



CITY COUNCIL RAIL COMMITTEE FINAL MINUTES

Special Meeting
Thursday, May 23, 2013

Chair Shepherd called the meeting to order at 9:04 A.M. in the Council Conference Room, 250 Hamilton Avenue, Palo Alto, California.

Present: Burt, Klein, Kniss, Shepherd (Chair)

Absent:

ORAL COMMUNICATIONS

Herb Borock suggested the City Council request that Caltrain install quiet gates as a mitigation measure for horn noise. The gates, he suggested, should be affordable and should be installed at the beginning of the electrification project.

APPROVAL OF MINUTES

Minutes Approval for March 28 and April, 25, 2013

MOTION: Council Member Kniss moved, seconded by Council Member Klein to approve the minutes of March 28, 2013 and April 25, 2013.

MOTION PASSED: 4-0

3. Updates

- a. Peninsula Corridor Joint Powers Board (PCJPB)
- b. Peninsula Cities Consortium (PCC)
- c. Caltrain Local Policymaker Group
- d. Caltrain State Rail Plan

Richard Hackmann, Management Specialist reported the next Peninsula Corridor Joint Powers Board (PCJPB) meeting was scheduled for June 6, 2013. The Peninsula Cities Consortium (PCC) meeting was scheduled to meet June 7, 2013. The Caltrain Local Policymaker Group was scheduled to meet May 23, 2013, at 6:00 P.M.

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The agenda topics included a 4th Street and King Street Station Yard Reduction or Removal Feasibility Assessment and the blended system planning studies. At the end of the month, Caltrain anticipated releasing gate crossing and traffic analysis studies. The City's federal lobbyist reported that the President requested a \$6.4 billion appropriation for rail in the 2014 Budget as part of a broader five-year \$40 billion appropriation for current passenger rail service, rail service improvements, and research and development of new technology. The Caltrans State Rail Plan update was due in the middle of June 2013.

Council Member Burt reported that Caltrain would not share the report on the Phase II Capacity Analysis with the Local Policymaker Group prior to its release to the public. He was concerned about the meaningfulness of the Group and felt attendance would decline unless the situation changed.

Chair Shepherd inquired whether discussion of actions the Council might take to shape the Local Policymaker Group should be placed on an upcoming Agenda.

Council Member Burt responded yes.

Council Member Kniss inquired about the source of funds for the \$40 billion appropriation.

Mr. Hackmann believed it was part of the transportation budget. All three activities were expected to be funded from a proposed new Rail Account of a proposed Transportation Trust Fund. The Consolidated Transportation Fund was proposed in 2012, but Congress rejected it.

Council Member Kniss inquired whether the appropriation that had not been approved was included in the Budget.

Mr. Hackmann replied in the affirmative. The President proposed the creation of the Fund.

4. Report From Professional Evaluation Group, Inc.

a. California High Speed Rail Authority (CHSRA)

John Garamendi Jr., Professional Evaluation Group, Inc. continued to speak with Staff daily about State activities and High Speed Rail (HSR).

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At the California High Speed Rail Authority (CHSRA) Board meeting on May 2, 2013, there was a great deal of discussion regarding the change to the Request for Proposal (RFP) and the selection of the best scores for the initial construction project from Madera to Fresno. There were concerns regarding the overall RFP process. Otherwise, the CHSRA meeting did not affect Palo Alto. The next meeting was scheduled for June 2, 2013, when he expected CHSRA to award the bid for the initial construction segment.

Council Member Kniss noted that June 2, 2013 was a Sunday.

