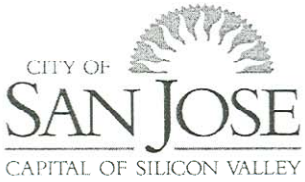
COUNCIL AGENDA: 11/16/04
ITEM: 6.1



BUILDING BETTER TRANSPORTATION COMMITTEE

Executive Summary
November 1, 2004

The meeting was convened at 1:35 p.m.

Chair Cortese began the meeting by asking that the record show there was a quorum of four members present. Vice Mayor Dando arrived at 1:39 p.m. The Committee will be hearing item A4 out of order, to be last on the agenda. Councilmember Cindy Chavez left at 2:24.

a. Expansion and Improvement of Transit and Transportation Systems

1. Report on BART Extension to San José/Silicon Valley

   Upon motion by Vice Chair LeZotte, and seconded by Councilmember Chavez, the Committee accepted the report.

2. Report on Route 101 Corridor Studies

   Upon motion by Councilmember Williams, and seconded by Vice Chair LeZotte, the Committee accepted the report.

3. Review of EIR Recommendations for Santa Clara/Alum Rock Transit Corridor of the Downtown-East Valley Project

   Upon motion by Vice Chair LeZotte, and seconded by Councilmember Chavez, the Committee accepted the report.

4. Taxicab Service Model Implementation Follow-up Report and Recommendations – **continued from October 4, 2004**

   Upon motion by Vice Chair LeZotte, and seconded by Councilmember Williams, the Committee accepted the report submitted by Chair Cortese and Vice Chair LeZotte for sake of discussion.

Following discussion the Committee heard the motion again and voted with 3 ayes, and 1 noe (Dando).

b. Traffic Relief/Safe Streets

1. Traffic Calming – Private Development Monitoring Status Report

Upon motion by Vice Chair LeZotte, and seconded by Councilmember Chavez, the Committee accepted the report.

c. Supporting Smart Growth

1. No items

d. Regional Relationships/Funding/Policy

1. Receive status report on State, Federal, and local legislative positions.

Upon motion by Vice Chair LeZotte, and seconded by Councilmember Chavez, the Committee accepted the report.

2. One Year Report on the Construction Impact Mitigation Plan (CIMP) activity

Upon motion by Councilmember Williams, and seconded by Vice Chair LeZotte, the Committee accepted the report.

e. Oral Petitions

There were none.

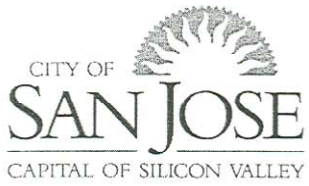
f. Adjournment

The Committee was adjourned at 4:01 p.m.

Dave Cortese

Councilmember Dave Cortese, Chair,
Building Better Transportation Committee

COUNCIL AGENDA: 11/16/04
ITEM: 6.1



BUILDING BETTER TRANSPORTATION COMMITTEE

Meeting Report
November 1, 2004

PRESENT: Chair David Cortese, Vice Chair Linda LeZotte, Councilmember Forrest Williams, Councilmember Cindy Chavez, Vice Mayor Dando

STAFF: Ed Shikada, Bill Hughes, Jim Ortbal, Bob Lockhart, Pete Oliver, Henry Servin, Ray Salvano, Hans Larsen, Timm Borden

The meeting was convened at 1:35 p.m.

Chair Cortese began the meeting by asking that the record show there was a quorum of four members present. Vice Mayor Dando arrived at 1:39 p.m. The Committee will be hearing item A4 out of order, to be last on the agenda. Councilmember Cindy Chavez left at 2:24.

a. Expansion and Improvement of Transit and Transportation Systems

1. Report on BART Extension to San José/Silicon Valley

Jim Ortbal, Assistant Director, Department of Transportation, introduced Hans Larsen, Deputy Director, Department of Transportation and Henry Servin, Senior Traffic Engineer, Department of Transportation, who gave a brief presentation of Silicon Valley Rapid Transit Corridor Project (SVRTC) BART extension to San José / Silicon Valley. Hans Larsen began with the current status including environmental clearance, preliminary engineering, and project funding. Also, information on geotechnical investigations, the City executive committee participants, and current topics were presented.

Hans Larsen stated that staff has met with VTA staff, as part of the Technical Advisory Committee (TAC) and project development teams on issues that needed to be worked through at staff level and reach a consensus on how to move the project forward. The crossover idea has significant impact on overall BART service and ability to manage it in an emergency event and what it would take to build. These types of issues are raised at policy level.

