



HIGH SPEED RAIL COMMITTEE

Special Meeting
September 2, 2010

Council Member Klein called the meeting to order at 8:03 a.m. in the Council Conference Room, 250 Hamilton Avenue, Palo Alto, California.

Present: Burt, Klein, Price, Shepherd

Absent: None

1. Oral Communications

None

Chair Klein stated that not everything had to be completed prior to September 13, 2010.

Council Member Shepherd stated when the Council meets to hear information from the High Speed Rail (HSR) Committee (Committee) there needed to be sufficient information for them to retrieve a satisfactory conclusion.

Council Member Price stated that it was important to have appropriate decisions and discussions in the efficient use of time to meet the deadline and prepare meaningful material.

Mayor Burt stated the Committee should continue to agendaize HSR in preparation for the Council meeting on the September 13, 2010. At minimum they should inform the Council about what has occurred. He acknowledged a subsequent HSR meeting may need to be held prior to that date for further deliberation.

2. Discussion of California High Speed Rail Authority (CHSRA) Supplemental Alternative Analysis Report (SAAR)

Deputy City Manager, Steve Emslie informed the Committee there was a High Speed Rail Authority meeting yesterday which was intended to take public testimony on the certification of the Program Environmental Impact Report (EIR). Rob Braulik attended as the Palo Alto representative and presented written and verbal testimony objecting to the Final EIR with a request that it not be certified on the basis of comments registered in the Comment Letter that had not been adequately responded to. The decision on the Program EIR was slated to be heard this morning at the full Board meeting.

Mayor Burt stated Judge Kopp made a proposal consistent with Senator Lowenthals' recommendation regarding a process to identify conflicts of interest for HSR Board Members. He noted Judge Kopp was not able to obtain a second on the Motion.

MOTION: Chair Klein moved, seconded by XXX that the High Speed Rail Committee recommends that the City Council adopt the following Resolution:

The City Council of Palo Alto hereby declares that it has No Confidence in the High Speed Rail Authority and in the High Speed Rail Project as presently planned and that it will accordingly take the following actions:

- 1) Urge the Governor and the State Legislature to cease funding High Speed Rail, (HSR), remove the present High Speed Rail Authority Board and/or create a new governing mechanism for HSR
- 2) Urge the Federal Railroad Administration to cease funding California's HSR as presently constituted
- 3) Urge our US Senators and Member of Congress to oppose further funding of California's HSR as presently constituted
- 4) Urge the Peninsula Corridor Joint Powers Board to terminate its agreement and relationship with the California HSR Authority and take all steps necessary to prevent the HSR Authority from using the Caltrain right-of-way for HSR.
- 5) Encourage the Union Pacific Railroad to remain steadfast in its refusal to waive any of its rights to the HSR Authority, grant HSR access to tracks it controls or otherwise aid in the establishment of HSR in California as presently planned by the HSR Authority.

- 6) Coordinate and communicate with like-minded California cities in order to make our positions set forth above more effective.
- 7) Consider litigation if necessary and cost effective to protect the interests of Palo Alto with respect to HSR.
- 8) Provide copies of this Resolution and supporting materiel to: the Governor, our State legislators, United States Senators, Member of Congress, the HSR Authority Board, neighboring communities and other interested parties.

The action items listed in this Resolution are not intended to be exhaustive. Other actions, as determined by the City Council, may also be necessary and appropriate.

Relationship to Caltrain

Nothing in this Resolution should be read as negative towards Caltrain. Indeed, quite to the contrary, the City Council continues to believe that Caltrain is an indispensable part of our local transportation program, that it should have a permanent, dedicated source of funding and that it should be appropriately upgraded.

MOTION FAILED DUE TO LACK OF SECOND

Council Member Shepherd Agreed it was time to start to really move more nimbly to address the obvious flows not just the constitution of the HSR authority but the project as it stands it is repeatedly being reviewed by municipalities and cities and being found lacking in what would be normally an appropriate process for a project of this size and expense. She felt it was time for Palo Alto to take a clear stand, that until this can be looked at as a serious engineering project with a serious business plan she felt Council needed to respond Palo Altos' interest and not the deadlines that the California High Speed Rail Authority (CHSRA) had presented. She proposed reviewing each action item individually or possibly having a Committee discussion about each of our interests of these changes.

