm not saying anything like this here, thank you.

>> Mayor Reed: That concludes the public testimony. I'd like to bring it back now, staff had one more minute of comments.

>> Hans Larsen: Yes, Mr. Mayor, thank you. We have just a couple more slides and comments to add. Before we move onto that, I just wanted to just touch on a couple of comments that were made. We had a number of folks from the Bellarmine area, Newhall, college park, the alignment options are not kind of up for decision today at this point. High speed rail is still studying those and so we would expect those to come forward in probably towards late this year or early next year. So just wanted to clarify that. Essentially what we're looking at is the Tyler Tamien piece is really what's on the table here for discussion at this meeting. Just to tee up the policy

alternatives in the staff report, there are two that we've identified. One is to endorse the aerial option. This has been the one that's been recommended by the high speed rail authority. Our recommendation is that if under this approach that because of the aesthetic issues the noise issues are so important for the downtown area that we would want to have assurance from the high speed rail authority that we would have an attractive design and we're addressing the noise concerns. And so the conditional acceptance of this would be subject to having a cooperative agreement with the high speed rail authority. And because high speed rail is considering this issue in the near term, it is proposed that we come back to council, if this is the direction we're provided, at the October 5th meeting with a co-op agreement. The other alternative is to advocate for full environmental study for both the aerial and the tunnel option. And many of the speakers here today articulated some of the perspectives on that. Our orientation is towards the first approach, aerial with a -- if the commitment from high speed rail on the cooperative agreement, what we've outlined in the staff report is some of the key guiding principles that would be associated with this is, as a first step, high speed rail would commit to work collaboratively with San José. The community key stakeholders on identifying the key issues and preferences. So what is it that we want elevated to look like so we can better define that? We would want to have our own architectural expert working to represent San José in these discussions, so we can assure the best possible outcome. We would want high speed rail to prepare visual design guidelines in the near term. Ideally within the next year. So both the city and high speed rail have better definition as what the elevated system looked like, and what are the elements of the project that meet our visual design standards and noise mitigation standards. So it would address issues like columns, column spacing, the architecture the materials used the public art and this is something that's prepared for city approval. Recognizing that we don't know exactly when high speed rail will move into final design and construction, while we would set some original concepts with the visual design guidelines in the near term, that when the project does move into final design, we would want to have an element of the co-op agreement that we are involved with the approval of the final design. Just wanted to outline those as kind of the key guiding principles that we would take in working on a cooperative agreement with high speed rail authority if that is the direction that council chooses. So I will turn it back over to you, Mr. Mayor, and the council for your deliberations on this topic. Thank you.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: Thanks mayor. I wanted to thank staff for the presentation and all the members of the public that came out to speak today. There was a lot of passion but I also think a lot of sophistication on all sides of the discussion about some of the issues that are in front of us. I wanted first just to clarify a couple very simple issues. Well nothing simple in this project. But at least understanding what we're not deciding today and you alluded to it Hans. First, with regard to options that are north of Taylor. My understanding was, high speed rail authority staff has already presented to the board that the options that will be considered will be a trench and an at-grade option, if not mistaken, north of Taylor street, is that fair? That there will be two that will be studied?

>> Hans Larsen: There are two options. Essentially a trench or an elevated alignment. And then with the elevated alignment, there are two horizontal options. One which some of the speakers referenced as the eastern alignment and I guess you consider the other one the western alignment. So there were three alternatives that are still being studied at this point.

>> Councilmember Liccardo: And do I recognize those are not before us now but my recollection is there is some public statement of some sort that staff was looking more seriously at the eastern alignment, is that fair?

>> Hans Larsen: I want the -- so there actually as I mentioned -- there are -- the design segments for the project break at Diridon station north towards San Francisco and then Diridon to the south so we have the team here that's most expert on the downtown area. So I don't know if Gary or --

>> As Hans mentioned we are north of the station look at all three of those options, on the West alignment both the aerial and tunnel I mean they're all aerial coming out of the station to be consistent with the approach from the south with the aerial station recommendation. So north of the station we are looking on the western alignment and aerial all the way to Santa Clara, or going into a tunnel, and approximately Taylor, so enter tunnel by Bellarmine, and then we have the eastern alignment which is just being looked at for an aerial alignment.

>> Councilmember Liccardo: Okay. And I recognize now Gary that you're obviously with the team of consultants looking at the segment from San José to Merced not on the San José to San Francisco segment so I appreciate the fact that we're talking about a different portion here. I just want to clarify we are going to come back to council to allow council to weigh in is that right Hans about alignment issues north of Taylor street?

>> Hans Larsen: That's correct.

>> Councilmember Liccardo: Okay just so that's clear for all the members of the public that came out to speak about that, that is not being ignored we are absolutely going to be taking that on. I had some questions about the cost estimates because when I read the June report, from staff, that is the report from staff to the high speed rail authority board for the June meeting, I saw cost estimates for the shallow tunnel at \$1.3 billion. I see that our staff is citing a number of \$2.5 billion, and I'm trying to understand why we are essentially using that higher number as the basis for the tunnel. I assume that we're just assuming it's a deep tunnel only and not a shallow.

>> The difference in cost that you mentioned is the 1.3 was for the high speed train only but to do an equivalent comparison to include the additional cost of the BART system, to also include the additional engineering that would be needed to accommodate future development over the high speed train, that's where the additional cost came to come up to 2.5 for the shallow tunnel.

>> Councilmember Liccardo: Well according to the report in June it was only \$140 million more for the BART in order to lower the profile of BART. It was 1.3 billion for the shallow tunnel construction so my understanding that comes to less than 1.5 billion and the rest of the cost is all development above ground that has nothing to do with the public expenditure in this project.

>> To accommodate future development, yes.

>> Councilmember Liccardo: And that somehow or another high speed rail authority would be bearing that cost?

>> It was just to provide an equivalent comparison, since the above-grade option would facilitate the -- would allow development of that area. It was intended to provide an equal comparison with the City's desire to develop that area to the West of the station. East of the station, sorry.

>> Councilmember Liccardo: I'm just not sure why that is. We're doing -- this is cut and cover construction we're talking about. It's the same method of construction we're utilizing up the street on Santa Clara for BART. A method which I'm told is going to take three to six months of trenching, in terms of having an open trench on Santa Clara. And when it's translated to high speed rail it becomes seven years and suddenly another billion dollars in additional development cost. And it's just not clear to me why we're seeing orders of magnitude of difference for projects that, given everything else we've been shown, yes, I understand it's going to be wider, it's going to be deeper, it's going to be longer, it just doesn't make any sense.

>> Our numbers are based on the assessment that we have for the high speed train. As you point out we are longer, wider, and deeper. We are also with the alignment that we need, we are having to cut across diagonally across the area. We are not able to follow a street alignment, as Hans has already mentioned, that is looking -- we're estimating over 80 properties that would be affected. All these items have come together to develop our cost estimate. When we were looking at the need to adjust the BART alignment we provided our alignment to BART. They haven't had the -- they did not have the opportunity or come back with verification of cost. So we have estimated for the high speed train I cannot speak to the BART estimate costs.

