

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

>> Councilmember Liccardo: Okay, meeting is called to order. Welcome one and all to the transportation and environment committee for September 13th. Madam clerk, let's call roll.

>> Councilmember Liccardo, here. Nora Campos, here. Judy Chirco, here. Rose Herrera. Here. Great.

>> Councilmember Liccardo: We are here unanimously. Okay, moving on to review of work plan, see one item on for deferral, that's D-4. Unless there are other items to be deferred --

>> Councilmember Herrera: Motion to approve.

>> Councilmember Campos: Second.

>> Councilmember Liccardo: Okay, motion, all in favor, opposed, that passes unanimously. On to consent calendar, C-1 since it is the only one on consent, I'll just ask if there is any comment.

>> Move for approval.

>> Second.

>> Councilmember Liccardo: That is moved to -- okay, all in favor? Any opposed, that passes unanimously. I might note, congratulations on the final quarterly report that's I think we all agree a tremendous success over there Dave. Thanks for all your great work.

>> Thanks.

>> Councilmember Liccardo: Okay, moving on now to the substantive calendar. Item D-1 is the LED street light conversion status report. Hans, are you here on that?

>> Hans Larsen: I have part of the team there Mr. Chair.

>> Councilmember Liccardo: Should we skip that and move on to the other item and come back?

>> Hans Larsen: That would be preferred, if we could come back. We have regional transportation activities report.

>> Councilmember Liccardo: The remaining item is regional transportation activities report.

>> He's out there.

>> Councilmember Liccardo: Oh, I kept looking out there thinking you're on your way, Ray. Hi ray.

>> Good afternoon.

>> Councilmember Campos: He was front and center.

>> Councilmember Liccardo: Farsighted.

>> Okay, we'll go ahead and proceed.

>> Hans Larsen: Mr. Chair, members of the committee, I'm Hans Larsen, acting director of transportation. And with me is Ray Salvano our division manager for regional transportation projects. And we have a report for you that kind of -- that goes over the highlights of the written staff report. I think this -- I think the thing to note is, there is a lot of activity going on in terms of regional transportation. We wanted to just give you a highlight of a lot of the great progress that is going on. And some of the comments that we'll be making provide a little bit of context to how we're supporting these projects, at a staff level. As the committee and councilmember will recall, we did save some reductions in terms of our budget as we reduced in many areas. And we're working with the regional

transportation agencies very closely on changes to our service delivery model whereby we're requesting them to pick up a larger role in terms of funding city staff support or participation in these projects. We'll highlight a couple of those along the way. Also joining us is Manuel Pineda, deputy director for planning and project delivery. First project we have is the automated transit network or the pod car system. We are about to begin work on a one-year effort to really test the technical and financial feasibility of developing a system that connects the airport with regional transit systems. And so we are pleased to get that work underway here shortly. The other exciting thing is, we'll be host to the international pod car conference here in San José. In the next month. During the days of October 27th through the 29th. On the BART project, good progress there. The VTA has received a recorded decision on the federal environmental clearance for the extension to Berryessa. That's an important first step in the \$2 billion extension for ten miles from Fremont, into San José. There's an active request for \$900 million of federal funds and things are going well on that. We're moving into final design of the project. And one of the things that the VTA board has approved is to build this project through a design-build process. And because of the city's experience, a successful experience with design-build at the airport, both Bill Sherry, Katy Allen and their teams are working closely with the VTA to provide advisory report, and there may even be a more formal relationship between the City and VTA in delivering that. So that's kind of my earlier point, some of the unique new partnerships we have in working with regional agencies. One other thing to note with the BART extension, so there will be one extension in San José, and that's at the Berryessa BART station. And as the committee may recall, is several years back, we adopted some design themes for the various BART stations in San José. And as part of our economic development strategy, we wanted the architectural public art design of the BART stations in San José to represent sort of the strengths of San José. And some design themes were adopted and at the Berryessa station it was determined that we wanted the station to be designed that reflected San José as an environmental leader and reflect the quality environment that we do have in San José. And I'll show you a couple of pictures of how that is being developed. In terms of the themes for the other stations, the Alum Rock, the chosen theme there was to celebrate the diversity of San José. People from all cultures coming together. And then for the two downtown stations the design theme was to highlight San José as the creative urban center of Silicon Valley. So guiding us, again, in some of the early theme work we did as we looked specifically at Berryessa BART station, as we've formed a design review committee that you can see the names there, and they represent really professionals working in the area, that have been involved with the 1stAct Ken Kay, Ed Janke is

