AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD
Bacciocco Auditorium, 2nd Floor
1250 San Carlos Avenue, San Carlos CA 94070

November 3, 2011 – Thursday               10:00 a.m.

1. Pledge of Allegiance

2. Call to Order/Roll Call

3. Public Comment
   Public comment by each individual speaker shall be limited to two minutes

4. Consent Calendar
   Members of the public or Board may request that an item under the Consent Calendar be considered separately
   a) Approval of Minutes of October 6, 2011
   b) Approval of 2012 Board of Directors Meeting Calendar
   c) Authorize Annual Adoption of Investment Policy and Authorization to Invest Monies with the Local Agency Investment Fund
   d) Authorize Execution of Easement Agreement with the City of Santa Clara to Install and Maintain Underground Electrical Facilities at the Santa Clara Caltrain Station

RESOLUTIONS

5. Chairperson’s Report
   a) Appointment of José Cisneros to the Transbay Joint Powers Authority

6. Report of the Citizens Advisory Committee

7. Report of the Executive Director

8. Acceptance of Statement of Revenues and Expenses for June 2011 (unaudited)

9. Acceptance of Statement of Revenues and Expenses for September 2011


MOTION
11. Authorize Award of a Revenue Sharing Contract to All Vision, LLC for Billboard Advertising Optimization for a Three-year Period
   RESOLUTION
12. Authorize Amendment No. 1 to the Clipper Memorandum of Understanding
   RESOLUTION
13. Legislative Update
   INFORMATIONAL
14. Correspondence
15. Board Member Requests
16. Date/Time of Next Meeting: Thursday, December 1, 2011, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070
17. General Counsel Report
   Closed Session: Conference with Legal Counsel – Anticipated Litigation Pursuant to Government Code Section 54956.9(a) to discuss pending litigation: Antonio Santiago III v Peninsula Corridor Joint Powers Board, San Mateo County Transit District and County of San Mateo et al
18. Adjourn
INFORMATION FOR THE PUBLIC

All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

If you have questions on the agenda, please contact the JPB Secretary at 650.508.6242. Agendas are available on the Caltrain website at www.caltrain.com.

Location, Date and Time of Regular Meetings

Regular meetings are held at the San Mateo County Transit District Administrative Building located at 1250 San Carlos Ave., San Carlos, which is located one block west of the San Carlos Caltrain Station on El Camino Real. The building is also accessible by SamTrans bus Routes: 260, 295, 390, 391, and KX.

The JPB meets regularly on the first Thursday of the month at 10 a.m. The JPB Citizens Advisory Committee meets regularly on the third Wednesday of the month at 5:40 p.m. at the same location. Date, time and place may change as necessary.

Public Comment

If you wish to address the Board, please fill out a speaker’s card located on the agenda table and hand it to the JPB Secretary. If you have anything that you wish distributed to the Board and included for the official record, please hand it to the JPB Secretary, who will distribute the information to the Board members and staff.

Members of the public may address the Board on non-agendized items under the Public Comment item on the agenda. Public testimony by each individual speaker shall be limited to two minutes and items raised that require a response will be deferred for staff reply.

Accessibility for Individuals with Disabilities

Upon request, the JPB will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and a preferred alternative format or auxiliary aid or service at least two days before the meeting. Requests should be mailed to the JPB Secretary at Peninsula Corridor Joint Powers Board, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or emailed to board@caltrain.com; or by phone at 650.508.6242, or TDD 650.508.6448.

Availability of Public Records

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that the public records are distributed or made available to the legislative body.
MEMBERS PRESENT: J. Cisneros, J. Deal, S. Elsbernd (Chair), A. Kalra, A. Lloyd, T. Nolan, A, Tissier, K. Yeager

MEMBERS ABSENT: L. Kniss


Chair Sean Elsbernd called the meeting to order at 10:03 a.m. Director Jerry Deal led the Pledge of Allegiance.

PUBLIC COMMENT
Pat Giorni, Burlingame, said she is disappointed that bike bumps are on the rise again. Ms. Giorni asked that said since the High Speed Rail (HSR) Business Plan is not going to be on time and there are legislative sanctions that affect the flow of money, will that affect Caltrain funding? She read peak trains have reached capacity, which doesn’t seem to be an accurate comment except maybe during Giants games.

Jeff Carter, Burlingame, said he is disappointed Amtrak was not retained to run Caltrain.

Roland LeBrun, San Jose, said the Transbay Terminal is critical to the success of Caltrain and the prosperity of the Peninsula. He said there should be at least two JPB members on the Transbay Terminal Board.

Greg Conlon, Atherton, said he appeared in front of the California Public Utilities Commission to request funding for quad gates at Watkins Avenue in Atherton and the response was that a median strip would suit the need. The city of Atherton does not agree and will be drafting a letter in response. He appeared in front of the San Mateo County Transportation Authority Board last month and he thought they had instructed staff to bring back a proposal this month, but he may have misunderstood their direction and will confirm it.

Charles Voltz, Community Coalition on High Speed Rail Board of Directors, said he is speaking in reference to a letter that was delivered to the Board yesterday. The letter expresses concerns about the process, not the merits, of the proposed Communications Based Overlay Signal System (CBOSS) contract. There are three separate concerns set forth, but two concern the California Environmental Quality Act (CEQA) compliance and one concerns the proposed delegation to staff on whether to exercise the two options together priced at $170 million without any criteria to determine what is in the best interest of the system.
Adina Levin, Friends of Caltrain, said she is glad to see plans for Fiscal Year (FY) 2013 funding is being looked at. The Friends of Caltrain had a session on the options to fund Caltrain. The best option that came out from Silicon Valley Leadership polling was a three county one-eighth-cent sales tax, but because of deadlines relating to the special session in the last Legislature it may not be feasible to get on the ballot in 2012. If it is not possible, another option being discussed is a sales tax measure focused on San Mateo County. One concern is if SamTrans is able to fund Caltrain it doesn’t help solve the structure of the current Joint Powers Board agreement.

Kathy Hamilton, Menlo Park, said, as a taxpayer, she is disappointed in the CBOSS system, but in this time of economic stress the Board needs to look at solutions that are on the shelf and blend better with HSR in the future and not cost additional taxpayer money. There are proposals for the blended system and not sure if they are legal according to the attorney general and in compliance with either Proposition 1A or CEQA. She said quiet zones are needed along the corridor.

CONSENT CALENDAR
a. Approval of Minutes of September 1, 2011
b. Authorize the Ongoing Annual Filing of Applications and Execution of Cooperative Agreements with the Bay Area Air Quality Management District to Receive Transportation Fund for Clean Air Funds
c. Authorize Approval of Annex of the 2010 Association of Bay Area Government’s Local Hazard Mitigation Plan as the District’s Hazard Mitigation Plan
d. Authorize Second Amendment to the Contract with Cypress Security, LLC for Security Guard Services at the Centralized Equipment Maintenance and Operations Facility in the Amount of $169,661

The Board approved the consent calendar (Lloyd/Yeager).

CHAIRPERSON’S REPORT
No report

REPORT OF THE CAC
No report

Director Ash Kalra arrived at 10:17 a.m.

REPORT OF THE EXECUTIVE DIRECTOR
Executive Director Michael Scanlon reported:
• Key Caltrain Performance Statistics
  o Monthly Performance Statistics – August 2011 compared to August 2010
    a. Total Ridership was 1,252,825, an increase of 13.3 percent.
    b. Average Weekday Ridership was 45,204, an increase of 10.4 percent.
    c. Total Revenue was $5,324,175, an increase of 29.6 percent.
    d. On-time Performance was 92.1 percent, a decrease of 0.8 percent.
    e. Caltrain Shuttle Ridership was 7,055, an increase of 33.6 percent.
o Year-to-Date Performance Statistics – August 2011 compared to August 2010
  
f. Total Ridership was 2,418,869, an increase of 10.5 percent.
  
g. Average Weekday Ridership was 44,665, an increase of 9.4 percent.
  
h. Total Revenue was $10,321,008, an increase of 28.1 percent.
  
i. On-time Performance was 91.9 percent, a decrease of 1.3 percent.
  
j. Caltrain Shuttle Ridership was 6,753, an increase of 30.3 percent.

• Caltrain joined with transit systems across the nation for a moment of remembrance on September 11.

• Don’t “X” Out Transit event was held on September 20 at the 4th and King Station in San Francisco. Director Adrienne Tissier was thanked for her participation. This event had impact across the country and the message was well heard that the transportation budget cannot be cut by one-third.

  Director Tom Nolan arrived at 10:21 a.m.

• Staff is working with officials from the Federal Railroad Administration, the California PUC and Union Pacific Railroad in what is a first step in assessing what it would take to create quiet zones in Burlingame and San Mateo. Caltrain does not establish quiet zones, the cities establish them and the cost and assumption of liability are important aspects.

• Yesterday there was a successful emergency preparedness drill working with the first responders from the local area. This was a two-step exercise as part of the annual drill.