>> Councilmember Liccardo: Right. Well actually those are insignificant compared to the other costs that you've estimated. I'm concerned about the fact that we're eliminating this option at this stage. As far as I can tell, with a pretty speculative estimate about what the development cost is going to be without having gone through the full EIR. And you've estimated \$140 million in BART costs. Frankly that's chump change compared to the other numbers you've gotten in there. You know, what we're hearing is that we're going to have this \$43 billion project ready by 2020. I know that was a number that was projected up there on the screen in the film. I assume that was given a year ago. Do we still really believe we're going to have a \$43 billion project ready to run by 2020?

>> That is still our schedule.

>> Councilmember Liccardo: Do you honestly believe we are going to have a single segment ready to go by the ARRA deadline by 2016 given the problems we have?

>> In order for California to continue to have those ARRA funds, that we must have the funds encumbered by September 12, 2012, and we intend to do that.

>> Councilmember Liccardo: So right, now we have we hope it's \$10 billion assuming the bond markets respond appropriately, we hope they'll respond well. \$10 billion in state money and 2.2 billion roughly in federal money is that right?

>> The 2.25 yes, and we have applied for another \$1 billion. The president announced a \$50 billion package, which a significant amount of that we expect to be high speed rail. So we do expect to be continuing each year to be applying for additional federal funds.

>> Councilmember Liccardo: Right, but that's the president's announcement, and lord knows, I'll be doing everything I can to support it. But the reality is the world may change dramatically in November. And whether or not \$50 billion materializes for transportation or anything else after November is very much up in the air; is that fair to say, Dan?

>> At this stage you're correct to note that at this point we have \$2.25 billion in federal funds and we've applied another billion. We have not got that other billion yet.

>> Councilmember Liccardo: Right. My concern is raised by one of those speakers is sort of like the Jack Nicholson line, what happens if this is as good as it gets? We have got \$12 billion right now, and there may not be another significant dime of federal money, and certainly not of state money in this project. And we've got a \$43

billion project to build. I understand it's about 5.1 billion just for this segment, another \$6 billion down in Anaheim. You've got to spend some money down in Bakersfield, because that's one of your lead projects, as well. What happens if that's all the money you have, and we can't get a single segment moving by 2016?

>> Again, our belief is that the money will be coming. That there will be additional funds for high speed rail and as has been noted, California and this country is ahead of every other state in the nation in the sense that we have \$9 billion to match federal funds. No other state has that ability. We are further along in terms of the environmental process than any other state in the nation and we believe that we have the biggest market for this of any other state in the nation so we believe we're perfectly positioned to be able to be the first state to implement high speed rail in this country.

>> Councilmember Liccardo: Assuming that federal money somehow falls from the sky and/or we have a significant private commitment for private/public partnership, is that fair?

>> Excuse me, could you repeat the question?

>> Councilmember Liccardo: Well, the point is that we really have no commitments beyond the \$12 billion.

>> We do have a business plan that actually we have been developing several variations of that over the last several years and will continue to do so. We do have components for private-sector funding which is a key component to building high speed rail in the state, but the initial costs of the system are going to have to be borne predominantly by the public.

>> Councilmember Liccardo: So let me put that issue aside for just a moment. I'll return to it in a moment. Dan -- and I appreciate your being here today, because I know you've got a big stake to worry about in a large project. I know you've seen the memorandum dated September 10th from the mayor and several of us and we are looking for a commitment that the city have the authority to approve or reject any design construction for an elevated

alignment. And my question is how likely is that kind of commitment going to be forthcoming in high speed rail authority staff? I know you can't speak for the board but --

>> I can't speak for the board. I do know that my boss our CEO has been here to San José, has met with the mayor, has met with others in San José, has come and has visited the station. We've been working with your staff for the past several weeks. We will continue to do so. We've had -- we appreciate the great support that not only the Bay Area has provided but in particular San José for this project over the years. And the partnership is needed in order to implement this system with the City of San José. We cannot do this without your help so we are confident that we can come up with an agreement that works not only for the state but also works for the city and we do believe that we can make a commitment that whatever's built through San José will be of high quality visual design.

>> Councilmember Liccardo: And I appreciate the position you're in because obviously lawyers are still negotiating this and this isn't something you just jump out there on but my concern is this, is that when you say it will be satisfactory to the city, I believe that the staff may have a different perception than maybe the perception I have, and maybe other elected officials might have, about what's satisfactory in that agreement. And what's critical for me is that we have a binding written agreement that says we have essentially detail authority, the authority to approve or reject design and construction. If -- from what I've understood from the preliminary negotiations, is that that kind of language isn't likely to be forthcoming so far, and the question is, is it realistic or not?

>> At this point, I don't think this is necessarily the place to try to lawyer the agreement at this time. I do think we need to get together and I believe that we can reach an agreement that works throughout the city and for the state.

>> Councilmember Liccardo: Okay. I guess the reason why I asked that is, I want to explain my rationale for agreeing to sign onto this memorandum which is date September 10th. I recognize the profound obstacles in underground alignment. I'm not proposing we build one. I'm deeply concerned about the fact that we might forgo

the study of an underground alignment but it seems to me we have a very rare moment in time to have any leverage in this issue. To actually be able to require a high level of design quality as well as construction. And so it seems to me that this is a time when we can actually obtain the ability to dictate our own fate with regard to the design of this structure. And so that's why I agreed to sign onto this. I can tell you if by October 1st we don't have an agreement that gives us that binding authority I will be very vocally in support of studying the underground alignment completely through the EIR. So what I'd like to do is, I'd like to make a motion that the recommendations, paragraph 1 through 5 of the September 10th, that those be approved with the additional amendment on paragraph 3, that specifically relating to whether or not an acceptable agreement can be reached by October 1st. If it cannot be done, that a letter that will be signed by the mayor and council, will be transmitted to the high speed rail authority indicating our desire for a full study of underground alignment.

>> Second.

