



## HIGH SPEED RAIL COMMITTEE

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Special Meeting  
September 7, 2010

Council Member Klein called the meeting to order at 4:30 p.m. in the Council Conference Room, 250 Hamilton Avenue, Palo Alto, California.

Present: Burt, Klein, Shepherd, Price (arrived at 4:39)

Absent:

### 1. Oral Communications

Jeff Wolfeld, Palo Alto, spoke regarding the Charleston Meadows Association petition against the High Speed Rail.

Robert Pollak, Mountain View, spoke regarding his opposition to the High Speed Rail.

C. Chowder stated he did not support the High Speed Rail and noted the community would be financially responsible for subsidizing.

### 2. Discussion of Draft High Speed Rail – Economic Development Analysis

High Speed Rail Manager, Rob Braulik stated the High Speed Rail Committee (Committee) had requested a Property Value Analysis and an Economic Development Analysis be completed. Staff had sent out Request for Qualifications (RFQ's) to several firms who compile both types of data. Staff presented the Committee with an outline of information; business costs, impacts on land uses, commercial rents, revenues and traffic they were suggesting receiving from the firms. He requested Committee direction.

Chair Klein suggested the outline questions be worded with a more neutral slant.

Mr. Braulik stated he would ensure the verbiage for the questions were properly vetted. He clarified Staff had compiled a list of economic development studies that had been completed on High Speed Rail (HSR) which were available through the City website under the HSR page.

Council Member Shepherd asked for clarification on the purpose for completing the economic development and the property evaluation studies. She understood the property evaluation was important to couple with the cost. She wanted to verify the value of the studies had merit for the extra expense.

Council Member Price stated the Committee had discussed the relevance of the points being brought forward by Staff in previous meetings. She felt as though some of the information would assist in further discussions of the location of a possible station she noted any discussion of whether there would be a station or not was a distance in the future. She thought there needed to be further discussion on the HSR overall prior to funding the studies.

Mayor Burt stated Palo Alto was required to respond to the California High Speed Rail Authority (CHSRA) in October regarding the desirability of a station in the City. He felt the studies would provide more sound analysis on the merit of a station. He did say Palo Alto was different than other cities in terms of developmental impacts. There was a job to housing imbalance which caused the State and Association of Bay Area Government (ABAG) to allocate Palo Alto with very aggressive housing and growth requirements. There were also impacts on the considerations for school growth. He stated the full Council made a policy direction to move forward with the analysis studies. The Committee did not have the latitude to change the discussion. He asked whether there was collaboration with the Real Estate community who had volunteered to utilize their private sector expertise and domain for the benefit of analysis on the impacts. Leveraging community resources allowed us to have a better product at a lower cost in a timely manner.

Council Member Price asked whether the economic development study could be broken into phases and completed in a timely manner so as to be utilized in the deliberations related to potential station locations.

Mr. Braulik stated the CHSRA had scheduled station discussions through their consultant for October 7, 2010. He clarified there would not be information completed prior to that discussion. He felt once the firm had been selected and the information requested had been conveyed, there would be a 60-day lead time for completion.

Council Member Price stated the Corridor Study would benefit from the potential information being sought in the Property Value Analysis and an Economic Development Analysis. She clarified there would be initial data available prior to the 60-days even if it were preliminary that could be useful. The Scope of Service would be defined by the Council to ensure receiving information at crucial increments.

Mr. Braulik clarified the information being presented by the CHSRA on the station discussion may be more design based and less quantitative of the economic orientation.

Chair Klein asked whether it was a fair business practice to send out an RFQ for both studies when there may be qualified firms capable of completing one or the other analysis. He wanted to make certain the firms that would be interested in responding to the RFQ without the Property Evaluation Analysis portion had the ability to do so.

Mr. Braulik stated the RFQ had yet to be sent out and had the ability to be altered if that was the Committee direction.

Chair Klein asked for an estimated cost for each Economic Development Analysis and the Property Evaluation Analysis.