Vice Chair LeZotte inquired about the $ 4.1 billion if it includes public coordination and property acquisition. Hans stated that yes the $4.1 billion is the total project cost, including all land acquisitions costs.

Upon motion by Vice Chair LeZotte, and seconded by Councilmember Chavez, the Committee accepted the report.

2. Report on Route 101 Corridor Studies

Hans Larsen joined by Ray Salvano, Senior Engineer, Department of Transportation gave a presentation on the US 101 corridor studies recommendations. There are two separate studies along the Route 101 corridor, one is the North Corridor study and the 2nd is the Central Corridor study. There is a South Corridor study also being conducted by VTA covering the South County / Gilroy area. The purpose of the studies is to develop both near and long term strategies that improve traffic operations and safety under the existing and future conditions.

Councilmember Chavez would like to see the studies of Zanker and Maybury for downtown.

Councilmember Williams inquired about the funding for this portion. Hans Larsen stated that availability of regional money is relatively weak at this point. Through private development activities in and around these areas, staff is looking this to be the primary source of funding these improvements. These projects are all within the 30-year master plan that the VTA has.

Vice Mayor Dando commented on the frustration of not having funds for these improvements, but we need to keep a balance we do not want to do anything that is disincentive for private development. There needs to be a strategy of a combined effort of getting Prop 42 money back into the community back where it belongs as well as a combination of development fees. Hans Larsen stated he agrees and to the degree that we can get the public gas tax dollars going towards these investments, provides a greater incentive. A portion of Prop 42 money goes towards transportation improvement program and that is available for regional highway improvements.

Chair Cortese stated that at VTA we have talked several times about some sort of rewards systems, that has a matching program so that in Cities like San José doing assessment districts or other ways to leverage dollars, the districts can be matched by federal or state money. He inquired if there have been any staff discussions on this, and have they progressed any further than what we have already heard? Han Larsen stated that one of the comments that came from this Committee was that if we are able to fund something regional thru private dollars there should be some reward that other San José projects receive. VTA has heard those comments and are working on finalizing the VTP 2030 and we have not seen yet how that specifically will pan out.

Upon motion by Councilmember Williams, and seconded by Vice Chair LeZotte, the Committee accepted the report.

3. Review of EIR Recommendations for Santa Clara/Alum Rock Transit Corridor of the Downtown-East Valley Project

Hans Larsen, gave an overview of the report submitted to the Committee and stated that when staff has put the workplan together, we had anticipated we may be forwarding a recommendation on a preferred alternative. The Federal Transit Administration (FTA) has not finalized their review of the draft environmental document for this effort and has not been released, which affects our schedule by a couple of months. The report today outlines what is anticipated will be available after public hearings and comparison of the two options. This will be brought back to the Committee in January or February 2005.

Upon motion by Vice Chair LeZotte, and seconded by Councilmember Chavez, the Committee accepted the report.

4. Taxicab Service Model Implementation Follow-up Report and Recommendations – **continued from October 4, 2004**

Chair Cortese opened with comments on this item. He stated that he and Councilmember LeZotte have put forward a memo to try and capture their recommendations in terms of next steps. The idea with his memo and recommendations would be to cross reference to the full Council for discussion and act on these recommendations or something similar. His recommendation today is outlined in his joint memo with Councilmember LeZotte.

Upon motion by Vice Chair LeZotte, and seconded by Councilmember Williams, the Committee accepted the report submitted by Chair Cortese and Vice Chair LeZotte for sake of discussion.

Vice Chair LeZotte, put a motion on the floor to accepted the report by Chair Cortese and Vice Chair LeZotte, and seconded by Councilmember Williams, and directed staff to move forward with this item to full Council for discussion.

Jim Ortbal, Assistant Director, Department of Transportation, introduced Bob Lockhart, Operations Manager, Airport Department, and Pete Oliver, Deputy Chief, San José Police Department (SJPD). They presented the items that the Committee asked staff to look into, including review of all licensed San José taxi cab companies, reasons for change in the distribution of airport access contracts, review of taxicab driver permits, vehicle license data, and company data, airport taxicab starter service research and alternatives, airport access contract provisions and coordination with stakeholders attorneys, review proposed block rotation system, distribution of airport contracts to new companies or with ownership transfer, enforcement and compliance of taxicab code and license provisions, new service model does not limit drivers ability to form drivers association, and shared economics of the new taxicab service model.