>> Mayor Reed: All right, we have a motion on the floor. Councilmember Liccardo I have a couple of comments I guess. Not really so many questions. I've been asking since the beginning of the discussion of underground, above ground, aerial, at grade, et cetera, which is a very simple question but impossible to answer, is what's it going to look like? It's very difficult to decide what's best if you don't know what it's going to look like. I think we have an opportunity to have some control, a lot of control over what it's going to look like. And that's why I'm supporting the motion because I think this is a point in time when we have the ability to enter into an agreement that will be good for high speed rail and good for the City of San José. Because I really want to know what it's going to look like. And absent somebody showing you what it's going to look like I want to have control over what it's going to look like so that we get what I really want in the end which is a high speed rail station, and system through San José, that we can be proud of. That complements the billions of dollars of public and private sector investment that we have in our downtown and in our neighborhoods, something that we can all point to, and say, that's the high speed rail system, that's the station, we're proud of it. I don't know if that means it's iconic. I'll leave it up to you experts. But I do know it can be a compliment and a huge asset to San José and that's what I want. How to get there of course is a very difficult question. But in explaining what I think it should look like, I go back to my very first visit to Disney world. And the monorail system at Disney world is elevated and it looks pretty

nice. In fact it goes through the hotels which was really cool 30 years ago, 40 years ago, whenever my first trip was. And I know that elevated can work. Elevated can be nice. Elevated could complement, elevated could be very fine. And we just have to get there. And I think having an agreement with the high speed rail authority will allow us to get there with something that we don't have to worry about, it's not going to be ugly, it's going to be an asset to our city, that's what we want. And I believe high speed rail authority wants the same thing. Whether we can get to that agreement in the next few weeks I think is the big challenge. But when I met with Mr. Van arc he and I both committed that we would make sure we had the lawyers working in the right direction on the right schedule in order to get us there. Because I don't underestimate the difficulty of trying to come to an agreement, but I know that if we focus on it, it can be done. So he and I both committed to getting the work done, so that we could have some principles in front of us today, and ultimately an agreement that we can consider as a council on October 5th, which is ahead of the high speed rail board meeting. So that's what I'm trying to do. I'm optimistic. I think we'll get there. Being a lawyer I know that things can be done quickly if everybody gets focused and it's a high priority and I believe it is for us and our staff and the high speed rail authority and their staff to do that. So I'm going to support the motion and going to be optimistic that we'll get it done by the time for the council to consider it on October 5th. Councilmember Kalra.

>> Councilmember Kalra: Thank you, mayor. And Hans, thank you and the staff, as well as the high speed rail authority staff. Mr. Kennely, I know you had a chance to give the public presentations down in my district and I think you did a tremendous job in the opportunities I've had a chance to see you do that, and appreciate all the members of the community coming out. And there seems to be a sense that there's not opposition necessarily to high speed rail itself but rather what kind of impact it will have on the community at the ground level. I agree mayor with your sentiment that aerial can be done and it can be done well. But we need to have the ability to have some very significant say in how it comes through our city. There's no doubt that the most impactful component of high speed rail is going to be through the downtown. Whether it does go through a tunnel or through aerial, we want to make sure that it has a net positive impact on how our city looks and feels. I'm certainly appreciative of the high speed rail authority for having the alignment adjusted over to 280-87. I think that's a vast improvement over the impacts on the neighborhoods, as the system approaches downtown and so that shows the very least of the high speed rail authority does have the capacity and desire to listen to the concerns of neighbors, to the

concerns of cities, and so I -- that really adds to my optimism that I share with the mayor, that we can come to an agreement in the next couple weeks that gives us confidence in knowing that the product we're going to get in our city is something that we can all be proud of. Certainly I'm concerned with the Monterey corridor portion. And I appreciate that being included as part of this memo. Because I know that it's certainly important to me as it goes through the remainder of San José and through South San José that we also have some say in what it's going to look like and that we make sure that the grade separations are done appropriately and that the neighborhoods can function appropriately on both sides of the high speed train. So I will support the motion and I will -- I feel this is an important project for the State of California. And I think that this is something that we need to -- the 30,000 foot level certainly support in terms of the future of our state, at the ground level I think that this is what this memo's about to make sure that we feel comfortable with how it impacts San José.

>> Mayor Reed: Vice Mayor Chirco.

>> Councilmember Chirco: I share the same concerns that Councilmember Liccardo outlined. I was the one that mentioned, at the T&E meeting, regarding the 85 and 87, because I live in the area where that traffic now dumps. Because Saratoga and Los Gatos did not want full interchanges into their community. And I'm very concerned about what it looks like in San José versus what it will look like in other communities. And while I realize we are one of the largest cities along this route that does not mean we are the least. And so I will be looking closely at what comes back. I would be shocked and amazed, a little bit more pessimistic than the mayor that if something can come forward to the council October 1st which is like two weeks away, unless this is already more than two-thirds completed, I'm a little less than optimistic. But I'd love to be completely astounded. So I will support the motion, and hope that I am totally surprised.

>> Mayor Reed: Councilmember Pyle.

>> Councilmember Pyle: Thank you mayor. Well we've got two out of four attorneys that agree now so we're getting there. I would like to congratulate the people that came to speak today. Clearly they're all very articulate and educated, and I appreciate that you're willing to take the time to come here and tell us your thoughts. I'm

concerned. I am in support of the memo or the motion I should say but I wanted to ask a couple of questions. In reference to the houses that would have to go, and all of that, there's no alternative to that, is that right? When you have to go underground? The 80 houses --

>> Hans Larsen: Councilmember Pyle there would not under the tunnel option there would not be houses removed, that it would be constructed with the tunnel boring machine similar to what's planned for the BART project. But what would be necessary though is the acquisition of tunnel easements underneath those properties and I think the number is in the order of 80 properties that would be needed for the tunnel option.

>> Councilmember Pyle: That's one of the major reasons why there's such a difference in the cost factor would that be accurate?

>> Hans Larsen: Generally the elevated alignment runs within freeway corridor and the existing CalTrain corridor. There are some properties needed at some of the bends but it's less than ten total to be acquired whereas the tunnel option requires 80 properties that you need easements underneath.

>> Councilmember Pyle: Right. And is it -- is there a potential for the ability to adjust to -- as Bellarmine has requested, to turn on the eastern side of Bellarmine to make the effects lessened?

>> Hans Larsen: Yes, I think the eastern aerial alignment, which Bellarmine and other neighborhood representatives indicated was their preference, that is an option that's currently being studied that's on the table.

>> Councilmember Pyle: And are we looking at any other methods of raising the money? In other words, if -- if we get stuck and we get these funds and then we're out of luck, is there any talk maybe not at this time but we really do need to consider that as a future possibility.

>> Well, not at this time.

>> Councilmember Pyle: Okay. So you're saying, when we need it we'll do it.

>> At this point, we believe the first step is to be able to meet these federal dates and be able to begin the implementation of the program, as a showpiece for this current administration's goals for the country to begin implementing high speed rail in this country.

>> Councilmember Pyle: Well it's clear to me from the one map that you did show, that shows the East Coast and the West Coast, that clearly indicates where Washington, D.C. is located. I mean, I don't know if you have that one available, but I think you know which one I'm talking about. I do want to talk to about the European experience that I had on the French bullet. And it's pretty phenomenal. I think that suggestions that were made are viable, and that are something that we need to certainly take a look at. That's basically it. I just want to say that I'm really excited about this. Because we've had French students over the summer come to our home. And trying to teach them how to get from one place to another place out here, was pretty tough. They had to rely on buses, and, you know, methods of getting here and there in ways that were -- well, not embarrassing, but so different than in other countries. So I think this is going to be a great plan, and I'm definitely in support, thank you.

>> Mayor Reed: Councilmember Herrera.