Mr. Braulik stated at the present time he was uncertain of the costs.

Deputy City Manager Steve Emslie confirmed there was a \$40 thousand marker placed in the budget for the Property Evaluation Analysis.

Chair Klein clarified there was an estimated cost of \$40 thousand per analysis for a total cost of \$80 thousand.

Mr. Keene stated he did not feel the need to expend additional costs to analyze the station portion of the project.

Chair Klein concurred with the City Manager.

Mayor Burt stated although he agreed there should not be a large expense focusing on the station analysis, there was a need for a preliminary analysis. He stated the analysis on the station should include information on an automobile trip count compared to an improved Caltrain with a traditional feeder system with multiple stops along the Peninsula. He clarified an

independent study performed by an expert in the field had a greater impact than the opinions of individuals.

Council Member Shepherd stated moving forward with the property tax analysis was necessary and useful information. She suggested withholding support for the Property Evaluation Analysis until discussion on the station portion had been worked through.

Council Member Price asked whether the sub-consultants working on the Comprehensive Plan had expertise that could be lent to the analysis portions.

Director of Planning and Community Environment, Curtis Williams stated the he was uncertain their expertise was based in the Peninsula areas although they did have an applied development economics background.

Council Member Price stated they had familiarity with Stanford and Palo Alto, and their land use and zoning issues. She clarified if Staff could define the analysis requests the sub-consultants may be capable of compiling the Station Analysis.

Mayor Burt stated there was an interest in verifying whether or not the consulting group handling the Comprehensive Plan could be converged with the Economic Impacts Analysis. He noted he felt the most important element was the Property Evaluation Impact Analysis; there would be impacts on both commercial and residential property. He clarified the three aspects to the analysis included the impacts from an above-grade, at-grade and below-grade level.

Mr. Keene stated the City was in part being driven by the California High Speed Rail Authority (CHSRA) timelines. He noted defining the Scope of Services and receiving a clear definition from the High Speed Rail Committee (Committee) so as to the deliverables desired was imperative. He noted nothing precluded the City from bidding out the Request for Proposal (RFQ) in segments that would allow Staff the ability to mix and match different portions of the projects analysis from different vendors.

Herb Borock spoke regarding the Environmental Impact Report (EIR) saying the Council should have an opportunity to vote regarding their position on the station. He stated it was important the Cities position of the station, necessary parking structures and costs be received at the earliest date.

Chair Klein stated the full Council had approved the Study being completed; although, the Committee had purview to make recommendations to the Council. He clarified the direction to the Committee from Council was to determine whether the Analysis' were the appropriate way to move forward and to provide feedback as to what should be included in the Analysis.

Mayor Burt asked in the absence of a Motion what information Staff had gathered for the RFQ process during the discussions from the Committee.

Mr. Braulik stated that his understanding of the Committees focus was to tighten the preliminary analysis requirements, review the auto-trip impacts and meet with the sub-consultant group working on the Comprehensive Plan to determine their capability or probability to complete or participate in the Economic Development Analysis.

Chair Klein recommended the elimination of the station portion of the analysis. He felt it was not a sufficient use of funding.

Council Member Shepherd asked whether the suggestion was to eliminate the income development portion for the station or the entire station portion of the analysis.

Chair Klein clarified the entire analysis of the station.

Mr. Keene asked Staff for an estimated date to return to the Committee with a draft Scope-of-Services.

Mr. Braulik stated it was possible to return to the later part of next week.

Mr. Emslie noted the next scheduled meeting was September 16, 2010.

Council Member Shepherd stated she was in favor of allowing the community to provide input on a station being built in Palo Alto. By eliminating the analysis portion of the discussion the opportunity for the community to voice their thoughts on the matter would be eliminated.

Chair Klein stated his Motion was to not expend funds to complete an analysis of the station.