Vice Mayor Dando inquired about the numbers on the slide 6 of the PowerPoint presentation (which is the chart on the bottom of page 3 of the report) and how they relate to current numbers

we are looking at to date on contracts. Jim Ortbal explained that the 2nd table is the number of permitted drivers (483), the licensed vehicles are 431, and staff is recommending 300 alternate day airport contracts. Vice Mayor shared concerns about the decrease in numbers and the impact it will have on customer service. Jim Ortbal explained that one of the primary concerns of the taxicab drivers is the long wait time for trips. A survey was done to see if the 300 was a feasible number to properly service the airport, and staff believes this to be satisfactory. It will allow drivers to make more money and keep the quality of customer service we are after. We do have the authority to move those numbers up or down if we see any impact on customers or driver wait time. Vice Mayor Dando expressed that her concerns was for the customers.

Vice Mayor Dando concerned about putting moratorium on business or limits on business, free enterprise has worked for a lot of years and concerned about Chair Cortese and Vice Chair LeZotte's recommendation in their joint memo to the Committee. She believes it is opposite to what the City is trying to in their Getting Families Back to Work campaign. She would find it more helpful to take the specific issues from the public that spoke at the last meeting and meet with them to see if what we are trying to move forward takes into consideration their wants/needs.

Vice Mayor Dando concerned about trying a new system without understanding it how it will work or how we will finance it and also the huge construction changes to the airport. Jim Ortbal stated that a very strong message to the vast majority of the industry is that the current system was not going to help them in a competitive basis, long term. Staff was directed by the Council to look at alternatives, and we believe this is the best way out of three studied to balance the benefits and costs of the taxicab industry throughout the City among all the stakeholders. We do not plan to implement anything until we get a start service secure. Ed Shikada added that the construction at the airport is roughly three years away and when it is complete we would need a third concession at that time to accommodate the new terminal, so some change is inevitable.

Councilmember Williams echoes Vice Mayor Dando's concerns regarding the quality of customer service that the smaller amount of taxicabs can provide. He suggested a penalty system to taxicab companies if they are not in compliance with our standards of customer service. We need to hold the taxicab companies accountable. Jim Ortbal stated that the taxicab companies/drivers that operate at the airport in the future will have similar service standards and contractural requirements that are the standards of today. In the packet last month staff provided a copy of the contract with all the service standards and requirements that each company will have to live up to in order to operate in the future. If they do not meet the requirements, they would be subject to liquidated damages fees for not providing the service. We will be reviewing their performance on a quarterly basis, if not monthly basis in the beginning.

Councilmember Williams asked how many times do they get a slap on the hand for poor service before we revoke their license. Bob Lockhart stated that the concept is they're responsible to work 70% of the alternate days they are allowed to work at the Airport and 70% of the alternate days they are not working at the Airport. If they don't meet those obligations they can lose their Airport Access Contracts. Minimum per day is 4 trips to qualify as having worked those days. Staff will be looking at their performance. Also liquidated damages for service levels

requirement states if you have 3 consecutive violations in the same liquidated damages, you are putting contracts in jeopardy.

Councilmember Williams asked for the fees portion of the memo to be further explained. Jim Ortbal stated that if we continue forward with the RFP that we previously issued that has not been changed, and tried to get more complete proposals, we believe that the actual cost or fees could be as high as $4.00. Our goal is not reissue that same RFP, we want to keep the fees as low as possible.

Vice Chair LeZotte asked about the taxicab companies were part of the solution in regards to the airport environmental air quality goals that we need to meet. This was part of the standard set when we had two concessionaires, what is our goal that is required by the EIR and how will we obtain that goal. Jim Ortbal stated that we have an incentive system that allows drivers to help get to that goal and contractual requirement with the companies and the drivers. Bob Lockhart stated that 25% of the trips are with alternative fuel vehicles, with the goal increasing down the road.

Vice Mayor Dando asked out of the 14 companies how is it that two are recommended not in compliance. Jim Ortbal stated that these companies have been given a 60-day warning to come into compliance

Chair Cortese asked public speakers to limit comments to two minutes.

Philip Bump, South Bay Labor Council, thanked the Committee for the hard work on this complicated issue. Concerned about the working people, the drivers, the independent business people have the opportunity to be successful and earn salaries that are enough to live on. We are ready for this recommendation to move forward to City Council with certain key points that we have concerns: 1) distribution of the permits between drivers and companies 2) the cap issue is absolutely essential 3) block rotation introduced last month, the report indicated it was a radical change and would reduce the number of people on the streets of San José 4) no time to go over this point.