an architect that has been with the historic landmarks admission, Rob Steinberg has been a member of the downtown architectural review committee, Jerry King is from the San José chapter of American Institute of Architects, and Amul Gaswani is from the Public Arts Commission. So we pulled these folks together to be a sounding board to help guide the architectural design for our BART projects. And it's something that we've had good success with here, and as I have a slide at the end of our presentation about the high speed rail project, and this may be a similar model that we apply to other significant projects in San José, where the aesthetic quality is very important. So let me show you a couple of slides for the Berryessa station. And again, we wanted to highlight the strong environment that we have, and this station location is located near the confluence of Coyote creek and Penitencia creek. So the idea of water flow, you can see the -- there is a landscaping concept that is both reflective of the riparian corridors, as well as the orchard history within San José. And let me jump, this is a site plan. And the next slide shows the early architectural concepts that shows a very open environment, in which people can see the hills, and enjoy the sunshine, in San José. And it has a sort of a green tint to it. And an architectural canopy that is somewhat reflective of the structure of trees. It's intended to be a very pedestrian and bicycle friendly station, as people access it. And wanted to just share with you some of the design concepts that have come through this process. We've met with Councilmember Chu on these, and there is additional outreach work that's being done with the Berryessa community to share with them the design direction for this. Moving on to next topic, bus rapid transit. We're -- there are two main projects being worked on. Our Santa Clara Alum Rock is well underway and planning work is beginning for the El Camino project. And there wanted to just highlight a little bit in terms of staff services, essentially these bus rapid transit projects require a very significant reconstruction of city streets. While we're introducing a new transit service within the corridor these projects involve rebuilding streets, curb gutters sidewalks, street lighting, traffic signals, landscaping, I would say probably more than 80% of the facilities built by these projects will be owned and operate by the city. So there's a very intensive level of staff coordination involved with these projects. Talk next about some of the things that we're doing related to city staff report and cost recovery. As I mentioned, very high level of workload. Our staffing levels have been reduced and in responding to council budget direction, to look at other ways to support these projects, we are working on these approaches with projects like BART, bus rapid transit, high speed rail and CalTrans projects. I think as we had mentioned in previous reports that the signal design for the Santa Clara Alum Rock project is being done by city staff. For the capitol light rail interim pedestrian improvements, staff is involved with

the lighting and landscaping element of those. And there's additional discussions going on in terms of just the basic staff support for these as they develop final design for storage drainage and street lighting that there is a city plan review and approval process that we're working through with on the lead agencies. Next slide, little update on state route relinquishment. As the committee's aware we're actively pursuing the relinquishment from CalTrans of 12 miles of State Routes. State Route 82, which is the Alameda and Monterey Highway, State Route 130, Alum Rock Avenue. Legislation has been initiated by assembly member Beall. AB 1670. Very great progress in terms of moving the legislation through. It has received unanimous approval by both the assembly and the senate and the bill is sitting on the governor's desk right now. And so we're hopeful for a final signature on that within the next month. Big kudos to Roxann Miller, our representative in Sacramento for helping shepherd that through. Once, assuming the legislation is approved then the next step is the city and CalTrans have authority to execute an agreement regarding the details of the transaction. And most of it is focused on CalTrans providing some funding to the city to improve these state routes to a state of good repair. Speaking of state of good repair, there has been a tremendous amount of work being done on repaving the freeways in the San José area. This graphic shows, what we got seven projects that CalTrans has been managing. Either currently, over the past couple of years, and one project coming up, that represents approximately \$84 million of investment in repaving freeways in San José. This has been something in the past that has been pointed out that's put us, San José on sort of the worst pavement lists from a national perspective. It's a combination of the freeways, expressways, and local streets. But we're very pleased to report a lot of progress and investment has been happening over the past few years on freeway routes. And I think most recently the repaving of the 101 corridor from route 87 south has gotten very positive response, particularly, to readers of the road show article. So kudos to CalTrans for finally coming around and making these investments. And it certainly makes a big difference. I just -- maybe also make a pitch for dealing with our local streets, that we have a study session with the city council on October 12th where we're looking to engage the council on addressing the issue of local street pavement maintenance and the kind of investments that we need to have our local streets in a state of good repair. Our regional highways. Work is proceeding on four key items. HOV, carpool project on 880. The 880 Stevens Creek 280 interchange upgrade. That's in environmental clearance process. The 101 Tully project unfortunately is being held up by the state budget issues. The project is designed, it's been bid. Contractor's been selected. But

because of the lack of action or direction on the state budget, that project is currently on hold, and I see committee member Herrera will have a --

>> Councilmember Liccardo: You'll get a question on that.

>> Hans Larsen: Either question or more information on that. And the 101-capital interchange, we are working to get that one to a state of readiness so we can pursue regional grant funds, and that one is currently in the design process. Few other things to highlight. This report, we've expanded it to also include regional transportation projects. I think there was a suggestion from the committee to do that, so we will be covering in future reports bicycle and pedestrian projects that are led by other agencies. And so a project we have coming up is in the crossing of the railroad tracks and Monterey highway down in South San José near Blossom Hill Road. This was the site of a tragic accident where a two-year-old boy was hit crossing at this location. And so this project the design is complete, it's fully funded and we're planning to start construction early -- early 2011. I think we're off by a year on this. And be done in fall of 2011. And the other significant regional bike project is VTA's efforts to develop the start of a bike-share system in South Bay area. So there are three locations being identified, San José, based at the Diridon station, and two other projects at Palo Alto and Mountain View, also based at their CalTrain station. The San José project is intended to provide a bike-share system that would allow for easy access around the downtown would include bike pods located throughout the downtown area and at San José State university. The schedule launching this program is spring of next year. And then lastly, just a reminder to the committee, tomorrow at city council we have a report on the California high-speed rail project, which we'll manage somewhat like a mini study session. High speed rail staff will be there. And will provide the full council with an update of the entire high speed rail project, the background, history, scope and benefits. And then we'll be focusing on really a very important design decision issue about the downtown area, and looking at the study work that's been done around an aerial option and a tunnel option and then we'll be seeking the direction from city council on how to best proceed with this issue. So that is coming up tomorrow. So that concludes our overview, and be happy to take any questions committee has.