Mr. Garamendi corrected himself and said the meeting would be held the first week of June 2013. None of the other bidders challenged the bid process, and there was a specific time period for challenges to be submitted. However, he did not expect any of the competitive bidders to submit a challenge. Senate Bill (SB) 557, authored by Senator Hill continued to proceed without opposition. The Sunset Provision was included and attached specifically to funding. SB 731 regarding the California Environmental Quality Act (CEQA) was not amended since the City Council Rail Committee's (Committee) last meeting. He continued to work with Staff to review the Bill and determine unintended consequences. He anticipated the Bill would be completed after the summer break. Senator Hill was listed as a coauthor of the Bill; therefore, he was able to work with Senator Hill's Staff to ensure Palo Alto's concerns were heard. SB 525, which provided CEQA exemptions to HSR over the Altamont Pass was placed to the side, while SB 731 proceeded. Some provisions of the Bill were expected to be of concern for Governor Brown. Regarding Senator Denham's hearing next week, the Federal Government had a great deal of money invested in the project and ensured the rules were followed. Of vital importance was the Kings County lawsuit, scheduled for hearing on May 31, 2013; it was not joined with the other lawsuits. If HSR won the suit, then other lawsuits were expected to be filed, If HSR lost the suit, then they were going to appeal the decision.

Chair Shepherd asked if there was any discussion of a challenge by any of the bidders.

Mr. Garamendi did not hear any discussion.

Council Member Klein inquired whether CHSRA continued to indicate they would break ground beginning this summer.

Mr. Garamendi replied yes.

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Council Member Klein asked if the Committee should believe them.

Mr. Garamendi did not believe it but CHSRA could have information that was not available to the public.

Council Member Klein inquired whether CHSRA acquired any land.

Mr. Garamendi was not aware of any land acquisitions.

Council Member Klein asked what the CEQA Bill indicated with respect to HSR.

Mr. Garamendi reported the Bill did not refer to HSR but mostly focused on high density housing and inner city redevelopment. There was speculation that the Bill was connected with the Sacramento Kings and the downtown arena proposal, as the Senator was anxious for the Bill to be broader than Sacramento.

Council Member Kniss was surprised by the amount of discussion surrounding the CEQA Bill.

Mr. Garamendi indicated many people were attempting to find other meanings for it but the only group formally supporting the Bill was the California Association of Realtors. Environmental groups watched and hoped for meaningful reform.

Aaron Aknin, Assistant Planning Director reported that the CEQA Bill required cities to post the adopted CEQA findings at least 15 days prior to the approval of a development project. Most cities, including Palo Alto, typically adopted the CEQA findings at the time the overall project began. The Bill required at least one additional public hearing. Another condition was to post and monitor mitigation requirements. The Bill placed an additional unfunded mandate on cities to monitor each project for mitigation requirements. This project requirement left the challenge period open for the life of a project. In addition, the Bill removed aesthetics as a potentially significant criterion for review associated with Transit Oriented Development (TOD). The Bill reintroduced parking as a potential CEQA impact.

Council Member Klein inquired whether the Bill was intended to make things easier for developers.

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Mr. Aknin indicated the Bill was supposed to make the process easier for developers and for public infrastructure projects. More problems were expected to occur with public projects if a city had to post CEQA findings a few weeks in advance.

Chair Shepherd inquired whether the City would have to file a lawsuit on each project in order to finalize possible CEQA challenges, much like how CHSRA filed suit on bond funds.

Mr. Aknin said the Bill required a city to adopt CEQA findings prior to adopting the actual project and said that was the primary concern with the Bill. The troubling requirement was posting the mitigation monitoring reports, which meant an indefinite challenge period based on the monitoring reports.

Council Member Klein understood the CHSRA lawsuit only applied to bonds, not CEQA situations.

Chair Shepherd foresaw similar actions being taken to terminate challenges and asked what Staff's process was for sharing information regarding the CEQA Bill.

Richard Hackmann, Management Specialist planned to discuss it with the City Manager and the Mayor; he requested direction on the next step.

Chair Shepherd felt the information should be presented to the Council.

Council Member Burt noted that the Committee could refer it to the Council.

Mr. Hackmann believed the evolution of the Bill warranted a conversation outside the rail context.

Mr. Aknin worked with Molly Stump, City Attorney to review the Bill; the next step was to present the information to the City Manager.

Chair Shepherd inquired which Staff person was the contact person while the Council was on Break.

Council Member Kniss assumed Staff would follow policy set by the Committee.

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MOTION: Chair Shepherd moved, seconded by Council Member Kniss to bring the discussion of the California Environmental Quality Act (CEQA) in relation to Senate Bill 731 to Council through a City Manager Report, an Informational Report, or an Agenda Item before Council Break.