Mola Gebeye, Golden Star Cab owner, spoke on the issue. He submitted a letter to the Committee. He has a small cab company, which makes it difficult to get employees as they ask if he has the airport permit, when he says no the potential employees walk away. This will give his business an opportunity to grow, so this new model will help us to compete as taxi drivers.

Tony Alexander, representing UFCW local 428, said he represented cab drivers. One issue of concern is the cap for the cabs. The number is a little high and with adding extra drivers, the experienced drivers are at risk because the inexperienced drivers will affect customer service. We think the numbers should be lower and would like to continue to work with the City on that.

Dave Logan, Yellow Cab, spoke on this item. He wanted it known that the questions that the Committee asked for in writing at the October meeting did not get answered by any staff thus far. Major concerns were submitted in writing.

Scott Strickland, representing the small companies, Alpha/California/Net/Santa Clara Cab, spoke on the item, three points 1) supports the Cortese/LeZotte memo 2) drivers would like a reduction in the number of taxicab vehicles, do not oppose the reduction 3) disagree with Dave Logan and thinks that City staff has done a great job.

Therese Maloney, United Cab, wanted to remind everyone that between 1994 – 1996 we did have a starter service in place, the trip fee then was $4.00, which the association did not work back then and does not anticipate it working this item, and the price will not be going down. She indicated that her questions to the Committee were not answered as well. Her number one concern is why is the City allowed to contract cab companies that do not have insurance on their vehicle. This is unfair, where is the responsibility, the city could be sued. Jim Ortbal answered that the Police Department does review the insurance that each company has, and that going forward insurance will be required as it is today. Our Risk Manager checks the insurance on cab companies.

Councilmember Williams asked if there are cabs on the road today without insurance? Pete Oliver answered that Risk Management is the administrator of this piece. They would send any known cabs out of compliance to PD and PD would send a letter that the taxi no longer has a permit until coming into compliance. There maybe an opportunity for some to fall through the cracks, and the City will work on ways to close that loop so there are no uninsured cabs on the road.

Dimitriy Vorik, owner of Rainbow Cab, spoke on the item. He noted that he informed the San José Police Department of uninsured cabs on the road that he is aware of a few months ago. He disagrees that PD allows 60 days to comply and only a $200.00 fine. He thinks the permit should be suspended immediately. If the City chooses to limit the number of drivers he can have on the road then we interfere with his income. If Yellow Cab buys 100 cabs tomorrow, and puts them on the road, it would not allow more business to Rainbow and would force him to close his doors. He doesn't really care about the airport, but is asking us not to limit him to the amount of drivers.

Omar Tawakuli, Yellow Cab driver, spoke on the item. He shared his concerns of uninsured cabs, he pays about $8000 a year, and those not paying have reduced fares because they do not have the added expense. Also, the city has not studied how many trips a driver can take, how many trips are needed to make at least minimum wage.

Seyoum Asnaf, Yellow Cab driver talked about the cap. We have never asked that a taxi be capped permanently, like other cities do. Instead of the word cap maybe we could say "supervised entry", the companies income comes from the number of taxis are in their fleet, whereas drivers income comes from the number of customers we pick up.

Chair Cortese stated we have a motion and a second on the floor.

Vice Mayor Dando stated that in light of the information from the speakers and the seriousness of the issues, she would like a report to Council on the companies that are not in compliance with the required insurance for vehicles on the road. She also stated that due to the numerous

unanswered questions at this time she would not be able to support the motion and comments heard by the speakers here today.

Councilmember Williams stated that he would be supporting the motion to keep it moving forward, but we need to make sure that we close the loopholes mentioned by the speakers today. We need to address their issues like supervised entry, in terms of managing how many additional cabs should be allowed, and the impacts.

Chair Cortese wanted to thank staff for efforts on this item. Encourages all stakeholders to continue to move forward, and give it a chance to operate or not.

Bill Hughes, Assistant City Attorney, City Attorney's Office, spoke to clarify and break down the cross reference items: item A would direct the City Attorney to come back with the draft ordinance very quickly on the limit on permits and item B would contain the issues contained in the rest of Cortese/LeZotte's memo to the Committee, the limit on permits is Citywide ordinance and should be addressed separately.

Following discussion the Committee heard the motion again and voted with 3 ayes, and 1 noe (Dando).

b. Traffic Relief/Safe Streets

1. Traffic Calming – Private Development Monitoring Status Report

Jim Ortbal introduced Hans Larsen, Deputy Director, Department of Transportation, Timm Borden, Deputy Director, Public Works Department, who gave a brief overview of the report submitted to the Committee. Jim Ortbal stated this report was requested at the August Committee meeting that staff provide additional information on how private development traffic calming are working together. This report goes hand in hand with the monthly traffic calming report and Councilmembers will get a City wide report of private development and any traffic calming related issues.