Mr. Keene stated at present Staff would proceed with the Scope-of-Services on the impact of the economic analysis which included property evaluations and difference economic impacts with a sub-set of a station analysis. The draft

scope-of-service would return to the Committee for review. He stated the clarifying question was whether or not the Committee was requesting Staff to include or not include the study of a station in the City as part of the economic analysis.

Mayor Burt stated the scope-of-service was returning to the Committee in two weeks and at that time the station could be excluded from the scope-of-service prior to the RFQ being sent out for bid.

Chair Klein stated it was imperative the consultant take into account the particular characteristics of Palo Alto.

**MOTION:** Chair Klein moved, seconded by Council Member XXX, that the High Speed Rail Committee recommend to Council to not include the station study in the economic development impacts analysis.

### **MOTION FAILED DUE TO LACK OF SECOND**

#### 3. Updates and Informational Items

High Speed Rail Manager, Rob Braulik gave a brief update on the contract with Hatch Mott MacDonald to supply peer review and engineering analyses on the Supplemental Alternatives Analysis Report (SAAR). There has not been an invoice for the work as of yet although there was \$120 thousand in the account. He gave a brief report on the legislative update status. The lobbying firm Capital Advocates had completed a report which was presented to the Committee as an At-Place Item; he suggested in the interest of time for comments to be brought up at the next meeting. He recommended extending the lobbying firm's contract an additional six months with a financial cap of \$5,000 per month.

Council Member Price asked for clarification on what value the lobbying firm's service provided and she asked what their billable hours were that expended \$5,000 per month. She asked whether there had been strategic discussions with the lobbyist regarding Palo Alto's priorities.

Mr. Emslie stated there had been conferences with the Capital Advocates regarding Palo Alto's priorities and directions. He clarified the added value of the firm was having legislative representation and being able to connect with legislators who are not in the Peninsula region but were HSR supporters.

Council Member Price asked whether there were lobbyists available with better skills that could reach a more significant outcome.

Mr. Emslie stated several lobbyists had contacted Capital Advocates. He noted it was possible to go back out and re-advertise for a different firm although the timing was not necessarily deal.

Mayor Burt noted Palo Alto was sharing the cost of the lobbying firm with two other Peninsula cities and this firm had the connections to persons who were on the High Speed Rail Board that Staff did not have access to.

Council Member Shepherd asked for clarification on how the firm was sharing the fees or if they were billing each City for the same hours.

Mr. Emslie stated each City had a separate contract.

Council Member Shepherd stated the City was receiving a bill for the services being performed by the firm.

Mr. Emslie stated the firm was billing Palo Alto for the hours spent working with Palo Alto issues regarding the HSR.

Council Member Shepherd asked whether the firm was billing multiple Cities for a single hour worked on an HSR issue that may have been a cross concern for both Cities or were they splitting the cost for that time equally.

Mr. Emslie clarified in the event there was work occurring by the firm for multiple Cities simultaneously for the same issue the invoice would be divided equally between the Cities. The firm was contractually unable to double bill their hours.

Council Member Shepherd asked whether there was an option for a month-to-month contract and if so would the fee schedule remain the same.

Mr. Emslie stated it was possible to contract on a month-to-month basis.

Council Member Shepherd asked whether the fee would be the same or greater on a month-to-month schedule.

Mr. Emslie stated he believed the fee would remain the same.

Chair Klein stated there was a provision in the Agreement authorizing the termination on a months notice. Therefore implying the contract was on a month-to-month whether the City extended the term or not.

Mr. Emslie stated yes, the contract stipulated a 30-day notice sufficed as a cancellation notice.

Council Member Shepherd asked whether the 30-day notice was clearly written in the contract with no hidden penalties.

Mr. Emslie stated yes.

Mr. Keene stated there was legislative monitoring and legislative advocacy. He noted there needed to be a clear definition of what service Capital Advocacy was performing for the City. There should be a cost savings if they were performing the monitoring services.

Mr. Emslie stated Staff had explored with the firm the elimination of monitoring services which could be accomplished through volunteers.