Council Member Kniss believed official policy direction was needed.

Chair Shepherd noted that the Council adopted a CEQA Guiding Principle, but she wanted to ensure the Bill was addressed properly while the Council was on Break.

Council Member Kniss indicated that Staff, and possibly the consultant needed direction.

Council Member Burt explained that an Informational Report would not require Council discussion.

Council Member Kniss wanted an Agenda Item because the Council could not set policy without a discussion.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to direct Staff to agendize California Environmental Quality Act discussion involving High Speed Rail for full Council before July 2, 2013.

Council Member Klein was agreeable to a Council discussion and said the best Council could do was to craft a general policy such as stated in the Rail Guiding Principles. He was concerned that the Council would attempt to anticipate provisions of the Bill because the Bill was not a true Bill.

Council Member Burt stated the Guiding Principles did not adequately lay-out a basis for all decision making, but he did not believe it could be further refined. It was difficult for the Council to do more than provide input based on the form of the Bill at the time of discussion.

Council Member Klein suggested placing this topic on the June 17, 2013 Council Agenda.

Council Member Kniss agreed.

Council Member Burt suggested June 17, 2013 or the final Council meeting.

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Chair Shepherd requested Staff draft a policy for handling the CEQA Bill while the Council was on Break.

MOTION PASSED: 4-0

5. Discussion of Potential City of Palo Alto Comments at Congressman Jeff Denham's Hearing on HSR.

Richard Hackmann, Management Specialist reported on Tuesday, May 28, 2013, the Railroad House Subcommittee and Pipelines and Hazardous Materials held a hearing on oversight of the California High Speed Rail Authority (CHSRA). Staff requested direction regarding Staff participation at the hearing.

Council Member Kniss asked why the hearing would be held in Madera.

Mr. Hackmann explained Madera was located in the Central Valley, the site of the initial construction segment for High Speed Rail (HSR).

Council Member Kniss suggested Staff attend the hearing.

Chair Shepherd inquired whether John Garamendi would attend the hearing.

John Garamendi Jr., Professional Evaluation Group, Inc. replied no.

Council Member Burt felt Mr. Hackmann should be present if Mr. Garamendi was not. He preferred that the City continue to focus on the Peninsula segment of HSR, rather than on the entire project.

Chair Shepherd recalled some Council Members met with Congressman Denham while they were in Washington, DC.

Council Member Kniss noted that Congressman Denham had a strong position.

6. Continued Discussion of the Preliminary Cost Estimates for Grade Separation and Trenching Status.

Richard Hackmann, Management Specialist reported that the City Council Rail Committee (Committee) directed Staff to revise the scope of the proposed grade separation analysis for two scenarios and to reduce the cost of services by \$127,000. Staff was confident that the reduced scope provided accurate orders of magnitude and information, and that it began a community dialog concerning the City's vision for grade separations.

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Staff met with Hatch Mott MacDonald and requested a determination of whether funds could be saved through phasing of work. Hatch Mott MacDonald proposed performing a Phase I analysis for approximately \$60,000 and a Phase II analysis for approximately \$67,000. The Phase I analysis provided information regarding alternative evaluation and draft concepts to identify potential project impacts and draft concept level cost estimates for alternative comparison purposes. In a Phase II analysis, Hatch Mott MacDonald developed selected alternatives to a final concept level, provided a final order of magnitude project costs for evaluation, and provided a final feasibility study report. The most important piece of information obtained through this analysis was a clear understanding of the differences in cost and construction between a trench and grade separations.

Council Member Klein noted the proposal was to develop grade separation alternatives between vehicular traffic and a fully electrified Caltrain service at four locations within Palo Alto. The proposal did not mention depressing the Caltrain Corridor into a trench.

Chris Metzger, Hatch Mott MacDonald indicated the intent was to review the two major alternatives and to refine those as needed.

Michael Canepa, Hatch Mott MacDonald added that the proposal contained language regarding a trench alternative.

Council Member Kniss inquired whether "under the existing crossing roadway" was language for a trench option.

Mr. Metzger responded yes.

Council Member Klein understood the proposal to indicate that the railway would be trenched for only part of the distance through Palo Alto.