• The new rail operator mobilization is moving along. This was not a matter of rejecting Amtrak, but TransitAmerica (TASI) coming in with a great program. A majority of employees will have an opportunity to stay on the service. The Notice to Proceed was issued, marking the official mobilization and transition effort which will take approximately five months. The target date is March 3, 2012.

• A number of construction projects currently underway include:
  
o San Bruno Grade Separation: The existing San Bruno Station will be closed and moved to a temporary location just south of the existing station on October 18. There will be ambassadors at the station before and during the cutover to the temporary station to help customers.
  
o The Jerrold Avenue Bridge Replacement: The rollout of the old bridge and roll in of the new bridge is scheduled for Friday evening October 14. The construction managers will be closely monitoring the contractor as this activity requires the contractor to complete the new bridge roll in and single tracking by Saturday morning. The contract includes significant performance incentives.
  
o as well as penalties for any delays.
  
o The South Terminal San Jose Diridon signal cutover: Testing has been scheduled for the weekend of October 28-30. This will minimize the impact to riders and a bus bridge will operate between Tamien through San Jose Diridon into Santa Clara Station where all trains will terminate.

• Giants season ridership was up 7 percent over last year with approximately 500,000 riders.

• Service will continue to Stanford Stadium before and after Cardinal football games.

• Cal Bears played their first game at AT&T Park and ridership was over 2,500. On Thursday October 13 USC will be in town and extra service will be provided.

• Sharks had three exhibition games and ridership was up significantly with 330 riders.
• The San Jose Sharks wrapped one train car and web browser Firefox will be saturating the San Francisco Station with ads for four weeks. These two efforts will bring in approximately $22,000.
• The Safety & Security Report for August notes the completion of safety upgrades at eight grade crossings in Santa Clara County and an update on the cameras on trains.
• The Bike Advisory Committee (BAC) met on September 15 and they received an update on the regional Bike Share Program; an overview on the Triennial Passenger Survey and a report on wayside bike lockers and efforts to increase the usage. A vacancy has occurred on the committee for a representative from a San Francisco Public Agency. Staff will begin recruiting for a replacement as well as the four one-year committee positions that will expire. Current members are encouraged to reapply. The first meeting of the new year the BAC will elect a new chair and vice-chair.
• Thanked Director Liz Kniss for hosting a well-attended community meeting on Caltrain on Monday, October 3 in Palo Alto.

Acting Director Caltrain Modernization Program Marian Lee said last month she reported on the preliminary findings of the Capacity Analysis. She said Caltrain is confident there is merit to the blended system concept to share the existing infrastructure to the greatest extent possible with HSR. Since that time the consultants have been running the model and testing it at different speeds. They have been testing speeds at 79 miles per hour and up to 110 miles per hour. There were a few scenarios where the trains were running closely and staff felt that extra due diligence is needed so they have been working with HSR. Outreach with stakeholders is almost done. Currently staff is working on the Draft Analysis Report and there is a lot of interest in seeing all the preliminary findings. The goal is to release the draft analysis by the end of October. This report is not about which service plan or which schedule will be deployed in the future, but a proof of concept. The report will show why staff is saying the blended concept has merit. More work will need to be done to figure out exactly what service plan and schedule would be run in the future.

Chair Elsbernd asked Ms. Lee to repeat what she just said because he has a feeling when the report comes out there will be all kinds of potential misinformation that will spread.

Ms. Lee said this report is going to be a draft analysis so people will have the opportunity to comment. It is a proof of concept and it provides the technical and background information as to how a blended system could be accommodated. In this analysis there were some test assumptions made about different levels of service and different stopping patterns, which show that under those conditions there could be a blended system. It is not however the service plan or the schedule. Staff has made no determinations what service plan or what schedule would be implemented.

Ms. Lee said the outreach has been going well and doesn’t mean that everyone is agreeing on everything but have been sharing information on the capacity analysis. The stakeholders have a deep appreciation for what staff is trying to do by minimizing the impacts outside of the corridor and doesn’t dismiss what is done with grade separations and where additional tracks may be placed. The next round of outreach is scheduled for November and will be timed with the release of the draft report.
Ms. Lee said staff will share with the public a proposal of what the next steps could be and key milestones. Staff’s ultimate goal is to see what the blended system will look like and inform CHSRA what project could work for the corridor. The process will involve defining the service plan alternatives that tie into the proof of concept, which is not the service plan. Linked with each alternative will be an identification of the infrastructure and fleet needs to make the service plan happen and associated with that is an understanding of the funding and financial implication of each of the alternatives. All of this information will be fed into a decision-making matrix. The matrix would define the trade-offs and will be used by all the stakeholders to contemplate the different levels of compromise that might be considered in exchange for project benefits. At this point staff hopes to surface the preferred project alternatives and what is to be advanced into design and environmental analysis.

Ms. Lee said the CHSRA Business Plan has been pushed out for several weeks and the draft will come out in the November timeframe. Caltrain continues to ask CHSRA to have a thorough discussion about the blended system for the corridor and the discussion is reflective of the dialogue that has been happening locally. Ms. Lee said staff continues to work CHSRA to finalize the scope and budget for FY2012.

Ms. Lee said as outreach is being done for the electrification and environmental document people have been asking about the certification of the document. Over a year ago the State and Federal environmental document was finalized and it also received Federal approval. Staff wanted to complete the process on the State side, but there were some local concerns and staff was directed by the Board to postpone the action and work with the local stakeholders in addressing their concerns. Staff is trying to define what to build out on the corridor and the environmental process needs to be done to clear the project.

Chair Elsbernd asked about the drop in on-time performance and is the performance all due to the crowds or is some mechanical delays. Mr. Scanlon said mechanical issues have caused about 1,000 minutes in delays per month.

Chair Elsbernd asked if there are more mechanical delays or accidents.

Deputy CEO Chuck Harvey said the delays are a combination of smaller series of mechanical delays, but crowding of bikes and passengers needing assistance all attribute to cascading delays.

Chair Elsbernd asked how the transition from Amtrak to TASI is going. Mr. Harvey said the Notice to Proceed was issued on October 1 and staff has been meeting with senior management teams from Amtrak and TASI. The messaging from Amtrak’s president to the organization has been extremely positive. TASI has begun to meet with the key unions and have entered into the conversion of the healthcare plans under 13c.

Public Comment
Doug DeLong, Mountain View, said the discussion of a blended service plan and delay situation reminds him of the 98-train schedule and people knew it would be a tight schedule to operate. Ridership has increased significantly since that time and as ridership grows he hopes staff is doing some analysis on more seats per mile per hour for more capacity and allow longer dwell times at stations to operate the schedule more reliably.
Pat Giorni, Burlingame, said there was a dwell study and it shows more people cause more dwell times, but during peak times Trains 324, 220 and 369 are very crowded. Mountain View and Palo Alto are always crowded during peak, which shows more riders are coming from San Jose and San Francisco counties.

Roland LeBrun, San Jose, said quiet zones are possible with Positive Train Control (PTC).

Jeff Carter, Burlingame, said he is hoping the blended system will allow for more Caltrain service. He asked if the blended system takes into consideration grade separations and will it help with the issue of quiet zones.

**ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR AUGUST 2011**

Deputy CEO Gigi Harrington said farebox revenue is over budget by $1.4 million and expenses are under budget by $1 million. Last week fuel was $3.13 per gallon and through September $57,000 has been received from the fuel hedge.

A motion (Tissier/Lloyd) to accept the August 2011 statement was approved unanimously.

**AUTHORIZE AN AMENDMENT TO INCREASE THE FISCAL YEAR (FY) 2012 CAPITAL BUDGET IN THE AMOUNT OF $750,000 FROM $60,726,816 TO $61,476,816 FOR THE CALTRAIN TRANSIT ASSET MANAGEMENT PILOT PROJECT**

Director of Budgets and Grants April Chan said Staff Coordinating Council (SCC) requests the Board amend the budget for a grant that was received for the Caltrain Transit Asset Management Pilot Project. This grant was one of six awarded throughout the country, does not require any additional funds and will allow staff to improve and enhance the functionality of the current transit management system, which assists staff in assessing the condition of the agency’s assets and what projects to do in order to make sure the system is kept in a state of good repair.

**Public Comment**

Greg Conlon, Atherton, said this would be a way to increase the Capital Budget without waiting until next year for quad gates at Watkins Avenue and would also qualify for a quiet zone.

Mr. Scanlon commended staff for receiving this competitive grant.

A motion (Tissier/Lloyd) to authorize an amendment to increase the FY2012 Capital Budget for the Caltrain Transit Asset Management Pilot Project was approved unanimously.