>> Councilmember Liccardo: Great, thanks Hans. Councilmember Herrera.

>> Councilmember Herrera: Thank you for the report Hans. I actually spoke with director Michael Burns the other day about -- specifically about Tully and 101 and I was assured that -- he was telling fairly confident that the budget was not going to stop this project from moving forward ultimately, that the contract had been awarded, that it had proceeded all the way to the point where the contract was actually turning in -- they had paperwork they have to complete, that was proceeding. There was somewhat of a delay but he really didn't think the budget was going to hold it up ultimately, it was not coming from the same type of funding, the money had already been put aside for that purpose. He felt it wouldn't be ultimately caught up even if the budget isn't completed before the election, God forbid, but it should proceed.

>> Hans Larsen: That's certainly our hope. When you have a big project like that, that's ready to go and will create jobs and provide transportation benefit, we certainly don't want to have projects like that close up.

>> Councilmember Herrera: I noticed it was in a road show column, and there was some concern rightly expressed, but I think it's important that we not assume that it's going to get delayed because of the budget ultimately.

>> Hans Larsen: I just ask, Ray, if there's any new news that you've heard on that? Okay.

>> Councilmember Liccardo: Any other questions? Vice Mayor Chirco.

>> Councilmember Chirco: This isn't part of your report but I do want to ask it because the state route relinquishment brought it to mind and it's Almaden expressway. I know that's a county road but we have 85 that intersects with it and then we have all the city streets. And it is a major nightmare. I can't help but think that if Almaden expressway was under the City's jurisdiction that we would have the capacity to do some kind of traffic engineering. I just hate that Blossom Hill, Almaden fashion plaza, 85, and then there's talk of also, the Arcadia property. I don't know if there's any conversation, any thought about that. But it's a mess.

>> Hans Larsen: Well, yeah, clearly I won't disagree in terms of the traffic congestion that's there, and you have the intersection of major routes with Blossom Hill and the 85 freeway that you mentioned. There, in terms of the idea of whether that's something being looked at for relinquishment there aren't any active discussions going on from that perspective. There is as Councilmember Campos and Herrera know for capitol expressway there are discussions ultimately of relinquishment of that route when light rail gets extended into that corridor. But currently yeah, there's nothing that's being considered for Almaden expressway.

>> Councilmember Chirco: I would like it to be put on somebody's work plan, Hans on your worst day you could do a better plan than is currently there right now. And I know it's all the different agencies that overlap each other. But as we look at developing that, which would be a nice retail space for San José to capture some of the leakage that we're experiencing. I think we need to be looking at how can we make that an attractive, desirable area, for people to come to, spend their dollars and then to exit easily.

>> Councilmember Liccardo: Okay, Councilmember Campos.

>> Councilmember Campos: I just have a follow-up question. I know it took us a lot of time to get the capitol, and Alum Rock and some of the others on the list, but it took arounds nine years for that particular piece of the state highway to be relinquished. It's been a long time. So I'm wondering, to the Vice Mayor's question, is there a way that we can maybe start looking at how we could start that process? In the bigger context of what the vision is, about making it accessible? I mean it's going to take a long time. I would hate for it to just go on a work plan and sit there for a long time. I think what she's asking is we start thinking about the bigger picture, and I'm hoping that I can be helpful.

>> Councilmember Chirco: I am, too.

>> Councilmember Campos: But I think that the work needs to start here so that by the time next year comes around, that it's at least somewhere in a discussion with the State. So I don't know what needs to happen on our end for that discussion to happen at the state level. And hopefully, I can be helpful by next year, to help move it

along on the other end. But it does take a very, very long time for things to move. And I know that Jim is very helpful. So maybe he can take the ball and start rolling it along on the other end.

>> Hans Larsen: Yeah, just to comment Councilmember Campos, certainly if you have a state route that you want relinquished, it does require first a legislative action, to have the state determine it's not essential to their needs. And they can turn that over to the locals. In the case of an expressway, and based on the past work that we've done regarding capital expressway, that would -- wouldn't require any state legislative action. It could be done through an agreement between the city and the county Board of Supervisors.

>> Councilmember Campos: So maybe you can ask them to look at that.

>> Councilmember Chirco: Certainly to approach Ken because that's his -- I think -- no that might be Don Gage's -- do you know--

>> Councilmember Liccardo: He's got part of it.