>> Councilmember Herrera: Thank you mayor. First of all, I really appreciate everyone who came today to testify on this subject. I think you've brought up some very important points and concerns and I've certainly paid careful attention and listened to everything you have to say. I remember the Embarcadero. I remember the cypress structure, I've been to Boston and seen the big dig and I've seen the ugly overhead highway that existed before and they had to tear it down. So as much as I'd be concerned about the cost of digging an underground option I'm also concerned about years from now another council looking at having to tear something down that gets built because it didn't fit into the community. So I'm very, very concerned about any overhead structure that we build. I have -- I wanted to know in terms of the examples we saw today and they were beautiful. I was surprised at how beautiful the renditions and the video were of this high speed rail. They were beautiful. How many of those were

in urban areas in very similar settings to the area we're looking at right now in San José? I guess I'm asking Hans.

>> Hans Larsen: Are you referring to the architectural examples that I showed or the scenes within the high speed rail video?

>> Councilmember Herrera: Any or all of the above. We saw some beautiful stations we saw high speed examples how many of those were in something similar to where we're looking to put it?

>> Hans Larsen: The high speed rail video you noted there are some very good examples of quality design that are illustrated in there as part of the California project. And so that represent both a mix I think of urban and rural areas. I would say almost all or most of the photos that we used in terms of quality examples of architecture are all within urban areas.

>> Councilmember Herrera: As I -- I've also ridden on the bullet train in Japan. I haven't lived in the neighborhoods alongside those structures, though. So it's very interesting to hear from people who had. So I guess I'm going to be looking for more input on exactly what areas are similar to San José, real areas in France, Spain, wherever we're looking at these and exactly what those neighborhoods went through what was the process. I know in terms of the big dig in Boston, they were very much -- they were very much wanting to let us know what a struggle it was over there and everything they had been through. So I think that to be informed about that, would be helpful. In terms of the motion that's before us right now, in terms of bullet point number 3, my concern is if this were to happen and I agree this is a tough struggle to get, would be it sounds like it's pretty optimistic to see if we can get this through. And if we had a design that came forward that we disapproved of, what would our options be, could we go back to an underground situation or would we just have to say we'll pass and there will be no high speed rail coming through here?

>> Hans Larsen: Well, I think, Councilmember Herrera, that that's really kind of a key objective in the agreement, is that we are getting -- seeking a commitment now from high speed rail authority that we're going to get a design that is acceptable to us and that we're involved with that approval process.

>> Councilmember Herrera: Right but it sounds like we're looking at making the overhead alignment acceptable. Not that we could go back and say okay, we don't like this, and now we want to look at an underground situation. If I'm mistaken, help me understand that.

>> Yes, I think that's correct. And from our perspective, and from our federal partner, the federal railroad administration, that the tunneling concepts are not practicable constructible alternatives. And that the issue you're getting now is, being able to agree on how the aerial structure would look to make sure that it's acceptable to the city.

>> City Attorney Doyle: Councilmember if I can chime in I think the idea in my mind would be to have something that's enforceable by a court ultimately I mean that's really where you're getting teeth but that's part of the negotiation we are going to have.

>> Councilmember Herrera: My option would be then we pass, we don't like this, or it doesn't work out the way that we wanted it to in terms of the elevated structure. I don't know where we go if we reach a point where we can't agree on that then we don't -- we can't do the tunneling so we're really looking at an elevated structure today and sort of talking about trying to get a design that we could accept I guess.

>> Hans Larsen: Yeah, that -- I think that's generally correct. I mean high speed rail has put out in terms of their recommendation is that the tunnel is not an option. They're prepared to consider further, and so the policy decision for us is whether we challenge that decision and push for study of the tunnel, or alternative is, is that our concerns with the aerial, we get a commitment from high speed rail that it will be designed in a way that's acceptable to San José.

>> Councilmember Herrera: So again if we're able to -- if this passes and we get this agreement, how likely is it that this northern project gets precedence over the southern portion of it and that we actually see some movement on this project? I guess what we're looking at is, there's competition nationwide for the money, there's competition north and south. How does this, that's one of the things I'm of course weighing to is how real is this? I have to say I have a great deal of doubt about ever getting the money to see this thing finished and for the reason that Councilmember Liccardo outlined earlier but I'm interested in transportation. I'm a big advocate of transportation. I'm disappointed that light rail wasn't completed the way it should be, I'm a big advocate of BART and now we have another opportunity. I get disappointed that these things never seem to get finished, and then we're on to the next one, but tell me how realistic it is that Northern California would get the money first?

>> Hans Larsen: Well I think the opportunity we have, they're obviously building the whole system from San Francisco. The priority piece, San Francisco, San José, Central Valley, L.A., Anaheim, which is a priority segment, that's \$43 billion. We have \$11 billion, and there are indications it will be more money coming. What has been identified as an as the early segments, the piece that's a benefit to San José and which council has supported as part of the investment strategy is that there is independent benefit of having high speed rail investments in the San José to San Francisco corridor. The ability to make that trip in half an hour as opposed to the one hour, one and a half hour trip that's there now has a lot of benefits to us. So if all the money isn't ready to build the whole system, we can continue to advocate and that's been the position of the council to try to get a starter segment set up between San Francisco and San José. And I think if we have a plan for the downtown area coming into Diridon that makes that potential more likely than less likely.

>> If I could just add for that particular section it would not only be a high speed section between San José and San Francisco but this would be developing a world class CalTrain commuter corridor that would be electrified, and fully grade-separated. So it's not just for high-speed rail. This would be a section that would serve both the travel between San José and San Francisco and throughout the whole corridor.

>> Councilmember Herrera: And in terms of that 12.25 -- the 2.25 from the federal government and the \$10 billion from the state what would that actually build? And would that be all allocated, how would you see that allocated in terms of north and south and what would that actually result in getting built here?

>> That has not yet been determined.

>> Councilmember Herrera: That's all my questions for now mayor.

>> Mayor Reed: Councilmember Chu.

>> Councilmember Chu: Thank you mayor. I want to thank you the staff for the presentation and the community members that came out and spoke to us. I feel like I'm probably on the losing end but I'm having a hard time to support this aerial option, or making aerial option the only option at this very, very early stage of this project. I've been through the high speed rail system in Taiwan and traveled from Taipei to Tainan. And I know that after the system was completed two years after the system is completed, the agency that, the high speed rail agency was still trying to settle a lot of the noise-related lawsuit just like one of the constituents stated, in a similar situation in Japan. It is very, very loud, I mean, it is louder than the monorail, mayor, it is much, much louder than the Disney land monorail and it is much louder than the light rail. Can you imagine something that travel at 220 miles an hour, this is almost like next to a race track. So I don't remember the question, you might not be able to answer that question. Is that have you threw out any -- the tunnel options, in any other cities in California?

>> Yes. Actually, in throughout most of the system we do not have underground stations. A good example that's actually very applicable to San José is L.A. union station. Where we did look at an underground station location for L.A. union station and ruled that out. We've done actually a lot more detail for the work here for San José than we did for L.A. union station. Actually L.A. union station is very similar where we actually have coming out from the north of L.A. union station options either aerial or going into a tunnel past the station area and an aerial structure from the south end very similar to what we're looking at for San José. If you look ought throughout our whole system most of the stations are aerial type station like Sacramento, San Diego, other locations such as

that, or at grade stations which are if we can we want the station to be at grade. If you look at the only places where we have this type of construction, it's not the same conditions as San José where we don't have the same groundwater conditions. Arctic station in Anaheim, we do have an option for a trench station location. It is very shallow, there are no groundwater issues, it is under existing right-of-way. For the transbay transit center, again under existing right-of-way and there are no feasible alternatives for aerial or at grade to get to that location.