Mr. Metzger explained that the language was included to allow the study to refine issues when impacts could be reduced through moving one system up and the other down. The initial effort was to review the long trench and grade separations for the roadway.

Council Member Klein recalled Hatch Matt MacDonald's 2011 report provided great detail regarding the cost of a trench, and asked how the 2011 study was different from the current study.

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Mr. Metzger reported the 2011 study analyzed the cost of constructing the trench alone. The current study reviewed the cost of the trench project and any ancillary impacts from the project.

Mr. Hackmann noted the 2011 report was a cost per foot construction estimate and did not include other costs associated with construction. The current study reviewed ancillary impacts, such as property acquisition and utility relocation.

Council Member Klein stated the cost of constructing a trench was approximately \$130 million per mile and any additional work only increased that cost. The minimum cost of constructing a trench was approximately \$500 million.

Mr. Metzger agreed that ancillary costs would increase the overall trench costs, but ancillary costs would also add context to the analysis when comparing the benefits and costs of the options.

Council Member Burt inquired whether the 2011 study considered four-track or two-track.

Council Member Klein answered two-track.

Council Member Burt asked if Hatch Mott MacDonald would consider elevated roadways in the analysis.

Mr. Metzger wanted to start with the two ideas, and then look for opportunities for hybrid alternatives.

Council Member Burt understood hybrid to mean partially submerging or partially elevating the railway. The Staff Report and the proposal only mentioned submerging roadways that crossed the railway. There was no mention of elevating the roadways.

Mr. Metzger explained that the impact of taking roadways under the railway was less than the impact of elevating roadways over the railway. Elevating the roadways required more clearance.

Council Member Burt inquired whether Mr. Metzger could positively state that elevating the roadway over the railway would have greater impacts in comparison with submerging the roadway under the railway.

Mr. Metzger agreed at the current time.

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Council Member Burt asked if Hatch Mott MacDonald could compare submerging and elevating roadways from a cost standpoint.

Mr. Metzger added that Hatch Mott MacDonald could make that comparison as part of the study.

Chair Shepherd inquired whether that comparison was to be part of the Phase I study.

Mr. Metzger felt a Phase I study should include some statements about the comparison. A Phase I study considered the relationships of the alternatives; whereas, a Phase II study considered the details of each alternative.

Mr. Hackmann explained that the Staff Report focused on submerging roadways because of the reduced environmental footprint and the visual impact.

Council Member Burt stated that the Phase II Capacity Analysis could determine that grade separations were not necessary if the number of trains did not exceed six trains per peak hour. Under the blended system agreement, Caltrain was not able to provide more than six trains per hour during the peak hour until High Speed Rail (HSR) was implemented in 2029. If Caltrain was electrified, then the City could choose to assume that ridership would be greater and that Caltrain would renegotiate the agreement for more than six trains per peak hour. At which time, he predicted that grade separations would become an issue for Caltrain and Palo Alto.

Chair Shepherd clarified that it was six trains per hour one way.

Council Member Burt felt that the urgency to proceed would be influenced by the Capacity Analysis and by whether the blended system agreement should be the basis for future planning.

Council Member Kniss believed the cost for trenching and ancillary impacts would double the estimated cost to \$500 million, and inquired whether the Committee had discussed potential sources for those funds.

Chair Shepherd indicated that the Committee had not discussed funding sources.

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Council Member Kniss mentioned that Council Member Burt's concerns were projections that looked far into the future, but said the information was valuable. She asked if the 2011 study provided the basic cost of a trench option.

Mr. Metzger reported the 2011 study was the first step for a trench option.

Council Member Kniss was interested in a Phased approach.

Chair Shepherd wanted to discuss the timing of the study and liked the Phased concept. The full Council needed to discuss a vision for the Rail Corridor because there were differences in how cities within San Mateo and Santa Clara Counties worked regarding the Rail Corridor.

Council Member Klein wanted to refocus the discussion on the Agenda Item.

Chair Shepherd reiterated that the proposal should be presented to the Council so the discussion of grade separations could be had.