>> Hans Larsen: I think it's probably split between supervisor Yeager and Gage.

>> Councilmember Chirco: Accessing Almaden fashion plaza and the other side best buy and heaven knows trader Joe's is going in there too. It's just getting more and more intense. We want people to shop here because it's convenient and there's nothing convenient about that intersection.

>> Councilmember Campos: Hans, I don't know what we would need to do to help move that along for discussions. The positive thing about where we're at right now in the economy is that we can start planning for the future. In areas that we may have not had the down time to do so as we plan out the future of the City of San José. So I think the Vice Mayor brings up a great point. And I know that her and I will be leaving. So if we can plant the seeds for a few things that will take the City of San José to another level it would be really helpful.

>> Hans Larsen: I don't know if Paul, the manager's office have in terms of taking something like that forward as a referral to consider. It is -- certainly I mean there's pros and cons to this, that the more infrastructure we have to maintain traffic signals and pavement we are -- that's -- we're struggling to manage the facilities that we already have. But certainly, having a single agency managing the entire street network and integrating it with private development opportunities, there are some advantages to have a single jurisdiction managing all the pieces.

>> Councilmember Campos: Well I think one of the things that would be helpful is that I hear the maintenance part of it. And I think that's probably why we haven't relinquished capitol expressway. But I think when the time is right, and we do move forward, hopefully, we're ready to be able to focus some dollars towards that particular expressway. And I think what we're asking is to see if we could do a similar process so when the time does come, when the economy changes or maybe we get more stimulus money, we can be ready to move forward with that particular expressway. The challenge is, if you wait with the idea tends to die. Because unless there's another councilmember that has the same passion as the Vice Mayor, that might not be at the top of their priority. Those are all my comments or questions.

>> I did want to add one more note to the committee as well. That the county is currently working on a plan for that section of the expressway to add additional capacity both to the main line on the expressway as well as the intersections. Because they are aware of some of the issues that are occurring out there. Outside of any relinquishment process, the county is working on the project master plan, and part of that work is partially funded, as well, so they are developing that plan.

>> Councilmember Liccardo: Could I chime in --

>> Councilmember Chirco: I have a question. So which one are you talking about, capitol expressway?

>> No, Almaden expressway.

>> Councilmember Chirco: Like I say I have found our department to be extremely good with traffic engineering and we could use some of that excellence in that area.

>> Councilmember Liccardo: You know I wonder if given to the fact that we're talking to the county about capitol, that's still a ways off the relinquishment of capitol isn't it? We're at least a couple of years off there.

>> Hans Larsen: We have -- sort of the dynamics with it are, where we have kind of actively pushed relinquishment is where there's been an overriding city interest in changing the character of the facility. And so that's what's driving the state route relinquishments, for example would be our team making it more pedestrian friendly, supporting our neighborhood business districts. That we've decided that that control and change is design is of great city interest and we're willing to accept more facilities. The similar kind of concept was there with capital expressway when you're introducing light rail into a corridor, that today operates like a little mini freeway. We want to change the character of that, make it more walkable, bikeable, and transit-friendly. And so that is different from the county standards on how they operate compress ways. And so in order to control sort of the character of the street, that's what's driven the relinquishment. So in terms of the timing, what it is, is that once the light rail project is funded and goes into construction, at that point it would trigger the facility coming to the city. So we're, in order to manage our O&M expenses, as long as it operates like an expressway, the county continues to operate it. But once we change it, then that would trigger the city taking on ownership.

>> Councilmember Liccardo: So I guess going in minds of the question you're saying there wouldn't be any relinquishment of when light rail is constructed, not when BRT, but when light rail is constructed?

>> Hans Larsen: That's correct.

>> Councilmember Liccardo: We're several years off sounds like. The reason I threw that out there is, it would seem to me that if there was some broad discussion about O&M cost, with regard to all the expressways, I guess now you throw in San Tomas as well, and I know you've got all kinds of multijurisdictional issues there, too, but if there were more of a global discussion I wonder if there was any benefit in actually having that conversation at

the county level, to talk about what it would be worth to them for lack of a better word, for them to be able to give up the responsibility and for the city to take it on. Had those conversations ever happened around expressway system generally?

>> Hans Larsen: I think -- since most of the expressways go through multiple jurisdictions and they do survey a regional purpose in moving generally from residential areas to job centers, probably -- I don't think that that has come up. I think that the two cases in which there is probably more merit than others are the two that are in a single jurisdiction, and that would be in San José, both with Almaden and capitol.

>> Councilmember Liccardo: Right, okay. Rose.

>> Councilmember Herrera: I just had a question related to the Vice Mayor's concern in her district along that corridor. You say there is some construction coming to the corridor to improve that expressway. Is there any role for the city to be involved -- maybe you could talk about how the city is already involved and if there's any ability for us to provide feedback in terms of making improvements in that project that would address some of the Vice Mayor's concerns and also I'm wondering, the development that's scheduled to go there, is that -- is that being looked at too? Is part of maybe providing some of those improvements?