**AUTHORIZE APPROVAL OF TENTATIVE BUDGET PROPOSAL FOR THE FY2013 CALTRAIN OPERATING BUDGET AND A BUDGET FRAMEWORK FOR FY2014 AND BEYOND**

Ms. Harrington said at the time the FY2012 was balanced the Board directed staff to work with the Metropolitan Transportation Commission (MTC), Santa Clara Valley Transportation Authority (VTA) and San Francisco Municipal Transportation Agency (SFMTA) to come up with a proposed strategy for a balanced FY2013 budget. Staff will bring back an actual budget in May and June for approval but would be within these guidelines. Elements of a balanced budget will include a parking fee increase, $5 million from MTC in preventative maintenance, a
fund swap by SamTrans and acceptance by SamTrans of funds for the repayment of the right of way purchase from VTA and SFMTA.

Chair Elsbernd asked about budgets beyond FY2013. Ms. Harrington said staff will look at how the shares are apportioned between the member agencies for FY2014 and also will implement a new administrative cost structure.

Public Comment
Jim Bigelow, Redwood City/San Mateo County and Menlo Park Chambers of Commerce, said there still is a problem of how the Caltrain budget will be fixed and there needs to be a strong focus. The general manager informs the public how full trains are and the problems with dwell times. The answer to this problem is electrification and everyone working together to move residents to and from their jobs.

Andy Chow, Redwood City, said more than six months ago there was discussion about cutting service to 48 trains. He is pleased to see the Board took action so no service was cut and to find a solution for FY2014 and beyond.

A motion (Nolan/Lloyd) to authorize approval of tentative budget proposal for the Fiscal Year 2013 Caltrain Operating Budget and a budget framework for Fiscal Year 2014 and beyond was approved unanimously.

AUTHORIZE REJECTION OF PROPOSALS TO OPERATE THE SAN FRANCISCO CALTRAIN BICYCLE PARKING FACILITY AND AUTHORIZATION TO RESOLICIT
Director of Contracts and Procurement Cheryl Cavitt said SCC requests rejection of both proposals for operation of the San Francisco bike facility and resolicit bids. Staff conducted a Request for Proposal (RFP) process and outreached to small and Disadvantaged Business Enterprise businesses. Two proposals were received and both were requesting some type of subsidy. Both proposers were invited for an interview and asked to provide a best and final offer. As a result of this process staff gained valuable information and decided to go back and resolicit.

Director Ken Yeager asked if the BAC was involved in this process. Executive Officer Public Affairs Mark Simon said staff will engage them at their next meeting.

Director Yeager said if the only way to keep the facility open is to provide a subsidy hope that is considered. Mr. Simon said staff is aware of the sense of urgency to keep this facility open and finding an operator for it.

Public Comment
Pat Giorni, Burlingame, asked what the subsidy is for. The current facility in San Francisco is well over capacity. She asked why an RFP is being issued when it is such a well-run facility.

Mr. Harvey said the building is provided free of charge and the subsidy being sought is for salaries and overhead to run Warm Planet. Since the facility is at capacity the operator has stopped his retail operation and staff will be looking at possibly expanding the facility.
Director Tom Nolan asked how much of a subsidy is being requested. Mr. Harvey said the current operator has asked for a very high six-figure subsidy per year.

A motion (Yeager/Lloyd) to reject proposals to operate the San Francisco Caltrain bicycle parking facility and re-solicit was approved unanimously by roll call.

**AUTHORIZE AWARD OF CONTRACT TO PARSONS TRANSPORTATION GROUP TO DESIGN, PROCUER AND INSTALL A COMMUNICATIONS-BASED OVERLAY SIGNAL SYSTEM POSITIVE TRAIN CONTROL FOR CALTRAIN FOR A TOTAL COST OF $138,135,673**

Director of Rail Operations Michelle Bouchard made the following points:

- Caltrain initiated the development of a specification to upgrade its signal system in January 2008 to improve operating safety, efficiency and capacity.
- The Rail Safety Improvement Act 2008 requires a Positive Train Control (PTC) System implemented by December 31, 2015. The safety requirements of the Rail Safety Improvement Act are to prevent train-to-train collisions, enforcement of civil speed limits, enforcement of safety zones in the track area and interoperability.
- In August 2010 an RFP was issued for a PTC/Communications Based Overlay Signal System (CBOSS).
- CBOSS functional requirements are enhanced crossing safety, improved headways and operational flexibility, enforcement of scheduled station stops, schedule management and employee in charge.
- The scope of the RFP was to develop a turnkey solution that shares risk with the contractor.
- Bids were received from Alstom Signaling, Inc., Parsons Transportation Group and Wabtec.
- The evaluation criteria included technical, qualifications/commercial/work experience and pricing. Pricing is a small component. Staff was looking for a strong technical proposal that would be delivered by a team that is well qualified and had experience.
- Parsons was ranked well above the other two bidders and offered the best value.

Director Tissier left at 11:20 a.m.

- Parsons offered a fiber optic network backbone that will offer a medium- to long-term benefit to the JPB with revenue generation opportunities for the JPB.
- The original contract price was $160 million and the negotiated final price is $124 million and if the fiber option was included it would be an additional $14 million.
- Parsons offered a schedule under which the work would be completed by October 2015.
- The contract phasing has been developed due to funding. Base contract will take project through critical design, Option 1 will take through final design, factory acceptance test and installation and Option 2 is testing on site.

Director Jerry Deal said CBOSS would require the diesel engines be fitted with some type of equipment inside the cab so what happens if electric multiple units (EMUs) are used in a few years. Ms. Bouchard said when EMUs are purchased, depending on the timeframe, if the equipment on board has already reached its useful life then the new equipment would be sought for the new EMUs. If not, the equipment would be moved to the new rolling stock.
Director Deal asked what the useful life of $231 million of equipment is. Ms. Bouchard said it is a 30-year system life. Project Operations Liaison Dave Elliott said this type of component typically has 10 years of useful life and within that timeframe hardware remains the same, just may need software updates.

Director Deal said the options require no additional Board approval and that concerns him. Mr. Scanlon said staff can bring back each option to the Board.

Public Comment
Charles Voltz, Burlingame, said little information was provided to the public or Board on this item prior to today’s meeting. There is controversy as to whether CBOSS is a good solution and the staff report only provides a half-page update on the project.

Roland LeBrun, San Jose, commended the Board and staff for their progress over the last month. More work needs to be done and the agency needs to stick with wireless communications and not use fiber. He asked why more consideration wasn’t given to Alstom who provided PTC in the northeast corridor and Wabtec, who in the end are the manufacturer for the equipment.

Jeff Carter, Burlingame, said he assumes a similar system is being developed for ACE and Metrolink and is there a cost comparison for those two systems and how did it compare to Union Pacific’s freight operations. There has been criticism for CBOSS being Caltrain specific and that is not true. Mr. Carter asked if CHSRA will also use an off the shelf system too and how will it integrate with their system and Caltrain.

Kathy Hamilton, Menlo Park, said she is concerned about Parsons getting almost every piece of business around the Bay Area and more time is needed to look at other bidders and all team members need to be named. HSR was not specifically mentioned in the grant and what is their involvement in this process.

Ms. Bouchard introduced the team: Project PMO Director Karen Antion, Deputy PMO Director Sherry Bullock, Mr. Elliott and Project Manager Jack Buckingham.

Ms. Antion said risk was shared and there was a turnkey solution different then what other agencies did, in particular Metrolink. There is a big communications component and data communications component to the system. Caltrain decided to use an off-the-shelf technology that is being integrated in a way that’s being used on railroads for the first time. From a risk-sharing point of view staff wanted to put the risk on the contractor. Staff carved out a commercial package with Parsons that provides, with the exception of negligence on the part of the JPB, unlimited liability and indemnification for the JPB, which is an extraordinary package under the risk-sharing umbrella. The commercial terms and conditions, as well as the scope of work, were defined and negotiated in a manner that was intended to share the risk appropriately between the JPB and the successful contractor.

There were many deliverables with this contract, but it is a deliverable-based schedule. There are 30 deliverables for which major payments are associated and until that work is completed and accepted by the JPB there are no payments made. There are time schedules with a very detailed project schedule with thousands of activities and 13 subcontractors, the major ones
being Wabtec, General Electric and AirInc., which are providing the three off-the-shelf systems that will be integrated to make CBOSS.

Ms. Antion said there are ways for fiber to be installed that would minimize, if not eliminate, the need to be excavated at a future date. Instead of installing the fiber on the wayside of the train it will be put at the edges of the envelope. It will be put at a depth that won’t require it to be disturbed. A large conduit will be installed with three ducts inside it, two of the ducts are full of dark fiber, one likely used to support the PTC system and one for the myriad of things on the Caltrain right of way; the third conduit would be made available for lease.

Ms. Antion said the question was asked why this product was picked and not some other product. Due diligence was done on all three contractors because three different proposals were offered from three different contractors with three different technologies. Wabtec was not chosen because it is not easy to convert a freight product for use on a passenger railroad system. What is clear with Wabtec is that their focus is on delivering a product for the freight system and maturing that product for its ultimate deployment in 2015. Alstom offered a proposal that did not satisfy the interoperability requirements. To put the Alstom product on the West Coast you would have to have dual equipment. The Alstom product isn’t compatible with the freight railroad solutions from a communications point of view so you have to put two sets of hardware on the locomotives or wayside or both. They offered temporal separation, which is not an automated solution for assuring that trains will not encroach on each other’s blocks.