>> Councilmember Chu: So the City of Los Angeles pretty much voted and approved your proposal of going aerial?

>> We have worked with the City of Los Angeles. We have two basic concepts, an aerial alternative there, and an at-grade concept that expands L.A. Union Station.

>> Councilmember Chu: Have they taken a vote, or you provided them with two options, either aerial or at grade?

>> Yes, that the city -- there's been no -- not a vote that I'm aware of but they have come out in support of the alternative analysis work that we've done.

>> Councilmember Chu: Okay, great. Thank you very much. Like I stated I'm probably on the losing end of this vote here.

>> Could I make one other clarification? Just something that I think it's been noted several times, yes, the maximum speed that we're looking at for California is over 200 miles per hour. But those speeds would be achieved in the rural parts of the high speed train network in the Central Valley and through the mountain passes. For this particular alignment coming into Downtown San José, as you saw on the video the train was actually moving at a relatively slow speed even though still going faster than traffic. To get across the freeway alternative the only type of alignment we have in there has relative tight curves in there. We could not achieve

speeds of greater than about 60 miles per hour, 50, 60 miles per hour coming in, which means the trains would have a noise level very similar to your light rail type system.

>> Councilmember Chu: Thank you very much for that clarification. That reminds me about the lawsuit that was launched Taipei, it was actually in the rural area, because they did go underground once they entered into the city, so it was not at the house built next to the track but was like, I don't know the distance away, but it was actually filed in the rural area. But anyway my statement is that I think San José deserve the best, not necessarily the cheapest so I will not be supporting this motion.

>> Mayor Reed: Councilmember Campos.

>> Councilmember Campos: Thank you. So a lot of good questions have been asked, and I think Councilmember Herrera gave you the opportunity to flush out what we're really looking at today. But I wanted to ask you, I think one of the things that I'm concerned about is, city kind of having a little bit more control over what it looks like and feels like, if we go through this aerial. And I just would like to know how successful has -- have other cities been in making sure that they have someone from their city, meaning the public, our transportation department so that they are hands-on in the discussions and the design.

>> It's a bit different in every area. For this project to work, we need to work in partnerships throughout the state. We have a number of agreements throughout on the CalTrain corridor for us to be able to implement in the corridor we need to have a partnership with CalTrain, with Samtrans with the region in order to do that so it has to work for both high speed rail and for CalTrain. Through San José, the issue's come up about leverage. The City of San José has lots of leverage in the sense that high speed rail for California is dependent upon being able to serve the markets between northern and Southern California between the Bay Area and Southern California and that means coming through San José. And right now we're very limited to the options that we can bring through San José and we cannot build the alignment through San José without partnering with the city. So we do need to work together. And that is the same throughout. We have MOUs with L.A. metro in Southern California where they own the right-of-way, with OCTA where they own the right-of-way so we do need to work in partnership. And the

MOUs and agreements are different for different regions but again we are hopeful we have been working for the past several weeks so we do have a jump start on the next couple of weeks to come up with an agreement that works for both the city and the state.

>> Councilmember Campos: So let's use L.A. as an example since you brought them up and we're not as big as they are but I'd like to think we are as progressive as they are. So did they have a physical person from within the department, that was part of the planning process of what it will look like and feel like within their city?

>> On their MOU with them, they have not raised the same issues of the aesthetics that you have. It is more of a working cooperatively together through the process. I'm sure that after this agreement we're having with others they'll want to say more things.

>> Councilmember Campos: What's the likelihood of something like that being able to be a reality of having our top people or us being able to hire someone that can sit at the table in looking at a design?

>> Again I mean at this stage I don't want to try to tell you exactly what the MOU words will be. But I believe that we'll be able to come up with an agreement that works for both.

>> Councilmember Campos: So I think what you hear me saying is that I think it's real important that the City of San José has the ability to be able to have someone that will have our interest on what it will feel and look like. So that is a priority for me. And as I continue to follow this project, that will continue to be a priority for me. I think that as we think about being a big city, with a million people, and being able to provide ridership from here to Southern California, from here to Northern California, it's important that we also have the ability to make something that will also sustain itself visually within the City of San José. Thank you.

>> Mayor Reed: Could you go back, you mentioned something earlier about the high speed rail staff decision, and your federal transit partners, I'm forgetting exactly what the phrase was, it concluded that the underground option was not feasible on construction base or something like that.

>> Throughout our work, the environmental process, the federal -- this is the CEQA Nepa process. The federal lead agency is the federal railroad administration who is also the agency who doles out the funds for high speed rail. And they are in agreement that the tunnel options are not feasible or practical alternatives.

>> Mayor Reed: And if they don't agree there's not going to be any money?

>> We would have to -- if we were going to go back and try to bring back a tunnel concept we would need to somehow try to change their mind to look at it at this point. They believe that the taxpayer money should not be used to investigate options that are not viewed as feasible or practicable.

>> Mayor Reed: And why do they think it's not feasible? Is that based on construction risk? Underground conditions?

>> Construction issues on high capital costs, construction issues, issues related to the groundwater and other issues that you have for this particular site. In addition to the impacts that it would have on your future potential link with BART as well.

>> Mayor Reed: Councilmember Oliverio.

>> Councilmember Oliverio: Thank you, mayor Reed. I don't think anyone looking back historically at least in this area that no one wants any change. But could you imagine living without 280, 85, 87, or 237? I don't think so, and I guarantee you there was massive disruption of people and as a kid I used to have a map of the county I looked at 85 and it was not drawn in it was a some day future thing. And inevitably I had some friends have eminent domain for highway 85. That's how these things happen. But and I think Councilmember Herrera said it too but you know there is also a sense of disappointment, you know I think if we looked at why doesn't BART ring the bay? Who was in charge then? You know what were they thinking to not complete the whole thing? And I think there's those times when it's difficult to make decisions based on what's in front of you. I do want to thank Harvey

Darnell for pointing out that we were able to get the route out of a pretty significant neighborhood. I mean it wasn't -- you talk about anyone that's going to be impacted by this was right next to houses so that's a big deal and also the folks that came out and for those that are in the audience that didn't speak this must be a good spectator sport for to you watch today. And then to Mr. Clavell the neighborhood you bought in you're right was an industrial conversion I'm not a fan of this you got to believe, your neighborhood is not going to change any time soon. It's not going to get industrial we've converted too much land it is what it is on the land side of the fence. We've heard the cost differentials between tunnel and overhead, 5X, whether it's the disputed number or the regular number, we do know there's a level of complexity and cost for that, and we know that there's things in the soil that create differences between one geography to the next we know there's differences in the soil in Willow Glen and the East side where I have streets that are falling down because they have soil erosion but on the east side they have really firm soil. So it's tough to put you know compare apples to apples on soil. We know when we built the axis condo towers they were pumping water out into the Guadalupe as they were building the foundation. So imagine building a tunnel with those circumstances. It's difficult, not impossible. Someone brought up the Chunnel. But -- yeah, decades. And I sometimes wonder what I'll do for work after this job, and I guarantee I could work for high speed rail, because this thing is going to take decades to actually get done. So I question, how much is this EIR, if this is to be included, how much would it cost high speed rail or the state to go do that? It is issue of time, it is an issue of expense. Do you have a dollar figure on that?