>> Yes, so yes, we have been working together with the county because a number of their improvements actually affects city intersections as you can imagine because they intersect with city facilities. So we've been working together to kind of make their improvements work best with our city facilities especially as you approach the intersection. So we've been going through this process for about 18 months now with the county and developing those plans. As it relates to the development project, and probably the upcoming one is the Arcadia parcel, is probably the big one that's in everybody's mind is we've been working with the developers in the county to try to work, come up with a plan that best works for both the city intersections, the county facilities, and the developer. But we all have different goals in mind as it relates to that so it's a balance of all the needs and goals for all of them to make it successful. There are definitely some issues out there today. We're trying make sure that we don't repeat those issues by coming one a plan that works best. But it is a balancing of goals. And I guess --

the Vice Mayor is completely right that the county has differently goals than the city has at those locations, so we are working to try to make our goals work as effective as possible.

>> Paul Krutko: So I think we probably, given the interest in that topic, we can certainly add to the work plan a discussion of the issues that deal with relinquishment, I think in particular in this area. I think just one other -- if I could get just one thought on the Arcadia project. One of the things that the council might see, if we are successful, in bringing back a transaction, this is one of those areas where the developer quite frankly is saying, you know, you have problems with the transportation system, I didn't make those problems. Why is that my responsibility? And what we've talked a little bit about, is the notion that where we might use the tax sharing approach, that we're, you know, we're getting zero dollars now. If you think about the it in the sense if we use some of the dollars we were getting, we retain 50% let's say and put 50% in to make transportation improvements that we couldn't ordinarily fund from other sources that might get us all the way home. So that's one of the things I think you're going to see coming on that project.

>> Councilmember Liccardo: Great, thanks Paul.

>> Councilmember Chirco: And thank you for that Paul. I think that's definitely a strategy that's worth investigating. My concern Manuel is not just new construction but the existing structures that are out there. And also, expediting traffic in and out. So I know that's not -- no small task. But I don't know that I've ever found a small task with the city.

>> I'm sorry, I'm afraid we're kind of getting outside. Kind of getting outside the scope of what's in front of the committee so I'm trying to suggest that maybe there needs to be a way for information to come back on that specific --

>> Councilmember Liccardo: I think Paul suggested it come onto the work plan for committee discussion and certainly I think that's a sensible approach so maybe we'll move from that topic now. I know it hasn't been agendized. But if I could just jump on a couple of questions about what has been presented on the Berryessa

station, as we look at that diagram, Hans, has that been fully vetted with planning staff? Because what strikes me as I look at it, it looks like an awfully suburban design. And since we're investing about \$6 billion in this system, see parking and a lot of trees is nice to some folks but doesn't always drive a lot of ridership. I'm a little concerned about how the layout works with regard to our key goals of really moving people by BART.

>> Yes, this has been worked out with the department of building, planning and code enforcement. They've participated as part of the design-review committee process and they've been involved in the development of the plan. I think a couple of quick notes as you look at that plan, as part of the process that we have to get to, to get funding, we have to determine what the maximum number of parking spaces are going to be needed in the area are. What you see in front of you is a plan that has those number of park spaces that drive ridership. I would say planning VTA and D.O.T. have a goal in mind, should look at a parcels and if that amount of parking is not ultimately needed it does give us the ability to redevelop some of those sites for additional growth development and density. So that is kind of what would I say is the worst case parking scenario but it does leave the option for additional implementation and additional development.

>> Councilmember Liccardo: Thanks, Manuel. I certainly hope that ultimately parking finds its way indoors or beneath or within a structure that will be commercial development or other kinds of development there that will serve multiple purposes. I know that's land we have to be pretty efficient with. The other question I had related to bike share program on, it's mentioned on page 5. When we were on a study group recently, I know San Francisco was very interested in what we're doing. I think we're a little ahead of them on the MTC grant money. Bud I'm wondering how that's moving in terms of any coordinated project with San Francisco, with regard to bike share, all the way up the CalTrain corridor. Is there any discussion about using the same form of infrastructure, the same company, et cetera?

>> No, we have not started that discussion yet but it's something we can start and I will be meeting with our kind of San Francisco city partners and other issues that are you know based on the trip that we had and things that we want to explore and this is one of the items I could discuss with them as well.

>> Councilmember Liccardo: Great. Because I know that they certainly have the density to make it work up there, and it would be great if we could sort of mutually benefit by using it all on the same line. And then finally on the relinquishment of the state routes, I know whenever we talk about relinquishment the key issue is the money cost for O&M. What leverage do we really have to be able to extract the money necessary to bring that into a state of good repair? Is there anything in the legislation itself that really gives us that leverage or are we just really hoping CalTrans is going to do the right thing?

>> Hans Larsen: The legislation basically gives us -- gives the state the authority to relinquish it. So then it really comes down to an agreement between the city and the state in terms of the relinquishment. And we're in negotiations right now, and just report that I consider them very positive in terms of the state participating in providing investments to improve those state routes. So we'll be coming back to council. Once the legislation is approved, and we continue our negotiations with CalTrans, we'll have an agreement to council, to look at that specifically.