Chair Elsbernd asked Legal Counsel David Miller to respond to the letter that was received. Mr. Miller said last evening a letter was received from the Community Coalition on High Speed Rail questioning whether a Board action at this time might violate CEQA. Mr. Miller said the letter starts with an inaccurate that CBOSS is “inextricably intertwined with Caltrain’s electrification project.” This factual matter is not the case. The Federal law requires installation of a PTC system and associated components by a specified deadline and as the Board has heard the system is going to be installed on the JPB’s diesel system. The record can and should reflect that there is nothing that inextricably links this particular procurement to electrification. Electrification, if and when it occurs, will be implemented and this system will be adapted accordingly. Mr. Miller said from his perspective as legal counsel, while the law correctly cites what CEQA requires regarding early determination and analysis, the linkage has been made here is that the electrification project should be certified first and the factual underpinning for that is not accurate

Mr. Miller said, as with the rail operations procurement done last month, the Board heard of the extensive due diligence and research that has been done by staff. This is another example of a procurement that was comprehensive and resulted in no protests.

Mr. Miller said in response to Director Deal’s concerns regarding Board approval of options 1 and 2 he would recommended the following language for the resolution. On page two of three he would add language at the very end that says “and with the understanding that exercise of options 1 and 2 and associated budget adjustments is subject to prior Board approval.”

A motion (Deal/Nolan) to amend the resolution to include the new language was approved unanimously.
A motion (Cisneros/Deal) to award of contract to Parsons Transportation Group to design, procure and install a Communications-based Overlay Signal System Positive Train Control for Caltrain for a total cost of $138,135,673 was approved unanimously by roll call.

**AUTHORIZE APPROVAL TO INCREASE THE EXECUTIVE DIRECTOR’S CONTRACT AMENDMENT AUTHORITY FOR THE RAIL OPERATIONS CONTROL SYSTEM CONTRACT BY $450,000 FROM $479,942 TO $929,942**

Ms. Harrington said SCC requests the Board increase the Executive Director’s change order authority for the Rail Operations Control System. There was a typo in the packet and last two numbers of the dollar amount by $50.

A motion (Cisneros/Nolan) to increase the executive director’s contract amendment authority for the Rail Operations Control System Contract by $450,000 from $479,994 to $929,942 was approved unanimously by roll call.

**LEGISLATIVE UPDATE**

Mr. Simon reported:

- The State Legislature is not in session, but there were a couple of bills that sought to put on the ballot a permanent funding source for Caltrain. Both of these did not make it through this year’s Legislative deadline process. One is a two-year bill by MTC for a gas tax and MTC currently is polling on the issue. Another is specifically for Caltrain and that has not yet been designated for committee.
- At the Federal level House Transportation and Infrastructure Committee Chairman John Mica has been directed by the House leadership to pursue as much as $15 billion per year in supplemental funding as long as revenue sources do not include an increase Federal tax. This is an indication that House leadership is backing off Chairman Mica’s proposal to cut transportation funding by 30 percent. This came around the time of “Don’t X Out Transportation” efforts.
- The Jobs Act includes $9 billion dedicated to public transportation, $2 billion for intercity passenger rail service, $4 billion for HSR and about $15 billion for other programs that are related to transportation. The reauthorization is still being heavily negotiated between the House and Senate and there are some significant differences.
- Government Affairs Manager Seamus Murphy is in Washington DC with the Bay Area Council and they have met with Secretary Ray LaHood, Senators Dianne Feinstein and Barbara Boxer and the full House delegation for the Bay Area. Among the issues discussed were HSR, Surface Transportation Authorization, the 2020 Expo Bid for California and cyber security. He said when Congresswoman Anna Eshoo came into the room to report on HSR the entire delegation gave her a standing ovation for her efforts to keep this issue alive. The House delegation is fully supportive and unanimously supports HSR and particularly is impressed and encouraged and in support of the blended system.

**CORRESPONDENCE**

In the reading file

**BOARD MEMBER REQUESTS**

**Support of Diridon Station Plan**

Director Ash Kalra said he serves as the representative on the San Jose Diridon Area Plan Committee keeping Caltrain’s interests and the development of the Diridon Station in line.
There has been a significant amount of planning as to the future of the Diridon Station area that will culminate in having a state-of-the-art transit station that will have HSR, as well as BART. Adopting this plan no way binds Caltrain moving forward and Caltrain has a significant land interest, but will benefit from the collaboration with other partners through the City of San Jose, BART and VTA.

Manager of Real Estate Property Development Brian Fitzpatrick said he has been participating with the City on the technical advisory committee on this process. Staff is asking the Board to consider a resolution to support the Plan and continue to work with the City to move forward with the Plan. The City, at the front end of doing this process, which is effectively a land use planning effort, looked at the significant infrastructure that will be needed to fulfill the future vision of transportation in this area. This Board adopted a comprehensive access policy previously that looked at a mode shift and this Plan does that primarily by looking at a half-mile area around the station. The JPB is a major land owner in this area and if we are going to develop the land in full the first step is to develop a collaborative relationship with a land use entity, which is the City.

Chair Elsbernd asked when the EIR will be completed. Director of Transportation for the City of San Jose Hans Larson said the City Council has endorsed the draft plan and City staff has started the formal environmental process and plan to have completed by June 2012.

A motion (Kalra/Nolan) to support the Diridon Station Plan was approved unanimously by roll call.

DATE/TIME/PLACE OF NEXT MEETING
The next meeting will be Thursday, November 3, 2011, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070.

GENERAL COUNSEL REPORT
The two items for closed session were postponed to the November 3 meeting.

ADJOURNED
Adjourned at 12:09 p.m.
TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Martha Martinez
JPB Secretary

SUBJECT: 2012 BOARD OF DIRECTORS MEETING CALENDAR

ACTION
Staff Coordinating Council (SCC) recommends that the Board approve the Meeting Calendar for 2012 (attached).

SIGNIFICANCE
The board’s monthly meeting is scheduled for the first Thursday of each month at 10 a.m.

BUDGET IMPACT
There is no impact on the budget.

Prepared by: Martha Martinez, JPB Secretary 650.508.6242
Peninsula Corridor Joint Powers Board
Meeting Calendar for 2012

<table>
<thead>
<tr>
<th>Thursday - 10 AM</th>
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<tbody>
<tr>
<td>January 5</td>
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<td>February 2</td>
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<td>March 1</td>
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<td>July 5</td>
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<td>August 2</td>
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<td>September 6</td>
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<td>October 4</td>
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<td>November 1</td>
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<td>December 6</td>
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</table>

The Board meets the first Thursday of the month.

All meetings are held in the Bacciocco Auditorium - Second Floor, 1250 San Carlos Ave., San Carlos.
PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

SUBJECT: ANNUAL ADOPTION OF INVESTMENT POLICY
AND AUTHORIZATION TO INVEST MONIES WITH
THE LOCAL AGENCY INVESTMENT FUND

ACTION
Staff Coordinating Council (SCC) recommends that the Board adopt the following two resolutions: (1) reaffirming the Statement of Investment Policy (Investment Policy) and the delegation of authority as stated therein; and (2) authorizing the investment of Peninsula Corridor Joint Powers Board (JPB) monies in the Local Agency Investment Fund (LAIF).

SIGNIFICANCE
The Executive Director or his designee serves as the JPB’s trustee for purposes of placing investments pursuant to the attached investment policy (Exhibit A). The Board of Directors, in accordance with California Government Code Section 53646(a), may review and reauthorize this delegation of authority on an annual basis at a public meeting. The Board of Directors, in compliance with LAIF requirements, must also adopt a separate resolution authorizing monies to be invested in LAIF.

Staff, in conjunction with Legal Counsel, has reviewed the attached Investment Policy and recommends the reaffirmation of said policy.

BACKGROUND
The JPB’s investments have always been in accordance with sound treasury management practices and complied with the objectives of safety, liquidity, and yield in that order of priority.

The JPB originally adopted its Investment Policy in August 1999 and has, from time to time, amended this policy.

On November 4, 2010 the JPB most recently amended this policy in two ways:
(1) Staff added language requiring the JPB’s appointed investment advisor, at its sole discretion, to solicit three independent bids from SEC licensed brokerage institutions as defined in California Government Code Section 53601.5 or from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank prior to the execution of each transaction, with final selection made based on the best interests of the JPB. Investment advisors may also incur realized capital losses in order to minimize the decrease in real purchasing power of the assets over an indefinite period of time subject, however, to the prior approval of the Executive Director or his designee. This amendment to the investment policy granted the authority to continue current JPB practices already in place, and reflects standard and prudent investment practices. (Page 6)

(2) Staff has incorporated the new index name into the investment policy, the BofA Merrill Lynch Index. (Page 7)

No changes are recommended at this time.