>> I don't have a dollar figure. At this point it would be -- this would take extra -- it's more of -- not essentially dollars, but if this was brought in, certainly this would have an impact to the schedule for both sections, San José to San Francisco, and for San José to Merced. I think the bigger issue is again, we -- we actually did do a fairly detailed level, it wasn't that we just did our normal preliminary AA level of analysis for the screening that we did, because of the City's concerns. We went back and did detailed engineering for both the aerial structure and the tunnel options and looked at a variety of different types of tunnel configurations and did a detailed tunnel report. If you look through our other preliminary AA reports we didn't do that type detail. We spent a considerable amount of time and energy on this issue working with the city on this and really trying to see if we could find a feasible alternative, and we could not. So I think the main issue is not extra cost, it's an issue that we do not believe it's a feasible or practical alternative, and it certainly would add into issues relating to our schedule.

>> Councilmember Oliverio: Sure and as I've said multiple times to high speed rail and D.O.T. staff, what I think would make your case much more believable is that you offered some sort of graphic/animation. Sometimes you know I'm not a geologist and neither is most of the public but they sort of kind of need to see that and understand that. I understand you did a more in depth review but I think for EIR, what you know today versus an EIR what are you going to find out more? Is it that you're physically drilling into the soil and measuring, or what is it that you're going to learn more having a tunnel in the EIR that you don't know today?

>> We have I mean as it is said, typically when we were out in the public about the alternatives analysis, we would generally characterize now as about a 5%, and for what we have done in this area we are approaching almost a 15% level already, which is the level of engineering that we are doing throughout the state to support the environmental project. As to whether we would do the extent of additional studies, we've pretty much done everything that we would do for the environmental study. We would not be looking at actually doing you know field exploration until we are getting into the detailed design phase.

>> Councilmember Oliverio: So you're telling me that you could actually turn in your existing report and sign that off and say that's the EIR?

>> No for the engineering side.

>> Councilmember Oliverio: Okay.

>> We'd have to do all the environmental analysis and that's what the extra time would take. We have about 18 to 20 different areas for the environmental analysis that are part of EIR work. He's talking about the engineering side.

>> Councilmember Oliverio: Understood and then on the time line we keep hearing October 1st, October 5th. October 5th we'd come back to the council with an MOU, October 1st is the high speed rail meeting. Is that the ultimate decision at that October 1st meeting, or do you want to correct?

>> Paul Krutko: Get the right date? No, councilmember, we need given our publication issues, we will need to have a memo and the agreement out before Tuesday. So I think when -- high speed rail meets two days after you meet, I believe that's correct.

>> Councilmember Oliverio: On the 7th.

>> Paul Krutko: Correct.

>> Councilmember Oliverio: That helps me. In reality we've already been discussing this for weeks on the legal side of trying to come up with an MOU.

>> That's correct.

>> Councilmember Oliverio: Okay, and then this concept of the city having money or any local city having money and I think it should be no surprise to high speed rail that there is none. I mean, literally, I mean it's sort of funny we talk about it, business plans and that but there's no money for us to do it, to spend anything. I mean we have an RDA which we look to do something of that but it's kind of cash-strapped. So in the end is this just going to be another request for another grant from the federal government or the state voters to kind of come up with stuff?

>> When you say there are no moneys, we think there are some opportunities in the sense that there is some ability for joint development type areas around stations, parking we think will actually be profitable around the stations. In addition, you have a situation again on the CalTrain corridor, public vex has been made over a number of years in the corridor. The same is true from L.A. to Anaheim and for the line north of L.A., there is an opportunity for taking advantage of those public funds including the CalTrain right-of-way which is extremely

valuable. So there already is in a way a local contribution that is being made by us being able to utilize the right-of-way and the investments that have already been made in these infrastructure programs. So I think that there is a component, you look at the transbay transit center, there is local funds being provided, development funds that are coming into this. So I certainly, this is a difficult time, economically, but we believe this type of a program, high speed rail in this state, and I think it's the president's view as well, that this is something that will help not only California's economy but the country's economy moving forward and provide jobs for Californians and for the country. Help our economy for the future.

>> Councilmember Oliverio: And I did appreciate the video and I think that keeps the larger picture intact of what we're trying to do it's just that it's just an insurmountable task. I know parking could make money but you still got to build the garage. Have fun with that. It's all about bonding and borrowing for future generations which is always fun. I lack confidence in the project as a whole. I just think we just have so many issues in California I don't mean to be negative. I mean listen it's just that we got so much going on and you know we have a fraction and many people say this project will be about \$70 billion and Rick Doyle, am I the ultimate person here that gets to say up or down on below-grade or upgrade? I mean high speed rail is a state agency created by the voters. I imagine the state legislature, state assembly people, state senators have more persuasion with a state agency than a city government.

>> City Attorney Doyle: Councilmember, that's the purpose of the negotiation. The short answer is no, you aren't the final person. But that's the purpose of our discussion. The exclusive authority of construction planning is granted to the high speed rail authority under statute. At the same time by statute they are authorized to enter into cooperation agreement with local governments. So we're trying to harmonize the two and will bring back to you some kind of agreement. Or that's the plan.

>> Councilmember Oliverio: And then so Rick based on what's your understanding of the state law and city law works, so if a city would say no no no at the end of the day, can the state say sorry Charlie?

>> City Attorney Doyle: No it depends on what our agreement says and the enforceability of our agreement in the court of law. That's really going to be the goal from our standpoint and that's what we need to bring back.