>> Paul Krutko: If I could add, though, sometimes we have interests other than just the relinquishment of the roadway. So in this instance, this is a particular piece of roadway that we want to get control of. That gives us much more design flexibility relative to the ballpark development. So the rationale, I think sometimes we probably wouldn't have pursued relinquishment but there is a real concern that in improvements that we would make to connect to this we would be guided by state design standards which would be problematic for the project we're trying to do. So --

>> Councilmember Liccardo: That's right, thanks Paul. Any other questions or comments? No, okay. We will -- I don't see any comments from any members of the public, so we'll entertain a motion.

>> Councilmember Herrera: Motion to approve.

>> Councilmember Campos: Second.

>> Councilmember Liccardo: All in favor, none opposed, that passes unanimously. We'll move on to D-1, the LED street light conversion status report.

>> Hans Larsen: Mr. Chair, members of the committee, I'm going to introduce Laura Stuchinsky, Department of Transportation sustainability officer who will make the presentation on this item. Laura.

>> Okay. So the status report that you have before you is a summary of a number of different issues that are related to street light conversion. Oh, thank you. So there's a potpourri of a number of different issues related to our street light conversion efforts minus the street light design guides that will be going to council probably in November or December. First up is just a status report on the projects we've completed so far. You are well aware of the one in Cassel neighborhood and more recently we completed one in North San José. We have several projects coming up thanks to stimulus, federal stimulus funding which we're really excited about one of which is a very fairly large one, the EECBG, the energy efficiency and conservation block grant program that will probably -- we are trying to move that one forward because of a request from DOE. We may be able to move that into the end of this year, beginning of next year. But both that and the CDBG, our program will be moving forward fairly swiftly and followed on that we have another CDBG grant that's nonstimulus funding that we were able to secure. Again federal funding but nonstimulus. And hopefully we'll be able to get additional funding from that source in the future. That's our second CDBG funding. The East San José project was also CDBG. Those are all conversion projects. The one project that is new lights is the last one, at 24th Street, which is a pilot project that that the redevelopment agency and general services is undergoing to test out a variety of different types of pedestrian street lights, both LED and induction. While we're pursuing LED street lights for regular roadway lighting, because they are more effective for that purpose, the technology may not be quite there for street lights which are lower, and we're also trying to get more of a soft glow in some of those decorative fixtures, and LED's more directive light can be piercing at times. They're trying to figure out ways to bounce the light around to get a softer light effect but since we're not trying to light a large area we're having more effect on the street side, it maybe more effective to use induction and that's what this pilot will determine. One of the big goals we have or one of the things that areas that we're leading in beside LED street lights is putting intelligence into those street lights and in addition to being able to dim our lights based on meter consumption so we can be billed on that

one. I'm happy to say that PG&E is having conversations with city staff to determine what the obstacles are and how we can overcome it to be able to start metering lights. PG&E is very interested in this technology, very interested in what we are trying to do. They are also trying to convert a number of their street lights, the City of San Francisco is looking to meter its lights, and so is Oakland. The PG&E is testing out some of the metering technology that we have been using in the first two deployments, the one in North San José and also one that we used in our street light demonstration in March. Both of those technologies have metering chips or metering capability that seems to meet their requirements, and so they are ascertaining that they can in fact do so. In which case will develop regulations or requirements, I should say, for what we are going to request the next deployment projects, and then we'll have a large number of lights we can demonstrate the viability of doing this. PG&E thinks also that some of the issues we might have about communicating information back to them can be resolved, and we've been encouraged by CALSLA, the California Street Lighting Association, to file testimony which is occurring in the second half of the rate case that PG&E has open now with the CPUC, to actually ask for the adoption of a rate, a new rate that would allow us to meter our lights using this technological. PG&E is also looking at that possibly as well. So if that's adopted by the PUC we may have a new rate that we could use for our street lights by May 1st of next year. One of the other issues that the committee had asked about was financing. Could we actually accelerate the conversion of our lights by borrowing money from the open market? From the capital market I should say. Because LEDs are improving very rapidly, but are still fairly high in cost, the repayment for borrowing money it doesn't quite pan off, as yet. It would take about 15 years based on current prices for us to pay off the cost of the funding we would be borrowing and the interest payments as well. Given just energy savings that we are estimating because we don't have a schedule yet. If we can resolve this issue about the meter, and the new rates case, and we are also seeing, again, additional improvements on the energy efficiency of these lights, dramatic improvements and DOE is anticipating a dramatic improvement over the next ten years, we should be able to see a difference maybe even in a year's time where it would make sense to borrow funds to be able to accelerate the introduction of new lights. In the meanwhile we've had success securing federal stimulus dollars and as I mentioned the one CDBG grant, the second actually CDBG grant that's nonstimulus funding so we're able to move forward. We can as well as use some of the energy savings from those street lights to match with those federal dollars to keep moving forward resolve these issues and then revisit the issue in maybe six to 12 months. In the street light policy that was revised the end of 2007, excuse me the end of 2008 we had

recommended imposing an energy cap on new street lights so that we wouldn't increase the energy that we're using to power additional street lights that we might installed. And although from a policy point of view it might make sense, from a practical point of view, given the environment right now we're in with the economy, and limited development occurring, it just doesn't seem to make sense to add another cost on development. So we are recommending against pursuit of the energy cap at he least at the present time. The next stem in this process we're currently undergoing an environmental study of the proposed design guidelines we're proposing to bring to council in November and December. Once that environmental review is completed we'll bring both the design guidelines and the environmental review to the council for recommended for adoption.