Prepared by: Lori Snow, Manager, Finance - Treasury 650.508.6425
I. PURPOSE

This Policy provides guidelines for the prudent investment and cash management of the Peninsula Corridor Joint Powers Board's (JPB) funds. It is the goal of this Policy to establish investment objectives in accordance with the provisions of the California Government Code, Section 53600 et seq. (hereafter “Code”), and investment guidelines, to ensure that the funds under its purview are prudently invested to preserve capital, provide necessary liquidity, and to achieve a market-average rate of return over an economic cycle consistent with the JPB’s goals of preserving principal and minimizing the risk of diminishing the principal.

Investments may only be made as authorized by this Investment Policy, and subsequent revisions. This Statement of Investment Policy may be reviewed annually by the JPB’s Board of Directors at a public meeting. Irrespective of these policy provisions, should the provisions of the Code be, or become, more restrictive than those contained herein, then such provisions will be considered immediately incorporated into this Statement of Investment Policy.

II. OBJECTIVE

The JPB’s cash management system is designed to monitor and forecast accurately, expenditures and revenues, thus enabling the JPB to invest funds to the fullest extent possible. Idle funds of the JPB shall be invested in accordance with sound treasury management and in accordance with the provisions of California Government Code Section 53600 et seq. and this Policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be applied in the context of managing an overall portfolio. JPB officials shall act in accordance with written procedures and the Investment Policy and should report deviations from expectations in a timely fashion and take appropriate action to control adverse developments.
The JPB's primary objective with respect to its invested funds is to safeguard the principal of the funds. The second objective is to meet the liquidity needs of the JPB. The third objective is to achieve a return on its invested funds.

III. **POLICY**

At all times, the JPB shall invest its funds in accordance with the rules and restrictions established by the law of the State of California *(Government Code Section 53600 et seq.)*. In addition, the JPB shall conduct its investments under the "prudent investor standard": "When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency." *(California Government Code Section 53600.3)*.

The Executive Director or his designee of the JPB shall serve as the JPB's trustee for purposes of placing investments pursuant to this Investment Policy. The Board of Directors may review and specifically reauthorize this delegation of authority on an annual basis. The Investment Policy may be reviewed annually by the JPB's Board of Directors at a public meeting. *(California Government Code Section 53646(a))*.

1. **Criteria for Selecting Investments.** Criteria for selecting investments and the order of priority are:

   a. **Safety.** The safety and risk associated with an investment refer to the potential loss of principal, interest or a combination of these amounts. The JPB shall operate only in those investments that are considered safe. Investments in instruments and with institutions permitted under Section 2, Diversification, Section 6, Allowable Investment Instruments and Section 7, Local Agency Investment Fund & San Mateo County Investment Fund, are deemed to constitute safe investment within the meaning of this Investment Policy.

   b. **Liquidity.** An adequate percentage of the portfolio, in the approximate amount of six months operating expenses, should be maintained in liquid short-term investments which can convert to cash if necessary to meet disbursement requirements. For purposes of this Investment Policy, fixed income securities maturing in one year or more are considered investment term and fixed income securities maturing in less than one year are considered short-term cash equivalents.

   c. **Return on Investment.** The JPB's investment portfolio shall be designed with the objective of attaining the safety and liquidity objectives first, and then attaining a market rate of return throughout the budgetary and economic cycles, consistent with the portfolio’s benchmark as described in
Section IV - Benchmarks. This benchmark takes into account the JPB's investment risk constraints and the cash flow characteristics of the portfolio.

2. **Diversification.** The JPB will limit its investments to the safest types of securities which include those backed by the U. S. Government or its agencies, those which have federal insurance on principal by the Federal Deposit Insurance Corporation (FDIC), or those having collateral backing of the invested principal as defined by this Investment Policy and/or the California Codes, and medium term notes as defined by California Government Code Section 53601(j). Only first mortgages or government securities may be used for collateral on JPB deposits.

Collateral is defined in this Investment Policy to mean property (as securities) pledged by a borrower to protect the interest of the lender. For purposes of this Investment Policy, the following investments are considered to have collateral backing: Certificates of Deposit protected by either the FDIC or pledged securities in conformance with California Codes and this Investment Policy; Bankers' Acceptances (protected by an irrevocable time draft or bill of exchange) whereby the accepting bank incurs an irrevocable primary obligation thus guaranteeing payment on the draft or bill. A secondary obligation rests with the issuing company; Commercial Paper (protected by an unsecured promissory note from the issuer who must be rated A-1/P-1/F-1 or better) thereby guaranteeing that the earning power and/or liquidity had been established to fulfill the obligation to pay; and, asset backed securities which are rated AAA by both Moody's and Standard & Poor’s.

The portfolio should consist of a mix of various types of securities, issuers, and durations from among the allowable investment instruments described in Sections 5, 6 and 7 so as to minimize the risk of loss and to maximize the rate of return when prudent to do so.

3. **Safekeeping and Custody.** All security transactions, including collateral for repurchase agreements will be executed on a Delivery versus Pay Basis (DVP). The assets of the JPB shall be held in safekeeping by the JPB's safekeeping agent, or secured through third party custody and safekeeping procedures. A due bill or other substitution will not be acceptable.

4. **Maturity of Investments.** Should the JPB decide to invest its cash in investments other than through a local agency investment fund (i.e. LAIF, SMCIF), the remaining maturity of a callable security shall be determined by its actual final stated maturity. The maturity of asset backed securities shall be considered the estimated maturity date of the tranche. With the adoption of this amended JPB Investment Policy, the JPB Board authorizes the Executive Director or his designee to invest in securities exceeding 5 years but not more than a remaining life exceeding 11 years, no more than 25 percent of the portfolio shall be invested in securities with a remaining life of 5 to 11 years, and the weighted
average maturity of the portfolio shall not exceed 5 years. The policy of maintaining a maximum dollar weighted maturity of 5 years leaves open the flexibility to take advantage of interest rate fluctuations as well as yield curve differences to maximize the return on investment as well as coinciding with the expected use of the funds. The imposed maximum dollar weighted 5 year average maturity also limits the market risk to levels comparable to an intermediate income fund.

The specific security guidelines including maximum maturities and qualified Fixed Income instruments can be found in the table under Section 9, Summary of Investments & Limitations of this policy.

5. **Deposit of Funds.** As far as possible, all money belonging to or in the custody of the JPB including money paid to the JPB to pay the principal, interest or penalties of bonds, shall be deposited for safekeeping in state or national banks, savings associations or federal associations, credit unions or federally insured industrial loan companies in California (as defined by California Government Code Section 53630). Pursuant to California Government Code Sections 53635, 53637 and 53638, the money shall be deposited in any authorized depository with the objective of realizing maximum return, consistent with prudent financial management.

The JPB's funds may also be invested in the instruments set forth below and in Sections 6 and 7 of this policy:

a. **Time Deposits with Banks.** The JPB may invest in time deposits. In so doing, the following rules will be followed subject to the applicable statutory requirements:

(1) No more than 5 percent of the total portfolio will be placed in any one financial institution.

(2) The issuing bank must carry short-term ratings of at least A-1/P-1/F-1 whose long-term rating is A or better by two of the three nationally recognized rating services (Standard & Poor’s, Moody’s Investor Services and Fitch’s Ratings).

(3) Prior to placing each deposit, the Executive Director or his designee will survey the market in order to determine which stable financial institution offers the highest rate of interest.

b. **U.S. Treasury Obligations.** The investment of JPB funds in U. S. Treasury Obligations may be undertaken in lieu of time deposits. Guaranteed by the U. S. Government, treasury obligations are considered one of the safest instruments, but the yield generally is lower than that of time deposits.
6. **Allowable Investment Instruments.** The JPB may also invest in any investment instrument as authorized by the *California Government Code*, as it may be amended from time to time, and subject to any conditions set forth in the *California Government Code*. These investment instruments may include:

a. United States Treasury notes, bonds, bills or certificates of indebtedness, or those for which the faith and credit of the United States Government are pledged for the timely payment of principal and interest.

b. Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks or obligations, participations or other instruments of or issued by, a federal agency or a United States government-sponsored enterprise.

c. Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which are eligible for purchase by the Federal Reserve System.

d. Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Standard and Poor's or Fitch’s Ratings.

e. Negotiable certificates of deposits issued by a nationally or state-chartered bank or a state or federal association (as defined by *California Financial Code Section 5102*) or by a state-licensed branch of a foreign bank.

f. Investments in repurchase agreements or reverse repurchase agreements of any securities authorized by this section only under specific statutory conditions.

g. Medium-term notes/corporate bonds of a maximum of five years' maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

h. Shares of beneficial interest issued by diversified management companies investing in the securities and obligations as authorized by subdivisions (a) to (g), inclusive, of this section and that comply with specific statutory restrictions.

i. Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate or consumer receivable-backed bond of a maximum of five years maturity.
j. Securities having collateral backing of the invested principal as defined by this Policy and/or the *California Government Code*. Only first mortgages or government securities may be used for collateral on the JPB’s deposits.