Mr. Braulik noted during a CHSRA meeting last week he noted the firm advocating for Palo Alto.

Chair Klein asked whether Menlo Park or Atherton had renewed the Capital Advocacy contract.

Mr. Braulik stated he was uncertain.

Chair Klein asked from what point the extended six month term would begin.

Mr. Braulik stated from September 01, 2010 thru to February 28, 2011.

Mr. Keene clarified with the ability to terminate on a monthly basis.

Mr. Emslie noted the Staff recommendation included a \$5,000 monthly cap.

Chair Klein asked for clarification that the City had been being billed on an hourly basis.

Mr. Emslie stated that was correct and there had not been a cap written into the contract.

Chair Klein asked the amount the invoices had been on average.

Mr. Emslie stated the average bills had been around \$7,500 per month.



Chair Klein asked whether Staff had reviewed the invoices and agreed with the work performed.

Mr. Emslie stated yes.

Chair Klein asked whether Capital Advocacy was aware of and had agreed to the \$5,000 cap per month.

Mr. Emslie stated yes.

Chair Klein asked if Palo Alto was aware of what the expenditures had been for Menlo Park or Atherton.

Mr. Emslie stated no.

Chair Klein stated he was satisfied with the services rendered to date by Capital Advocacy they had been responsive and he felt the monitoring portion had been helpful.

**MOTION:** Chair Klein moved, seconded by Council Member Shepherd, that the Committee recommend to the Council to approve the six month extension of the contract with Capital Advocacy as stated by Staff.

Council Member Shepherd stated she was in attendance at a budget hearing with Capital Advocacy and expressed her appreciation for his guidance and understanding of the position of Council Member in relation to the process. She stated there was a need for skill and expertise to maneuver through the Sacramento legislature process.

Council Member Price stated her support for the Motion with the caveat of the concerns and questions raised be thought through and responded to. She wanted to be reassured there would be a strategy session scheduled prior to the six month period.

**PASSED:** 4-0

Chair Klein noted the time and remarked he felt Agenda Item No. 4 would need to be heard at a later date.

Mayor Burt stated given the "No Confidence" vote being recommended to the full Council he felt the letter needed to be reframed so as not to imply

inconsistency with the recommendation. He suggested working with Staff to revise the draft letter for the upcoming Council meeting.

Council Member Price had questions regarding the reference to the University of California Berkeley Institute of Transportation Studies (UCBITS) on page two of the draft letter. She asked whether it would be more beneficial to request the California High Speed Rail Authority (CHSRA) to respond on a point by point basis by a given timeline rather than meeting with them to discuss the issues raised.

Mayor Burt stated the CHSRA had previously responded in an aggressive rebuttal manner with dismissing the validity of the ITS. The letter was to encourage the CHSRA to have a substantive meeting to understand the positions better than they currently do.

4. Discussion of Draft Letter From Mayor Burt to California High Speed Rail Authority

None.

5. Updates and Informational Items

None.

6. Future Meetings and Agendas

Chair Klein stated the item with the most urgency due to deadlines appeared to be the response to the Environmental Impact Report (EIR). He noted the full Council would be hearing the item on September 20, 2010 during a Closed Session.

Council Member Shepherd asked how the Committee acted on the EIR if it were in a Closed Session. Was it the Committee who framed the argument for the Closed Session, what role did the Committee share in leading to a Closed Session.

Mayor Burt stated the full Council determined the schedule for Closed Session while Staff compiled background analysis to prepare for and frame the discussion.

Chair Klein stated there could be a public discussion on the deficiencies of the EIR prior to the Council meeting. The Committee could recommend to Council

in a limited sense what the following issues were within the EIR. The Council would determine whether the issues were serious enough and needed to go to litigation.

Mayor Burt suggested placing the Closed Session at the end of the Council meeting to allow for the public to comment.