Mayor Burt stated he had understood from the statements of Chair Klein at the August 30, 2010 meeting there would be a "No Confidence" Resolution although he had not understood there was going to be a series of specific actions to be attempting to decide whether these were the actions that should be taken at this time or whether we should be weighing them all at one time. He clarified he was receptive to what was stated at the previous meeting of a "No Confidence" vote along with recommendations from the Committee with the

focus on Caltrain. He stated his thought process was to review the clear statement that was in the introductory paragraph of the proposed Resolution. He suggested the City Council of Palo Alto hereby declared it had no confidence in the High Speed Rail Authority and in the High Speed Rail project as presently planned and no other actions accompanying it at this time. He stated each individual action item presented on the proposed resolution could be considered as we moved forward. The action items were open for discussion for the Council to take positions on. He stated under the heading Relationship to Caltrain; he would follow the paragraph with the following language: Caltrain was the indispensable backbone of our local transit program and that it must have a permanent and dedicated funding source and it should be appropriately upgraded. He felt it would be a positive to say the Palo Alto was committed to full support of creating an independent funding source. He wanted to make the language clear that Palo Alto was placing the thrust of their focus on what mattered most to them which was the success and survival of Caltrain.

Council Member Price stated she largely agreed with many of the points Mayor Burt had presented. She stated the proposed Resolution went beyond the initial discussion of the previous meeting. She noted in reference to the background letter she agreed with the comments on ridership, cost, business plan, and relationship to the Authority. She shared concern with the heading Impact on the Community; she clarified the comments were phrased in a negative light. She stated we were in the process of examining both the challenges and the opportunities that come with the fixed rail transit systems. She liked the notion in the relationship to Caltrain to present it in a positive way. Fixed rail was critical; it was funded and operated to support the needs of the Palo Alto community, this portion of the region and into the future. She noted the proposed Resolution went beyond where she felt comfortable at the time. She agreed there was no confidence in the CHSRA although getting into further details regarding lack of funding, potential litigation and it seemingly pre-judges the materials and resources that were currently under investigation as in the Economic Development Study, the Corridor Study and a Property Analysis Study.

Chair Klein stated it had been his intent to follow-up with a Motion of no confidence with actions. He clarified without actions of some sort, the Motion is without merit. He noted in order to be proactive and not responsive to the HSR it was necessary to have some actions to follow-up on. The CHSRA was planning on completing the project at the lowest cost alternative, ignoring the facts of the system being intended to last a hundred year or more. When the lowest common denominator was the highest factor the true cost was transferred to the communities where the project lives. There were negative impacts that were costs that were more difficult to quantify impacts to the

neighborhoods, impacts on real estate values and traffic impacts. The inability to negotiate with the CHSRA was not a hidden fact; Palo Alto was kidding itself to believe a study of any kind was going to make a difference to the CHSRA. He stated Council needed to be proactive in the defense of the community and region.

Council Member Shepherd asked whether the correct problem was being solved. She asked if this Resolution was sent out in a void of the Caltrain project which was already anemic based on their own business plan which was ineffective, then Palo Alto was missing the opportunity to reinforce the interest the entire peninsula had in having a vibrant commute rail system. She felt both projects needed to be worked simultaneously. Palo Alto needed to take a stand to ensure the Caltrain did stop in Palo Alto, continued to increase its schedule and could come up with a viable train operational system that would reduce its own cost so the City had something to build from and that CHSRA as it moved forward would respond to our needs for the commute service. She suggested crafting a Resolution with clear language that Caltrain was going to be the premier and primary commute fixed rail system.

Chair Klein stated he was prepared to state as many positive things regarding Caltrain as possible he did not want to lose sight that HSR was becoming an overwhelming force. He noted the two systems were not as closely related as some believe.

Council Member Price stated both systems were inexplicably tied to Caltrain having a position that a part of their funding and the idea of electrification of their rail system would be successful based on their affiliation with the HSR project. She shared her concern in taking such a strong position with the funding we may be hurting Caltrain in terms of the possibilities of having these two projects work together effectively. She emphasized the need for a three county Bond Measure in support of the operations of Caltrain. She recognized the comment regarding the lower cost alternative although in major transit projects such as the HSR there was often a combination of concern for the type of project being completed for the cost and what the local community was willing to do to supplement.