7. **Local Agency Investment Fund & San Mateo County Investment Fund.** The Board of Directors also authorizes the JPB to invest in the Local Agency Investment Fund (LAIF) pursuant to *California Government Code Section 16429.1* and in the San Mateo County Investment Fund (SMCIF).

8. **Prohibited Investments.** The JPB shall not invest any funds in inverse floaters, range notes or mortgage derived interest-only strips. The JPB shall not invest any funds in any security that could result in zero interest accrual if held to maturity; however, the JPB may hold this prohibited instrument until its maturity date. The limitation does not apply to investments in shares of beneficial interest issued by diversified management companies as set forth in *California Government Code Section 53601.6*.

9. **Portfolio Transactions.** The JPB’s investment advisors are expected to seek best execution for all portfolio transactions. Best execution relates to the expected realized price net of commissions and is not necessarily synonymous with the lowest commission rate. Investment advisors are to obtain three independent bids from SEC licensed brokerage institutions, licensed by the state as a broker-dealer, as defined in *California Government Code Section 53601.05*, or from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank, prior to the execution of each portfolio transaction. The investment advisors, at their sole discretion and authority, will choose which broker dealers or brokerage firms from which to solicit bids and final selection is to be made based on the best interests of the JPB. Investment advisors may incur realized capital losses in order to minimize the decrease in real purchasing power of the assets over an indefinite period of time subject, however, to the prior approval of the Executive Director or his designee.

10. **Summary of Instruments & Limitations.** Subject to the limitations set forth in *California Government code Sections 53600 et seq.* which may be amended from time to time, the Executive Director or his designee may invest in the following instruments, subject to the limits of flexibility described above:

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Limitations</th>
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<tbody>
<tr>
<td><strong>Rating</strong></td>
<td><strong>% Of Fund</strong></td>
</tr>
<tr>
<td>U.S. Treasury Obligations</td>
<td>100</td>
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<tr>
<td>Obligations of U.S. Agencies or Government Sponsored Enterprises</td>
<td>100</td>
</tr>
<tr>
<td>Instrument</td>
<td>Rating</td>
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<td>---------------------------------------------------------------------------</td>
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<tr>
<td>Bankers Acceptances</td>
<td>A1/ P1/F1</td>
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<tr>
<td>Domestic ($500 million minimum assets)</td>
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<tr>
<td>Foreign ($500 million minimum assets)</td>
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<tr>
<td>Collateralized Time Deposits Within the State of California</td>
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<tr>
<td>Negotiable Certificates of Deposits</td>
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<tr>
<td>Commercial Paper</td>
<td>A1/ P1/F1</td>
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<tr>
<td>($500 million minimum assets)</td>
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<tr>
<td>Additional</td>
<td>10</td>
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<tr>
<td>*Additional 10% (for a total of 25%) if the dollar weighted average maturity of the entire amount does not exceed 31 days</td>
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<tr>
<td>Repurchase Agreements Secured by U.S.Treasury or Agency Obligation (102% collateral)</td>
<td>100</td>
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<tr>
<td>Reverse Repurchase Agreements &amp; Security Lending</td>
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<tr>
<td>Corporate Bonds &amp; Medium Term Notes Including Asset-Backed Bonds</td>
<td>A</td>
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<tr>
<td>(two agencies)</td>
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<tr>
<td>Local Agency Investment Fund (LAIF)</td>
<td></td>
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<tr>
<td>San Mateo County Investment Fund (SMCIF)</td>
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</tr>
<tr>
<td>Shares of Beneficial Interest Issued by Diversified Management Companies as defined in Government Code Section 53601</td>
<td>10</td>
</tr>
<tr>
<td>Mortgage Backed Securities</td>
<td>AAA</td>
</tr>
<tr>
<td>No Inverse Floaters</td>
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<tr>
<td>No Range Notes</td>
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<tr>
<td>No Interest Only Strips Derived from a Pool of Mortgages</td>
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</table>

**IV. BENCHMARKS**

All of the JPB’s investment results shall be evaluated quarterly based on the following composite
index developed by the JPB’s investment advisor.

50% BofA Merrill Lynch 0-1 Year U.S. Governments
50% BofA Merrill Lynch 1-3 Year U.S. Governments

V. REPORTING

On a monthly basis the Investment Advisor should submit an investment report which provides a market review, the Advisor’s outlook for the market and strategy for investing JPB funds. The report will also compare the portfolio against the benchmark established by this policy in terms of duration and yield.

Quarterly, the Executive Director shall submit an investment report to the Board of Directors within 30 days of the end of the quarter. The report shall include the following information:

1. Type of investment, issuer, date of maturity, par and dollar amount invested in all securities, investments and moneys held by the JPB;

2. Description of any of the JPB's funds, investments or programs that are under the management of contracted parties, including lending programs;

3. For all securities held by the JPB or under management by any outside party that is not a local agency or the State of California Local Agency Investment Funds, a current market value as of the date of the report and the source of this valuation;

4. Statement that the portfolio complies with the Investment Policy or the manner in which the portfolio is not in compliance; and

5. Statement that the JPB has the ability to meet its pool's expenditure requirements (cash flow) for the next six months or provide an explanation as to why sufficient money shall or may not be available.

If the JPB places all of its investments in the LAIF, FDIC-insured accounts in a bank or savings and loan association or county investment pool (or any combination of these three), the Executive Director can simply submit, on at least a quarterly basis, the most recent statements from these institutions to meet the requirements of items 1 - 3 above, with a supplemental report addressing items 4 and 5 above. (California Government code Section 53646(b)-(e)).
RESOLUTION NO. 2011-

BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD
STATE OF CALIFORNIA

***

REAFFIRMING THE STATEMENT OF INVESTMENT POLICY
FOR THE PENINSULA CORRIDOR JOINT POWERS BOARD

WHEREAS, in accordance with applicable State law, the Peninsula Corridor Joint Powers Board (JPB) is required to adopt an investment policy; and

WHEREAS, in August 1999, the JPB adopted a Statement of Investment Policy; and

WHEREAS, in November 2010, the JPB most recently amended its Statement of Investment Policy; and

WHEREAS, the JPB may annually render a statement of said investment policy to the Board of Directors for review and approval pursuant to Section 53646 of the State of California Government Code; and

WHEREAS, the Executive Director and staff have presented the Statement of Investment Policy to the Board of Directors; and

WHEREAS, staff recommends reaffirmation of the aforementioned Statement of Investment Policy, and further recommends appointment of the Executive Director (or his designee) as trustee for purposes of placing investments pursuant to the aforementioned policy.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board reaffirms the Statement of Investment Policy attached hereto as Exhibit A; and
BE IT FURTHER RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby appoints its Executive Director (or his designee) as the trustee for purposes of placing investments pursuant to said policy.

Regularly passed and adopted this 3rd day of November 2011 by the following vote:

AYES:

NOES:

ABSENT:

_________________________________________________________________
Chair, Peninsula Corridor Joint Powers Board

ATTEST:

_________________________________________________________________
JPB Secretary
RESOLUTION NO. 2011-

BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD
STATE OF CALIFORNIA

***

AUTHORIZING INVESTMENT OF PENINSULA CORRIDOR JOINT POWERS
BOARD MONIES IN LOCAL AGENCY INVESTMENT FUND

WHEREAS, pursuant to Government Code Section 16429.1, a Local Agency Investment
Fund was created in the State Treasury for the deposit of local agency monies for purposes of
investment by the State Treasurer; and

WHEREAS, staff recommends that the deposit and withdrawal of money in the Local
Agency Investment Fund in accordance with the provisions of Government Code Section
16429.1 for the purpose of investment as stated therein are in the best interests of the Peninsula
Corridor Joint Powers Board.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula
Corridor Joint Powers Board does hereby authorize the deposit and withdrawal of Peninsula
Corridor Joint Powers Board monies in the Local Agency Investment Fund in the State Treasury
in accordance with the provisions of Government Code Section 16429.1 for the purpose of
investment as stated therein; and

BE IT FURTHER RESOLVED that the Executive Director (or his designee) shall be
authorized to order the deposit or withdrawal of Peninsula Corridor Joint Powers Board monies
in the Local Agency Investment Fund.

Regularly passed and adopted this 3rd day of November 2011 by the following vote:

AYES:

NOES:

ABSENT:

__________________________________________
Chair, Peninsula Corridor Joint Powers Board

ATTEST:

___________________________________
JPB Secretary
TO: Joint Powers Board

THROUGH: Michael Scanlon
Executive Director

FROM: Aidan Hughes
Interim Executive Officer, Planning & Development

SUBJECT: AUTHORIZATION FOR THE EXECUTIVE DIRECTOR TO EXECUTE AN EASEMENT IN FAVOR OF THE CITY OF SANTA CLARA

ACTION
Staff Coordinating Council (SCC) recommends that the Board authorize the Executive Director to execute an easement agreement allowing the City of Santa Clara to enter on JPB property to install and maintain underground electrical facilities at the Santa Clara station for the sole purpose of providing electrical service to Caltrain.