>> Hans Larsen: Just add couple of closing comments. Just to put this in perspective. We had 62,000 street lights in the city and with the efforts that we've done we're converting 2400. So it's about 3% of our inventory. But it is also remarkable what really San José's doing in really leading the world in driving new technologies for street lighting. Both in developing the LED street light industry, and I think the unique niche is having lights that are dimmable and you can manage them for even greater savings. What we're having to do is kind of develop the technology and use our city as an R&D test bed for looking at this is quite remarkable. Also the leadership that we're doing in pushing institutional change, in terms of the rates so that you can get the benefit of this, is fascinating. We recently hosted the -- a street lighting association conference for Northern California here in San José, and it was amazing that, you know, everybody is here coming to learn about what San José is doing. And the kinds of changes that are needed in the industry, are really the things that are needed to allow us to be successful. Kind of the last point of this, as we ventured into this as one of our Green Vision goals is to convert our street lights with a new energy efficient system. We didn't realize how much attention that we would be generating, because of our efforts. I just got word last Friday, that there is an international delegation that is coming to San José later this month sponsored by the climate group. And we will have folks here from Australia, Hong Kong Philippines China and India doing what they call a street light safari around San José looking at some of the work that we've done the demonstration lights. They're also going to be visiting the Phillips Lumaleds facility up in North San José to take a look at their technology. So not only doing great things here locally but attracting international attention. And importantly, these folks are going to be spending the night in Downtown San José and

helping to boost our downtown economy. So good work for Laura and Amy Olay and others part of the team on the great progress we're making on this area.

>> Councilmember Liccardo: Thanks for driving ecotourism in San José. Questions or comments? Councilmember Herrera.

>> Councilmember Herrera: Great report Hans. I don't know if you mentioned it in here or not but when we were hearing on things we could do the LED lighting was one of the most beneficial things we could do just in terms of the amount of money it saved the city in terms of energy cost. What percentage is that? Can you give me any of the math that's stated with that? I can't remember the exact numbers right now.

>> Hans Larsen: Laura will give you the exact number. San José already has a very energy efficient street light system. When we went I think in the '80s to the more yellow lights it was two things. One was to protect the night sky for Lick Observatory, but it is also more energy efficient. So we've started at a level where we have an efficient street light system. It is really other jurisdictions that had more energy intensive white lights that are getting you know more of the benefit from this. So that's part of what drove us to look towards the dimming, in order to get the savings of the LEDs plus the benefits of the dimming, is kind of what's driven part of our interest. But the other benefit of LED we don't want to overlook is that the lesson maintenance cost. The LED lights last much longer, I think it's ten-plus years compared --

>> Councilmember Herrera: Two.

>> Hans Larsen: To the two or three years.

>> Councilmember Herrera: Thank you, it was the maintenance cost I was searching for.

>> Hans Larsen: The overall benefit. Overall, with the lower maintenance and the dimming, we're looking at 50% if we can do a conversion.

>> Councilmember Herrera: Is there any benefit to these people coming from all over the world to see how we do it, can we charge for it? Can we go to other areas, I know they're trying to good G.O. to other areas to get people to do what we're doing. Can we get more money for doing it? Seriously, can we do that?

>> Hans Larsen: Creative thought.

>> Councilmember Herrera: You guys are basically selling it for them.

>> Hans Larsen: We're struggling keeping up with our own program.

>> Councilmember Herrera: If we're asked to go there is there some way? And I know we can't just pick a vendor because that would get into problems. But if there was some way we could increase the installed LED lights in our city, by helping, you know, be the messenger and bring this out, I really think we should explore this seriously. We've done it in other departments in the city. The library is selling their consulting services. I know other departments are able to do that. You know, we have an expertise here. We're on cutting edge. I -- you know I'd like to direct staff to -- I don't know if I need to make a motion or whatever but I'd like to explore the possibility of leveraging these resources, either in terms of getting actually paid for it, or in-kind, getting more LED installs.

>> Hans Larsen: Yeah, I think we'll look at, as a team I mean that's something that we've looked at, sort of the downsizing of projects, and selling our services, we talked in the previous report on how we can help VTA and others delivering their projects. Probably more locally, there are other jurisdictions, neighboring jurisdictions that are interested in street lighting conversion that that maybe a role for us to take out. Pick up as being really consultants to other agencies to help them develop theirs. So that's --

>> Councilmember Herrera: I'm suggesting kind of commission on an area that adopts LED. So the problem will be you guys have to figure out how to do it so it's not benefiting one company but you know if some other city starts doing LED because they met with us, why shouldn't we get something for that?