Mayor Burt stated his recommendations were realistic and pragmatic. He felt taking a clear position on the fundamental skepticism of the project was not out of alignment from a number of other entities. He clarified there was not adequate time to review and discuss the action items in the proposed Resolution during the time allotted. Presenting the Proposed Resolution undermined the credibility of the City and in a political statement credibility was relied upon. He agreed the summary statement of the proposed Resolution

made a clear statement which then would become the foundation for Palo Alto to do any variety of actions. He supported the fundamental reasons of why the City should support the “No Confidence” policy. He agreed with the supplemental background information and he would support including the Motion on the “No Confidence”. In summation he felt that what all of the cities had gone through had been led down the process that was not more than a façade. He feels the City must continue to participate in the process.

MOTION: Mayor Burt moved, seconded by Council Member Shepherd that the High Speed Rail Committee recommend the City Council of Palo Alto hereby declare that it has “No Confidence” in the High Speed Rail Authority and in the High Speed Rail Project as presently planned. The City continues to believe that Caltrain is the indispensable backbone of our local transit system that it must have a permanent and dedicated source of funding and it should be appropriately upgraded. Palo Alto was fully committed to collaborating with the cities of the corridor in creating a dedicated funding source and will help provide a leadership role to that objective.

Council Member Shepherd stated she supported the manner in which Palo Alto had handled itself during the HSR project. She wanted to ensure the public understood the Council was not working with the CHSRA but rather responding to them. The goal was to decouple the HSR project from the Caltrain project so that we were left with something we can build to and use our taxpayer dollars as a municipality to build for our future.

Hinda Sack spoke regarding clearing the HSR project and Caltrain. There was a definite cause for a Corridor Study and support for Caltrain. She requested clarification of the definition for participation in the process going forward with the HSR project.

Virginia Saldich spoke regarding her support for the Resolution. It was clear to her the costs would be transferred to the community. The peninsula was being treated without consideration of the impact to the community.

Henry Lew spoke regarding the Alma corridor community. The community was not satisfied with the cost to the community.

Morris Brown, Menlo Park, spoke regarding the support of the Resolution. Caltrain and the HSR needed to be separated.

Herb Borock stated he supported the proposed Resolution and suggested the Council have the opportunity to vote on the eight action items individually. He stated Caltrain and HSR were separate entities and should be addressed as

such. The proposed Resolution opening statement made it clear to the community where Palo Alto stood.

Bill Cutlor stated his agreement with a strong statement of “No Confidence” while proceeding strategically with a plan of action. He felt the actions proposed were of a sufficient nature for the position the HSR Committee wants to get across.

Nadia Naik spoke regarding the movement should be tempered with consideration of how Palo Alto would be viewed by the Congressional and Legislative forums. She suggested having an open dialog with the Legislature to determine where Palo Alto stood with rail systems and the current project.

Jim McFall spoke regarding the continued changing plans by the HSR Authority. He supported the proposed Resolution and supported sending a strong message on where Palo Alto stood.

Jennifer Walfeld spoke regarding her support for the proposed Resolution. She noted the financial issues Caltrain was having and suggested the HSR financial situation in the future would be the same. She agreed Caltrain needed to be separated from HSR and treated as two entities.

City Manager, James Keene stated the Councils' discussions were indicative of how responsible the Committee and City Council had been through the entire process. He stated there appeared to be agreement between the Committee on the proposed Resolution with the eight points in question. He agreed with Chair Klein that the Motion of “No Confidence” without something to back it up begged the question on how would it be implemented. He suggested if the Committee was unable to reach a consensus there may be a decision to bring it forward to the full Council. He felt additional language should be added to the Motion as follows: The City Council expects to take further action if the Authority does not immediately establish a truly responsive and transparent relationship with the effected communities and present viable plan alternatives for the project. He stated there needed to be an indication of action being taken in the event the request was not responded to. He wanted to verify the Caltrain language was correct in the Motion: City Council continues to believe that Caltrain is the indispensable back bone of our local transportation system and it must have a permanent dedicated source of funding and should be appropriately upgraded. Palo Alto was fully committed to collaborating with other Peninsula cities in helping create a dedicated funding source for Caltrain and its needed improvements.

Mayor Burt stated the City Manager suggested additional wording to the Motion

did help present the foundation for whatever subsequent actions we choose to take.