SIGNIFICANCE
The easement is required by the City, acting as Silicon Valley Power, as a prerequisite to their provision of power to the new center boarding platforms and pedestrian undercrossing constructed as part of the Santa Clara Station Improvements Project.

BUDGET IMPACT
There is no budget impact. The easement will be transferred at no cost.

BACKGROUND
The Santa Clara Station Improvements Project is a Caltrain project that provides for a new center station platform as well as a pedestrian undercrossing.

Prepared by: Lance Gilbert, Real Estate Officer 650.508.6306
Brian W. Fitzpatrick, Manager, Real Estate & Property Development 650.508.7781
RESOLUTION NO. 2011-

BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD
STATE OF CALIFORNIA

*   *   *

AUTHORIZING THE EXECUTIVE DIRECTOR TO GRANT AN EASEMENT TO THE
CITY OF SANTA CLARA FOR CONSTRUCTION AND INSTALLATION OF
ELECTRICAL FACILITIES AT THE SANTA CLARA STATION

WHEREAS, the Santa Clara Station Improvements Project includes the construction of a
center track station platform and pedestrian underpass; and

WHEREAS, the Project will require an increase in electrical service to Caltrain; and

WHEREAS, the City of Santa Clara, through Silicon Valley Power, needs to install
underground electrical service to provide power to the improvements; and

WHEREAS, the City of Santa Clara requires an easement prior to installation of the
electrical service facilities.

NOW, THEREFORE, BE IT RESOLVED, that the Peninsula Corridor Joint Powers
Board of Directors hereby authorizes the Executive Director, or his designee, to execute an
easement in favor of the City of Santa Clara for the purposes set forth above and subject to
approval as to form by legal counsel.

Regularly passed and adopted this 3rd day of November, 2011, by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

__________________________
JPB Secretary
AGENDA ITEM # 7
NOVEMBER 3, 2011

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: C.H. (Chuck) Harvey
Deputy CEO

SUBJECT: KEY CALTRAIN PERFORMANCE STATISTICS SEPTEMBER 2011

For September 2011, Caltrain average weekday ridership increased 9.8 percent when compared to September 2010. AWR based on ticket sales was 45,374 for September 2011, an increase of 4,065 compared to September 2010. AWR has trended upward compared to the previous year for 14 consecutive months. The total number of passengers for the month of September 2011 was 1,190,227, representing an 11.0 percent increase from last year’s September total of 1,072,574.

In September 2011, on-time performance was 93.6 percent, as compared to 93.4 percent in September 2010. This represents an increase of 0.2 percent, but remains below the standard of 95 percent. This can be attributable to a fatality, signal issues and delays from increased dwell times. If the definition of on-time is expanded to trains arriving within 10 minutes of the scheduled arrival time, on-time performance would be 97.3 percent.

For September 2011, mechanical delays totaled 664 minutes and there were 13.3 complaints per 100,000 passengers.

Average weekday shuttle ridership was estimated at 6,799, which is an increase of 22.2 percent from September 2010. For the station shuttles, the Millbrae-Broadway shuttle averaged 135 daily riders. The Belmont-Hillsdale shuttle averaged 88 daily riders. The weekend Tamien-San Jose shuttle averaged 53 riders per day.
Caltrain Promotions – September 2011

**Stanford Football** – As the Cardinal football season began, Caltrain got the word out that the train is a great way to get to the game. For home games, Caltrain stops at the Stanford Stadium station, located a short walk from the gridiron. Promotions included a news release, KNBR radio spots, web banner on sfgate.com sports page, social media postings, web button on Caltrain’s site and a dedicated service page. Service also was mentioned in *Caltrain Connection* and *Track the Fun*. One home game was played in September, and 1,356 customers rode Caltrain.

**Cal Bears Football** – While University of California, Berkeley rebuilds its football stadium, the Bears have turned AT&T Park into their den for the season. Caltrain operates a special express train after each game. Service promotions included a news release, KBAY radio campaign, web banners on sfexaminer.com, social media postings, web button on Caltrain’s site and a dedicated service page. *Caltrain Connection* and *Track the Fun* included information on service. For the one game played at AT&T Park in September, Caltrain carried 2,543 customers.

**San Jose Sharks** – Fans returned to the Shark Tank in San Jose for three pre-season games. To promote this season’s service, Caltrain worked in partnership with the Sharks on a number of elements, including onboard adcards, radio spots on KFOX during the pre-game Coach’s Corner, web button and page on Caltrain’s site, link on the Sharks’ site, a news release and social media mentions. The service also was featured in the fall edition of *Track the Fun*. A “wrapped” train car, paid by the Sharks, will roll along the line for a month. Total additional ridership was 998, a 212 percent increase compared to last year.

**San Francisco Giants** – The Giants didn’t earn another ring this year, but Caltrain received a ringing endorsement by baseball fans as the way to get to the ballpark. The season-long promotion of the service included a baseball brochure, station flyer, web button on its homepage and web page for baseball service. The 12 games in September brought an additional 66,904 customers to Caltrain. For the season, Caltrain welcomed an additional 480,887 customers, a 7 percent ridership increase compared to last year.

Prepared by: Rita P. Haskin, Executive Officer, Customer Service and Marketing  650.508.6248
Ted Yurek, Senior Planner, Operations Planning  650.508.6471
Table A

September 2011

<table>
<thead>
<tr>
<th>FY2011</th>
<th>FY2012</th>
<th>%Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Ridership</td>
<td>1,072,574</td>
<td>1,190,227#</td>
</tr>
<tr>
<td>Average Weekday Ridership</td>
<td>41,309</td>
<td>45,374#</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$4,001,879</td>
<td>$4,984,656</td>
</tr>
<tr>
<td>On-time Performance</td>
<td>93.4%</td>
<td>93.6%</td>
</tr>
<tr>
<td>Caltrain Shuttle Ridership</td>
<td>5,562</td>
<td>6,799</td>
</tr>
</tbody>
</table>

Year to Date

<table>
<thead>
<tr>
<th>FY2011</th>
<th>FY2012</th>
<th>%Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Ridership</td>
<td>3,261,408</td>
<td>3,609,095#</td>
</tr>
<tr>
<td>Average Weekday Ridership</td>
<td>40,982</td>
<td>44,901#</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$12,061,542</td>
<td>$15,305,664</td>
</tr>
<tr>
<td>On-time Performance</td>
<td>93.3%</td>
<td>92.6%</td>
</tr>
<tr>
<td>Average Caltrain Shuttle Ridership</td>
<td>5,304</td>
<td>6,768</td>
</tr>
</tbody>
</table>

* numeric difference of the percentages

#subject to adjustment due to possible anomalies with Clipper reporting data

Graph A

[Graph showing Caltrain Average Weekday Ridership from SEP 10 to SEP 11]
Graph B

MONTHLY MECHANICAL DELAYS

Graph C

CALTRAIN MONTHLY COMPLAINTS

Delay Minutes per Month

FY2012

FY2011
PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

SUBJECT: STATEMENT OF REVENUE AND EXPENSE FOR THE PERIOD ENDING JUNE 30, 2011 AND SUPPLEMENTAL INFORMATION – YEAR END RESULTS – UNAUDITED

ACTION
Staff proposes that the Board of Directors accept and enter into the record the Statement of Revenue and Expense for the month of June 2011 and supplemental information.

SIGNIFICANCE
Unaudited Revenue: For June of Fiscal Year 2011, Total Operating Revenue (line 7) is $4,645,932 or 8.8 percent better than budget. Within total operating revenue, Farebox Revenue (line 1) is $4,430,853 or 9.9 percent better than budget offset by Shuttles (line 3) which are $430,562 or 28.6 percent worse than budget. Compared to the prior year, Total Operating Revenue (line 7) are $6,386,475 or 12.6 percent higher. The increase in revenue is mainly due to Farebox Revenue (line 1) which is $6,293,229 or 14.7 percent higher.

Unaudited Expense: Grand Total Expenses (line 47) show a favorable variance of $5,501,839 or 5.4 percent. Total Operating Expense (line 33) is $4,693,887 or 5.2 percent better than budget. Within total operating expense, Contract Operating & Maintenance (line 23) and Fuel (line 26) together are $3,744,098 or 5.0 percent better than budget offset by Insurance (line 28) which are $1,608,271 or 28.2 percent worse than budget. Total Administrative Expense (line 42) is $807,952 or 7.8 percent better than budget.

Compared to prior year, Grand Total Expenses (line 47) are $6,993,580 or 7.8 percent higher. The increase in expense is mainly due to Contract Operating & Maintenance (line 23), Fuel (line 26) and Insurance (line 28) which together are $5,869,735 or 8.0 percent higher.

Budget Revisions: There are no budget revisions for the month of June 2011.

Final Year End Results: Staff will update this report and distribute in conjunction with the Fiscal Year 2011 Comprehensive Annual Financial Report (CAFR).