Hans Larsen reiterated that this report was a request for advance notice on any private development projects that have been submitted to the City for application, therefore we are providing that information through the monthly traffic calming report any projects or neighborhoods that have traffic calming issues.

Chair Cortese wanted assurance that the reporting through this method will happen prior to the notes on the Council Agenda stating that "please note the following final maps have gone through" so Councilmembers will have an opportunity to see this report come through first.

Vice Mayor Dando asked about the utility boxes that were once brought before the Council to possibly refresh San José current utility boxes to ones that were more aesthetically pleasing to the eye as well as safety conscience. She stated one in particular in her district on Almaden

Expressway and Via Valeinte that poses a safety hazard. Would like for this issue to keep to the front of the list when planning for land use and address how we would correct the current problems. Hans Larsen mentioned that this issue of traffic signal cabinets was discussed at Council approximately 18 – 24 months. We are looking at integrating the boxes within buildings to get them out of the right of way and looking at the placement and be respectful of the pedestrian environment. There has been a lot more sensitivity to this issue than in the past.

Councilmember Williams added that in looking at technology today components are getting smaller and we still have these huge boxes, can we reduce the size. He mentioned that in his district he has seen boxes open with cables exposed, not painted, and graffiti. We need to hold people accountable. Hans agreed that technology is getting smaller from a traffic signals standpoint but there is also the other side that we are adding technology like the intelligent transportation systems and emergency services and the sophistication of our signals is adding to the size. We are sensitive to the size and making an effort to downsize the boxes.

Chair Cortese interjected that we were getting off the traffic calming portion of this item and asked that this particular issue be brought back to the Committee as its own item on the next workplan.

Councilmember Chavez requests that the study done a couple of years ago be rejuvenated and be redistributed to Council and present what has been done since then in regards to progress on the cabinets.

Vice Mayor Dando added that the new report address not only downtown issues, but neighborhood issues as well.

Upon motion by Vice Chair LeZotte, and seconded by Councilmember Chavez, the Committee accepted the report.

c. Supporting Smart Growth

1. No items

Chair Cortese noted no items under this heading but stated that at the Bay Area Alliance recently, a MTC representative mentioned that within a matter of days that MTC would be issuing a position paper to ABAG and other agencies which indicate they want to set up a direct cash incentive system to cities that are doing Transit Oriented Development (TOD) smart growth and would like staff to bring more information on that forward to the Committee but if needs to be addressed sooner to bypass the Committee and bring to Council as a agenda item. Sounds like a policy issue we would like to be aware of because for the first time the MTC is offering direct cash incentives not grants.

d. Regional Relationships/Funding/Policy

1. Receive status report on State, Federal, and local legislative positions.

Upon motion by Vice Chair LeZotte, and seconded by Councilmember Chavez, the Committee accepted the report.

2. One Year Report on the Construction Impact Mitigation Plan (CIMP) activity

Jim Ortbal stated that Timm Borden was here to answer any questions on this item. Timm Borden stated that in the one year that we have had the CIMP policy, there has been 1 project with a completed CIMP, in June 2004, we awarded a 60 inch brick sanitary sewer that met all requirements that would cause a CIMP to be required. Staff produced a thorough CIMP in house, Council approved, and staff has been working with the businesses and residents on Zanker Road and things have been going very well. The CIMP has helped formalize the process. There was the one cooperation agreement with VTA that the Committee saw last month, and will be coming to Council probably next month.

Chair Cortese stated that the VTA coop agreement has legal issues. Jim Ortbal agreed and further spoke about the details are still being reviewed internally within VTA and City staff will be communicating with the City Attorney's office. As soon as we believe we have a completed cooperation agreement, staff will agendize to Council, hopefully by end of year.

Chair Cortese asked if this was a quarterly report. Timm Borden stated it was a yearly report. Chair then asked if staff was having problems we would not want to wait a year to hear back on cooperative problems. Jim Ortbal agreed and stated that staff would let the Committee know if there were problems and when we expect the VTA cooperative agreement to come back to Council.

Upon motion by Councilmember Williams, and seconded by Vice Chair LeZotte, the Committee accepted the report.

e. Oral Petitions

There were none.

f. Adjournment

The Committee was adjourned at 4:01 p.m.

Councilmember Dave Cortese, Chair,
Building Better Transportation Committee