INCORPORATED INTO MOTION BY THE MAKER AND SECONDER: The City Council of Palo Alto hereby declares they have no confidence in the High Speed Rail Authority and the High Speed Rail project as presently planned. The City Council expects to take further action if the Authority does not immediately establish a truly responsive and transparent relationship with the effected communities and present viable plan alternatives for the project.

Mayor Burt stated the added language clearly indicated additional actions were likely which gave the Committee the opportunity to review the proposed actions and other proposed actions and to make a thoughtful consideration as to which actions should be taken what point in time with still giving Council latitude to adapt to the rapidly changing set of circumstances.

Chair Klein asked whether there had been a suggested deadline in the Motion.

Mr. Keene stated he agreed there needed to be deadline presented to HSR in the Motion.

Mayor Burt stated the key component was to make the policy statement and grant ourselves the latitude to decide when and how the actions would be taken. He noted giving a deadline to the HSR was also giving a deadline to ourselves. The Motion on the table allowed Palo Alto to have taken an affirmative position on what it wants and do care about; it prevents other entities from accusing us of only being in a negative posture.

Council Member Price offered an Amendment to the language in the Motion to read: Caltrain is the back bone of our local and regional transit system. She stated there was a need to position Palo Alto as being a part of the regional area not just local.

INCORPORATED INTO MOTION BY THE MAKER AND SECONDER: The City continues to believe that Caltrain is the indispensable backbone of our local and regional transit system that it must have a permanent and dedicated source of funding and it should be appropriately upgraded.

Council Member Shepherd stated Palo Alto was a borderless community where transit was considered and there was a need to work in cooperation with the surrounding communities along the Peninsula Corridor. She requested to review the proposed eight action points to verify whether they should be advanced to full Council at a future time. She shared her concern with utilizing the

taxpayer's dollars in an action that may not make an impact.

Chair Klein offered an Amendment that the proposed action item 8 be included in the Motion.

INCORPORATED INTO MOTION BY THE MAKER AND SECONDER: Provide copies of this Resolution and supporting material to: the Governor, our State legislatures, United States Senators, Members of Congress, the HSR Authority Board, neighboring communities and other interested parties.

Mayor Burt stated the language in the Motion was intended to make the policy position of Palo Alto clear that the focus was to maintain Caltrain as a separate entity. He felt the proposed action item 6 should be included in the Motion.

INCORPORATED INTO MOTION BY THE MAKER AND SECONDER: Coordinate and communicate with like minded California cities in order to make our positions set forth above more effective.

Chair Klein offered an Amendment to include the remaining proposed action items on the Motion.

AMENDMENT FAILED DUE TO LACK OF A SECOND

Council Member Price stated Caltrain itself had aligned themselves with the HSR as an option for a funding opportunity. She supported the Motion with the Amendments incorporated by the Maker and Seconder.

MOTION: Mayor Burt moved, seconded by Council Member Shepherd that the High Speed Rail Committee recommend to the City Council the City Council of Palo Alto hereby declares it has "No Confidence" in the High Speed Rail Authority and in the High Speed Rail Project as presently planned. The City continues to believe that Caltrain is the indispensable backbone of our local and regional transit system. That Caltrain must have a permanent and dedicated source of funding and it should be appropriately upgraded. Palo Alto was fully committed to collaborating with the cities of the corridor in creating a dedicated funding source and will help provide a leadership role to that objective. The City Council expects to take further action if the Authority does not immediately establish a truly responsive and transparent relationship with the effected communities and present viable plan alternatives for the project. Coordinate and communicate with like minded California cities in order to make our positions set forth above more effective and to provide copies of this Resolution and supporting material to: the Governor, our State legislatures, United States Senators, Members of Congress, the HSR Authority Board, neighboring

communities and other interested parties.

MOTION PASSED: 4-0

~~3. Discussion of Draft High Speed Rail – Economic Development Analysis~~

~~4. Updates and Informational Items~~

~~Contract budget update~~

~~Legislative update~~

~~Legislative services update~~

~~Property value analysis Request for Qualifications (RFQ) released~~

~~5. Discussion of draft letter from Mayor Pat Burt to Roelof Van Ark, Chief Executive Officer, California High Speed Rail Authority (CHSRA)
(Continued from August 30, 2010)~~

~~6. Future Meetings and Agendas~~

~~Tuesday, September 7th 4:30 – 6~~

ADJOURNMENT: Meeting adjourned at 9:33 a.m.