Chair Klein stated the public would have an opportunity to speak during a Committee meeting prior to the September 20, 2010 Council meeting.

Mr. Keene confirmed there would be a scheduled HSR committee meeting prior to September 20, 2010.

Mayor Burt stated the current agenda for September 20, 2010 was light. The question would be where to place the Closed Session and when to begin the Council meeting.

Council Member Price asked if there was a protocol to have Public Comment then the Closed Session before beginning the rest of the Council meeting thus allowing the public to speak and leave.

Mayor Burt clarified there would be public waiting to speak to the remainder of the meeting if the Closed Session was first.

Council Member Price expressed concern about getting to the Closed Session too late in the evening.

Chair Klein stated the Committee needed to make a series of recommendations to the full Council. He suggested a special meeting be held in the evening on September 15<sup>th</sup> with no firm end time in order to accomplish the review of the remaining items.

Mayor Burt asked for clarification the thought was to dedicate a Council meeting to High Speed Rail.

Chair Klein stated yes, September 20<sup>th</sup> or 27<sup>th</sup> although his preference was the 27<sup>th</sup>.

Mayor Burt stated if Council was to devote the September 20<sup>th</sup> Council meeting to the High Speed Rail the remaining items on the agenda would need to move to a special Council meeting on the 27<sup>th</sup>.

**MOTION:** Chair Klein moved, seconded by Council Member Shepherd to schedule a special High Speed Rail Committee Meeting on September 15, 2010 starting at 6:00pm or 7:00pm, in lieu of the Regular Meeting that week and that the full City Council EIR Meeting would be held on September 20, 2010. Consideration of other HSR Committee recommendations to also be heard on September 20<sup>th</sup>, with a back up option of scheduling a Special Meeting on September 27<sup>th</sup> if all recommendations could not be heard on the 20<sup>th</sup>.

Mr. Keene clarified there would be a working session at the September 13<sup>th</sup> Council meeting to discuss a range of High Speed Rail issues and to form the recommendations for the September 20<sup>th</sup> Council meeting.

Mayor Burt stated the Council meeting on September 13<sup>th</sup> would be a challenge due to the abundance of items currently on the agenda. The presentations, public input, and Committee dialogue alone would take more than two hours without taking any action.

Chair Klein agreed and reiterated his suggestion was to place a Study Session for the HSR on the Council meeting of September 13<sup>th</sup>.

Mr. Keene confirmed there would be a scheduled Study Session regarding the HSR updates for September 20<sup>th</sup> with the 27<sup>th</sup> as a back-up meeting in the event all of the items from the 20<sup>th</sup> were not completed. The Closed Session on the EIR would still be placed at the end of the agenda for September 20<sup>th</sup>.

Mayor Burt recommended in order to hold a substantive HSR meeting on September 20<sup>th</sup> there needed to be a Special Council meeting scheduled on the 27<sup>th</sup>. Move the items from the 20<sup>th</sup> that were not time sensitive to the 27<sup>th</sup> meeting.

City Clerk, Donna Grider clarified the Refuse Rate public hearing was on September 20<sup>th</sup> and it was a time sensitive item.

Council Member Price asked if the Council meeting for September 27<sup>th</sup> could start at 7:00 p.m. and not have any Closed Sessions at the beginning.

Council Member Shepherd had concerns with the HSR meeting being held on September 15<sup>th</sup> in the evening any information coming out of the meeting would miss the regularly scheduled packet. She noted there would need to be a special packet for the necessary HSR information.

Mr. Keene confirmed Staff was scheduling a Study Session for eh HSR on September 13<sup>th</sup> at the regularly scheduled Council meeting, a special HSR

Committee meeting for September 15<sup>th</sup>, adjusting the agenda for the September 20<sup>th</sup> Council meeting to add HSR issues and a special Council meeting on September 27<sup>th</sup> to house the previously scheduled items from September 20<sup>th</sup> meeting.

ADJOURNMENT: Meeting adjourned at 5:58 p.m.