Council Member Burt agreed that the study proposal should be presented to the Council for a decision; however, the timing of the study needed to be informed by the Caltrain Capacity Analysis. The Committee needed to continue with a recommendation to the Council regarding the study to the June meeting.

Mr. Hackmann noted the Committee was scheduled to meet on June 27, 2013.

Council Member Burt recommended that the Committee discuss the Capacity Analysis prior to making a recommendation to the Council regarding the study.

Chair Shepherd did not believe the study should be presented to the Council prior to the Break.

Council Member Burt advised that the Committee not make assumptions regarding possible scenarios, costs, and funding sources.

Council Member Kniss presumed that the \$130 million amount Council Member Klein referenced earlier was an actual figure.

Council Member Burt explained that the \$130 million figure included the Rail Corridor and said the figure assumed the inclusion that the Rail Corridor would be submerged the entire length of the City.

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Council Member Kniss supposed that the \$130 million amount had merit.

Council Member Burt indicated that the assumptions were a reasonable starting point if they proved to be valid. Other cost estimates were available; however, they all assumed and included different variables.

Council Member Kniss stated the Committee could not proceed without making some assumptions.

Chair Shepherd noted the proposal indicated Hatch Mott MacDonald would assume no changes to Embarcadero Road or Oregon Expressway. She was interested in having a good presentation for the Council to begin a community dialog regarding grade separations.

Council Member Burt reported Council Member Kniss' assumptions were not accurate as stated in the proposal. The report excluded consideration of recessed tracks at Embarcadero Road and Oregon Expressway; therefore, the railway was not trenched the entire length of the City; the Committee did not have enough information to make assumptions.

Council Member Klein only wanted to quote from reports. The study needed to be presented to the Council for funding to be authorized. He did not believe the study was needed because the 2011 study provided the basis for cost estimates.

Council Member Kniss felt the cost estimate for trenching was reasonably accurate and thought the study should not proceed until the Committee received additional information.

MOTION: Council Member Burt moved, seconded by Council Member Kniss to continue the discussion of Agenda Item Number 6 "Continued Discussion of the Preliminary Cost Estimates for Grade Separation and Trenching Status" (continued from April 25) to the next Rail Committee meeting on June 27, 2013.

Council Member Burt felt the most promising alternative would likely be a hybrid of the two alternatives. A below-grade alternative was the official position of the City, and to eliminate that option without changing City policy was wrong. If the Committee concluded that a below-grade option was not feasible for economic reasons, then a discussion was needed to change the Guiding Principles.

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Chair Shepherd believed the work of the Committee was to determine a method to discuss grade separations. Grant dollars for trenching were possible, but the Council needed a clear understanding of trenching in order to complete grant applications. She supported the Motion, but wanted to present information to the Council regarding grade separations in the near future.

Council Member Burt requested a rough estimate of costs for submerged grade separations.

Mr. Metzger stated that the cost to submerge one roadway at one location could be \$50-\$150 million.

Council Member Burt asked if that range included difficulties with Alma Street.

Mr. Metzger replied yes. Hatch Mott MacDonald did not plan on redoing the 2011 study, but wanted to build on it.

Council Member Klein stated his point was that Hatch Mott MacDonald provided sufficient information in 2011.

Mr. Metzger said he could add context for use of the estimates in the 2011 study.

Council Member Kniss suggested Hatch Mott MacDonald provide anecdotal information regarding other cities' costs for grade separations.

Mr. Metzger was able to summarize the different grade separations that occurred over the last 20 years along the Corridor.

MOTION PASSED: 4-0

FUTURE MEETINGS AND AGENDAS

- a. Update on the Caltrain Gate Crossing & Traffic Analysis Study
- b. Update on Efforts to Obtain Dedicated Funding for Caltrain
- c. Status of Litigation Against the CHSRA

Chair Shepherd requested Staff poll for a meeting the week prior to June 27, 2013; an Agenda Item for that meeting was the Caltrain Working Group.

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Richard Hackmann, Management Specialist noted Staff should have the gate crossing and traffic analysis for discussion.

Chair Shepherd indicated discussion of efforts regarding dedicated funding could be continued until August.

ADJOURNMENT: This meeting was adjourned at 10:29 A.M.