>> Hans Larsen: Get royalties or something.

>> Councilmember Herrera: Get more lighting done.

>> Councilmember Liccardo: Vice Mayor Chirco.

>> Councilmember Chirco: I have two or three things. But on Councilmember Herrera's, I know San José has got what they call -- the library has the San José way. And I think it's a cost recovery but it is -- because there is such a demand for the methods that they have created, that it was starting to lose staff time on their work. So they start doing staff recovery. So that it doesn't cost them things, and they don't lose staffing, they can maintain the levels of their staff. I know they report to Nora Campos committee, neighborhood services and education. But I know that one of the things is the meters and control systems, that can meet the metering standards. What is kind of an anticipated time line that will be something that is workable so we can get the reduced cost on the utilities?

>> The PG&E is testing out as I mentioned two of the systems that we've used previously. We're waiting for results on those tests. But the initial conversations they had with though vendors, they were very optimistic, they felt they could meet the standards and if they can others can. And then it is a matter of just including that specification in our next July purchases, so we make sure we have not only the accuracy but the means of communicating information back to the PG&E securely, and then the new rate schedule that will allow us to bill accordingly.

>> Councilmember Chirco: And that's what I was looking at, was the anticipated new rate schedule would go into effect May 1st. And so the metering was right around that it would come together in a very nice timely manner so that you could actually get your rates when they're loud and then it becomes really cost-effective.

>> Right.

>> Councilmember Chirco: Well hopefully. Thank you.

>> Councilmember Liccardo: Thank you. Thanks for the presentations. Of course we'd all wish there were easy ways to pay for this lair ah but I appreciate the work you've done. You get some perspective on the cost saving share. Friday night Paul Perera and a group of neighborhood leaders organized a nighttime bike street light tour. I was out there with them for a little while, at least. I guess over about six streets, six major streets throughout the downtown they found 133 street lights that were out. My understanding is, we are paying for the electricity theoretically to PG&E on each one of those -- I guess more than theoretically, we're really paying for it -- and it's not serving us. There's enormous benefit here in being able to get our street light system smarter. So thank you for all your efforts on that. Quick question I had on the two conservation block grant programs we have in the spring. Are there any obvious criteria that would help us, councilmember, understand, councilmembers understand where those lights are going? Are they focused on lower income neighborhoods, if they're through CDBG, or --

>> There are some restrictions for the CDBG program about where those lights can go. I know that my colleague, Amy Olay has been working on that She has been working with the SNI neighborhoods to see where there might be a convergence between the needs of the program and the needs of the city. We're also trying to sort of hit the sweet spot about the most efficient lights to replace for the most value for the investment. But I believe she is meeting with SNI. They had a meeting last week and they may be having additional ones to determine the best locations for those lights.

>> Councilmember Liccardo: Okay, so for instance are crime rates being considered as one criteria or --

>> I can't speak to that, but I can speak to her and get back to you.

>> Councilmember Liccardo: Thank you Laura. Any further comments or questions? Okay, great.

>> Councilmember Chirco: Move to accept the report.

>> Councilmember Herrera: Second.

>> Councilmember Liccardo: All in favor, anyone opposed? Okay, nobody opposed? And we move on to public comment. I believe -- Mr. Wall, welcome.

>> David Wall: Couple of items. One of them involves a personnel issue and I don't traditionally mention these things but it deals with parking control. We have a parking control officer that's on the verge of losing her job. One of the aspects raised since she refused to fix a citation once it was issued. So there's an issue of departmental policy concerning citations versus the law concerning citations. It should be looked at. The other issues that I'd like to talk about, one I'd like to give tremendous compliments to Councilmember Campos, with her very great success for the environment with Vegolution. One should pay very close attention to the economic power of growing vegetables and produce locally. The other thing I would like Your Honor, Councilmember Liccardo, on your bicycle tours, please include north 11th street in between Santa Paula and horning street. What we have is an issue that perhaps the San José police should pay a friendly visit to a recycling shop there. It appears from neighbors, that this company just pushes out their debris to the public street, which has been there for two weeks now. I drove by there earlier this morning, to see. These are several cubic yards of debris. Also, in front of this recycle project, this company, South Bay recyclers is possibly this could be illegal dump is as well. For several weeks there's several cubic yards of landscape material that is now, in my opinion, a fire hazard. So this has to be looked at. I believe recycle centers, as a whole, throughout the city, need to have a visit by the police. I just the ones that I see, there's a lot of questionable activities by the people bringing materials to these places. And they receiving them, that it just doesn't look right. Other than that, more bicycle tours needed in district 3. I'm certain that you would definitely like any street lights when you see these huge piles of illegally dumped materials that have been there for quite a while. Thank you all for doing what you do.

>> Councilmember Liccardo: Thank you, David, with that then we are adjourned.