>> Councilmember Oliverio: Okay. First of all I want to compliment the mayor of making the best of an uncontrollable situation. Because again I point out as much as your comments Rick this is a state thing that has to come through a city and we're just trying to manage it as best we can, and I appreciate the opportunity to try to find legal footing that would be supported by a court that would allow us to have some veto power. Personally, I think an MOU should contain a monetary amount of money, because everyone's view of what architecture is always different, and everyone's view on how to get there is different. But what I do know is \$500 million, that sounds like something I understand. It's a set figure. And so what I mean by that is it behooves the high speed rail to make an MOU with the cities so you don't have to fight us every day and it doesn't have to take so long but you know look at the pure number of, I wrote down the \$2.5 billion versus \$500 K. Well, that looks like a \$2 billion difference. Or whatever the number is, because there's some questioning on what that is. But if I got -- if you were able to provide that city a cut, of what you would spend, so you don't have to go through all the time of the undergrounding construction, you don't have to go through spending all that money but you said okay fine make it easy for me and I think it's what we're trying to do with the MOU but I would feel a lot more comfortable with a dollar figure there, to have some portion of savings, and I can go afford that iconic architecture. Because we know just on our downtown, on building residential towers, some are beautiful, and others slightly penitentiary. So I think, you know, there's a difference. So I just would feel more comfortable with that. You know and I think we also have to be candid to everyone that's been going to these meetings. The likelihood of undergrounding is going to be tough but we're fighting the good fight, right? We're talking about the longer vision but the reality is when there's no money, and I see limited will and desire at the state level to do undergrounding, I see what -- what our mayor's trying do is trying to make the best of a bad situation, bad poor whatever uncontrollable situation. And I think it's a good one. I think it's trying to get a deal to get done. With that said though, I'm very much respecting that and I'm hoping they'll get there but at this point in time I'll do a no vote William can total respect for everyone on the memo but with the idea to tell high speed rail that I really hope you'll put a dollar figure in that MOU, that gives us something secure. Because we have MOUs all the time. We have them in agreements and I think people

sometimes are skeptical on that but if there's a dollar figure I think that would give people much more security that there was something to mitigate noise and make it architecturally appealing on that matter. Thank you.

>> Mayor Reed: Let's go through the council again. Councilmember Liccardo.

>> Councilmember Liccardo: Thanks, mayor. I just want to tie up one loose end, that was, a lot's been said about whether or not we really have the funding to build the whole system or even a segment of it, and whether or not this is really going to get built on schedule. And here's why I think it really matters, it matters a lot in how we craft this agreement. It's terribly terribly important to me to know who exactly we're making the agreement with. I don't doubt for a moment that Dan and Gary have been certainly very genuine, they work very well with our communities, I know Gary has particularly on that Gartner alignment over the freeways, and you know, everything I've heard about them they're certainly men of their word. The problem is, is that we have no reason to believe that this is going to get built any time soon. And we know, like every capital project, this is going to be squeezed by a budget. And we know at some point there's going to be pressure to cost-engineer this to value-engineer it to cut costs in some way in order to make it fit the budget when we're trying to build, whether it's a \$43 billion system or a \$70 billion system who really knows? Knowing full well that you know the prospect of getting additional federal money if Democrats don't control both highways of Congress after November, the prospect of getting state money located here, on the San José to San Francisco segment, when we know the mayor of Anaheim is the chair of the high speed rail authority board, you know there are lots of reasons for believing there may not be much more money in this particularly for this segment. So I think it's really critical that this agreement focus not just on initial signoff by the City of San José but if there are any substantial changes to that design or in the construction materials that would substantially reduce the quality of either that we have some ability to say yes or no. That it seems to me is critical because I think those decisions are going to be far more important and they're not going to be made in 2010 but may be made in 2018 or 2025. And we simply don't know. So we need assurance in that agreement against what we know will be a very challenging process to build this thing on budget.

>> Mayor Reed: Councilmember Kalra.

>> Councilmember Kalra: Thank you, mayor. I have a follow-up question, regarding the speed of travel as referenced in the downtown. Along the Monterey corridor is there a suggestion of what the suggested speed would be. I know that you've told me before, Gary, I just can't remember off hand.

>> We are looking to design to a 125 speed, looking at the curves along Monterey Highway we're more likely in the range of 110 to 125. We wouldn't be getting up to a higher speed until we get south past Gilroy.

>> Councilmember Kalra: Thank you for that. And I appreciate Mayor the questions and then some of the follow-up discussion regarding the obstacles to tunneling and what the value of EIR, because an EIR doesn't really speak to necessarily the feasibility as much as it does to the mitigation. So a project an EIR may tell what the impact's going to be and for whatever reasons it may or may not be feasible. I certainly understand the reticence and really the doubt of other whether it be the state level or the federal level that they're going to be able to follow through with further funding. I happen to know that we are strapped at the local level, but this is a long term project, and I think that I feel comfortable following through with the mayor's optimism that something can be arranged or some agreement can be met, met with that we're comfortable with in terms of moving forward. You know, looking at what the congressional makeup is in a couple of months when a project that's going to take 5 to 20 years to build out, the reality is that there are ebbs and flows in leadership that may allow for more or less funding. But right now most important thing from my perspective is making sure that we have as strong of a voice as possible moving forward in what the project is going to look like as it comes through our entire city. So with that I still hold on to the optimism that the mayor has, and look like we can come to some kind of agreement. Again I'm going to be cautious as we come back and I look for it next time.

>> Mayor Reed: Councilmember Herrera.

>> Councilmember Herrera: Thank you mayor. I still have the reservations that I had the last time and I still think the absence of the tunnel is part of value engineering that's already begun. Although I was very interested in the answers that you provided and it sounds like there has been an incredible amount of work looking at the tunnel

option. I'm also concerned about the above ground effects on further development if we had the opportunity so I'm certainly not thinking that a tunnel is necessarily the right answer, either. But I guess it just concerns me that I feel like it's kind of being taken out of the equation too soon. However, that said, I think it's very important that we move forward with having some kind of an agreement that we can enforce, the City of San José can enforce. And if we don't, I mean, I'm not sure what other opportunity we'll have. And I'm very appreciative of my colleagues, the mayor and Councilmember Liccardo and others who have been working on this. Because if we can reach an agreement that will give us at least veto power over a really design that we just find totally unacceptable. And you know, the state as has been pointed out and I appreciate the questioning that others have encountered here, because it really highlights the fact that unless we have this kind of an agreement, some of this might get beyond our control. So I think it's very, very important that we negotiate this agreement and I hope that we can have some monetary aspects to this, to point Councilmember Oliverio was make, in his earlier comment, and for that reason I'm going to vote yes. He's going to vote no but I'm going to vote yes on that in hope that we can get that into this agreement so we can be assured of having more control over our destiny in this project.

>> Mayor Reed: I think I'm going to get the last word here. Interstate highway system, president Eisenhower took office in 1952, launched the interstate highway system. I believe we just had the last ribbon-cutting in the completion of the Interstate highway system this year. So these projects can take a very long time, across many, many administrations and lots of different funding cycles. So there will be good times and bad times, and let's hope that we will all be around to see the completion of the national high speed rail system. That I think concludes the council discussion. Are I have no other requests to speak we have a motion on the floor made by Councilmember Liccardo based on the memorandum with one modification, paragraph 3 about sending a letter. All in favor? Opposed? Oliverio opposed Chu opposed, that passes on a 9-2 vote with Councilmember Constant absent. He was ill so an 8-2 vote. That concludes that item. Thank you very much. We will move on to we have one more item on the redevelopment agenda. We'll take the open forum now for both city and redevelopment agendas. And then we'll take up the joint item 8.1. Which has to do with San José municipal stadium transformer project. Open forum, David Wall. Richard McCoy.

>> Councilmembers --

>> Mayor Reed: Harvey, are you trying to speak in open forum?

>> Open forum, yes.

>> Mayor Reed: You didn't have a card, so go ahead.

>> Sorry. Now I'm wearing a fourth hat, citizens for a livable San José, Cal SJ. We have been working on riparian policy for the last three years since a very difficult project came to you years ago, duckett way. You have had another project, Guadalupe mines, that was very difficult and you found it very -- a lot of community support for upholding the policy as it's written. We're working with the Planning Department, we've been working with them for two and a half years on interpreting that policy to make it easy, so it becomes instead of looking at 40 pages of policy, perhaps we can go through a checklist that is three or four pages long. And make it much easier so I'm just going -- letting you know that the citizens for livable San José will be coming around to talk with you on how we can make this a reality. Thank you.

>> Mayor Reed: David Wall and then Richard McCoy.

>> David Wall: Good to see you all again. Two issues. First, another issue that occurred at the treatment plant advisory committee that merits discussion. Money that is taken away from employees that are funded out of the sewer service and use charge along with their benefits calculations were part of the rate increase. In other words it was Northwest nested within the rate, the sewer service and use charge rate increases. According to prop 218, you can't arbitrarily and capriciously separate out those salaries and benefits to create another fund. Unless it's clarified by the attorney's office that you can do so. Therefore the money should be repatriated back to the employees with the appropriate interest. And any other necessary funding requests for the plant be put forward in the sewer service and use charge absent this creative fund creation. The other issue deals with a very potential problem with the city, with reference to an employee who is facing dismissal for refusal to fix a red zone ticket citation in the parking control department. This is a single mother, two children that faces dismissal because she

refused to void the citation. I have ample documents that are before the employee relations department that shows the director has signed off on this. This gets to the issue, you're caught in a red zone, you're caught. You violated the law. You don't get a Mulligan just because you're there to move your car. This officer refused to void the citation and is facing dismissal. I think this -- you should look into this as far as generalized policy especially with reference to handicap zones and other tickets.

>> Mayor Reed: Sorry your time is up. Richard McCoy.

>> Mayor and city council members I'm here today representing the United veterans council of Santa Clara County. The UVC was formed in October of 1922, and is composed of delegates from veterans organizations, the auxiliaries, and are chartered by Congress the United States and are recognized by the State of California. The UVC is a nonpolitical nonsectarian organization established to promote the goals and objects of all veterans organizations common good and welfare of all veterans, their families, widows dependents and citizens of the United States. Since 1919 a public ceremony or parade has been held on Veterans Day in Downtown San José now supported by the UVC support from the city the county of Santa Clara along with contributions from many individuals and organizations. This Veterans Day parade one of the largest in Northern California, honors all who have served and are currently serving the country. The opening ceremony for the parade begins on the 11th hour 11th day 11th month with the ceremony at Cesar Chavez plaza on Market Street to honor the 1918 amnesty of the war to end all wars. The parade starts off at 12:00 noon near the HP Pavilion and travels east down Santa Clara to Market Street. The parade then proceeds south of market passing a reviewing stand on park street opposite Cesar Chavez park near the tech museum and ends in San Carlos. The cost of this annual parade has risen to over \$42,000. Most of the cost is for the police and fire and permits. The mayor has made a generous contribution to support the parade, along with service organizations of Santa Clara County to cover a large portion however the private sector donations have decreased and we have a short fall of \$13,000 and without that we threaten to have the parade without the support. We're asking the City of San José and the councilmembers to help support this parade in a manner that will provide us with an activity and a memory of San José's veterans and I have come to this council as a last resort to help you save our parade. Thank you.

>> Mayor Reed: Thank you. That concludes the open forum. We'll now take up the redevelopment agency agenda. First item on the agenda would be the consent calendar. We have no requests to speak on the consent calendar. Heard a motion, yes we have a motion to approve the consent calendar. All in favor? Opposed, none opposed that's approved. Item 3.1, the calendar for the 10-11 operating capital budgets. Motion is to approve. All in favor? Opposed? None opposed, that's approved. Item 61, approval to increase the construction contingency for the civic auditorium project. Motion to approve. All in favor? Opposed, Councilmember Campos, do you want to speak or just -- Councilmember Campos is opposed. So that is approved. All done on that one I guess. 8.1. I'm sorry, 6.2. Approval lease agreements for the block 6 garage. We have a motion to approve. All in favor? Opposed, none opposed, 8.1, joint item regarding the San José municipal stadium transformer replacement project and related budget actions. Motion to approve. Councilmember Liccardo.

>> Councilmember Liccardo: Thank you, mayor. I just want to register my no vote. I don't doubt for a moment that this construction needs to happen. It's a health and safety issue I know dealing with the transformer. My concern really is a question of who pays for it. Last week media reports revealed that the San Francisco giants have now acquired a controlling interest greater than 50% share of the San José Giants. In the past, our redevelopment agency has generously contributed for capital improvement in Muni stadium, I think it's \$600,000 a couple of years ago, now \$300,000 with this project. Now, obviously the time when the agency is strapped with the \$75 million take from the state as well as declining tax increment. We have at the council required the athletics organization to build a stadium with private financing and any repairs and maintenance would be privately financed. Seems to me that's appropriate. The athletics were happy to sign onto that approach. The San Francisco giants however who have a controlling share of this team are benefiting from a \$300,000 subsidy essentially from the redevelopment agency, at the same time that I think there is plenty of reason for us to believe that Larry bear and his friends up at the San Francisco giants organization have plenty of money to spend because they are spending hundreds of thousands of dollars trying to prevent this city being a major league home. They are spending hundreds of thousands of dollars on lawyers on consultants on various we already know they are out in the field with surveys. The extent of investment by the San Francisco giants to undermine the ambitions of this city to build a major league ballpark is astounding to me, at the same time as we are

essentially handing them this \$300,000. So I believe they are not only biting the hand that feeds them, they are swallowing the whole arm, and we shouldn't approve this.

>> Mayor Reed: Councilmember Nguyen.

>> Councilmember Nguyen: Thank you, Mayor Reed. I just want my colleagues to understand this is a safety issue. This is something we are contributing to make sure the Muni stadium is up to par in terms of providing safety for people that come to watch the games as well as holding concerts throughout the year. Whether or not our position is aligned with the -- you know aligned with the San José giants or bringing the Oakland A's here we shouldn't get that mixed up with the Muni stadium and so I hope that my colleagues consider that and support, in my motion, to approve this item.

>> Mayor Reed: Councilmember Liccardo. I would agree with your assessment, if this were the other part of the funding that we have provided. Which went for improvements to the facility, really, for the benefit of the San José giants. But this piece is for the transformer, seems to be important, it may be even necessary for the building, including others who use it such as San José State University. So I don't think at this time we can change directions on it. I think we're kind of stuck with it but I would like to get back the money that we spent before the San Francisco giants owned the San José giants. Anybody else on that? We have a motion to approve. All in favor? Opposed, Councilmember Liccardo opposed that motion carries. It's approved. I think that's the last item on our agenda. That is the last item on our agenda. We've had the open forum. That concludes our meeting so we are adjourned.