Prepared by: Sheila Tiyoao, Manager, General Ledger 650.508.7752
David Ramires, Accountant 650.508.6417
## Statement of Revenue and Expense

### Peninsula Corridor Joint Powers Board

**Statement of Revenue and Expense**

Fiscal Year 2011

*June 2011*

### Unaudited

#### Revenue

**Operations:**

<table>
<thead>
<tr>
<th>Item</th>
<th>Current Actual</th>
<th>Prior Actual</th>
<th>Current Actual</th>
<th>Revised Budget</th>
<th>% Rev Budget</th>
<th>Approved Budget</th>
<th>Revised Budget</th>
<th>% Rev Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farebox Revenue</td>
<td>4,890,721</td>
<td>42,732,343</td>
<td>49,025,572</td>
<td>44,594,719</td>
<td>90.9%</td>
<td>43,353,719</td>
<td>44,594,719</td>
<td>90.9%</td>
</tr>
<tr>
<td>Parking Revenue</td>
<td>199,283</td>
<td>2,407,234</td>
<td>2,501,190</td>
<td>2,271,159</td>
<td>110.1%</td>
<td>2,271,159</td>
<td>2,271,159</td>
<td>110.1%</td>
</tr>
<tr>
<td>Shuttles</td>
<td>81,857</td>
<td>1,044,510</td>
<td>1,075,016</td>
<td>1,505,578</td>
<td>71.4%</td>
<td>1,505,578</td>
<td>1,505,578</td>
<td>71.4%</td>
</tr>
<tr>
<td>Rental Income</td>
<td>147,353</td>
<td>1,729,433</td>
<td>1,733,170</td>
<td>1,696,200</td>
<td>102.2%</td>
<td>1,696,200</td>
<td>1,696,200</td>
<td>102.2%</td>
</tr>
<tr>
<td>Other Income</td>
<td>449,992</td>
<td>2,849,034</td>
<td>2,814,080</td>
<td>2,435,440</td>
<td>115.5%</td>
<td>2,435,440</td>
<td>2,435,440</td>
<td>115.5%</td>
</tr>
</tbody>
</table>

#### Contributions:

- **AB434 Peninsula Feeder Shuttle:** 83,333
- **Operating Grants:** 943,292
- **JPB Member Agencies:** 2,924,177
- **Other Sources:** -

#### Total Operating Revenue:

|                     | 5,769,207      | 50,762,553   | 57,149,028     | 52,503,096     | 108.8%       | 51,262,096     | 52,503,096     | 108.8%       |

#### Operating Expense:

- **Services:** 128,435
- **Utilities:** 13,761
- **Facilities and Equipment Maint:** 98,433
- **Rentals:** 147,353
- **Insurance:** 1,515,566
- **Timetables and Tickets:** 7,091
- **Shuttles (incl Peninsula Pass):** 225,460
- **Contract Operating and Maintenance:** 4,920,412
- **Operator Contract Transition Costs:** 80,027
- **Shuttles:** 225,460
- **Fuel:** 1,338,209
- **Timetables and Tickets:** 7,091
- **Facilities and Equipment Maint:** 98,433
- **Utilities:** 13,761
- **Services:** 128,435

#### Total Operating Expense:

|                     | 8,327,393      | 79,665,479   | 86,065,625     | 90,759,512     | 94.8%        | 90,820,266     | 90,759,512     | 94.8%        |

#### Administrative Expense:

- **Wages and Benefits:** 578,088
- **Board of Directors:** 651
- **Professional Services:** 46,762
- **Communications and Marketing:** 18,848
- **Office Expense and Other:** 117,287

#### Total Administrative Expense:

|                     | 761,637        | 8,939,849    | 9,541,601      | 10,349,553     | 92.2%        | 10,250,228     | 10,349,553     | 92.2%        |

#### Long Term Debt Expense:

|                     | 91,906         | 1,102,875    | 1,102,875      | 1,102,875      | 100.0%       | 1,102,875      | 1,102,875      | 100.0%       |

#### Service Adjustment/Fare and Revenue Changes:

|                     | 0.0%           |             |              |              |             |              |              |              |

**Grand Total Expense:**

|                     | 9,180,936      | 89,716,521   | 96,710,101     | 102,211,940   | 94.6%        | 99,879,615    | 102,211,940   | 94.6%        |

**% of Year Elapsed** provides a general measure for evaluating overall progress against the annual budget. When comparing it to the amounts shown in the "% Rev Budget" column, please note that individual line items reflect variations due to seasonal activities during the year.

* The Revised Budget is the Board adopted budget effective July 1, 2010.

** The Approved Budget is the Board adopted budget plus Board amendments plus budget transfers.

10/14/11 2:39 PM
# PENINSULA CORRIDOR JOINT POWERS BOARD

## INVESTMENT PORTFOLIO

**AS OF JUNE 30, 2011**

<table>
<thead>
<tr>
<th>TYPE OF SECURITY</th>
<th>MATURITY DATE</th>
<th>INTEREST RATE</th>
<th>PURCHASE PRICE</th>
<th>MARKET RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Agency Investment Fund (Restricted)</td>
<td>Liquid Cash</td>
<td>0.448%</td>
<td>$ 2,000,000</td>
<td>$ 2,003,153</td>
</tr>
<tr>
<td>Local Agency Investment Fund (Unrestricted)</td>
<td>Liquid Cash</td>
<td>0.448%</td>
<td>6,202,656</td>
<td>6,212,434</td>
</tr>
<tr>
<td>Investment Portfolio (Unrestricted)</td>
<td>Liquid Cash</td>
<td>2.791%</td>
<td>6,204,586</td>
<td>6,083,692</td>
</tr>
<tr>
<td>Other (Unrestricted)</td>
<td>Liquid Cash</td>
<td>0.050%</td>
<td>2,777,401</td>
<td>2,777,401</td>
</tr>
</tbody>
</table>

$ 17,184,643 $ 17,076,680

Accrued Earnings for June 2011 $17,719.82 (1)
Cumulative Earnings FY2011 $304,188.27

---

* The market value of Local Agency Investment Fund (LAIF) was derived from the fair value factor of 1.001576470 as reported by LAIF for quarter ending June 30, 2011.

** The Portfolio and this Investment Report comply with the Investment Policy and the provisions of SB 564 (1995). The Joint Powers Board has the ability to meet its expenditure requirements for the next six months.
AGENDA ITEM #9
NOVEMBER 3, 2011

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

SUBJECT: STATEMENT OF REVENUE AND EXPENSE FOR THE PERIOD ENDING SEPTEMBER 30, 2011 AND SUPPLEMENTAL INFORMATION

ACTION
Staff proposes that the Board of Directors accept and enter into the record the Statement of Revenue and Expense for the month of September 2011 and supplemental information.

SIGNIFICANCE
Revenue: For September of Fiscal Year 2012, Total Operating Revenue (line 7) is $2,171,803 or 14.1 percent better than budget. Within total operating revenue, Farebox Revenue (line 1) is $2,085,900 or 15.8 percent better than budget. Compared to the prior year, Total Operating Revenue (line 7) is $3,585,219 or 25.7 percent higher driven by Farebox Revenue (line 1) and Parking Revenue (line 2) which together are $3,503,450 or 27.7 percent higher.

Expense: Grand Total Expenses (line 46) show a favorable variance of $1,642,384 or 6.3 percent. Total Operating Expense (line 33) is $1,307,135 or 5.8 percent better than budget. Within total operating expense, Contract Operating & Maintenance (line 23) and Fuel (line 26) together are $1,075,655 or 5.5 percent better than budget. Total Administrative Expense (line 42) is $335,249 or 10.4 percent better than budget.

Compared to prior year, Grand Total Expenses (line 46) are $1,449,958 or 6.3 percent higher. The increase in expense is mainly due to Contract Operating & Maintenance (line 23), Fuel (line 26) and Administrative Expense (line 42) which together are $2,304,868 or 12.2 percent higher offset by Insurance (line 28) which are $1,036,471 or 47.0 percent lower than budget.

Budget Revisions: There are no budget revisions for the month of September 2011.

Prepared by: Sheila Tioyao, Manager, General Ledger 650.508.7752
David Ramires, Accountant 650.508.6417
### Statement of Revenue and Expense

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**STATEMENT OF REVENUE AND EXPENSE**

**Fiscal Year 2012**

**September 2011**

<table>
<thead>
<tr>
<th>MONTH</th>
<th>CURRENT ACTUAL</th>
<th>PRIOR ACTUAL</th>
<th>CURRENT YEAR TO DATE</th>
<th>REVISED BUDGET</th>
<th>% OF YEAR ELAPSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farebox Revenue</td>
<td>4,984,656</td>
<td>12,061,542</td>
<td>15,305,664</td>
<td>13,219,764</td>
<td>115.8%</td>
</tr>
<tr>
<td>Parking Revenue</td>
<td>293,876</td>
<td>587,230</td>
<td>846,558</td>
<td>694,149</td>
<td>122.0%</td>
</tr>
<tr>
<td>Shuttles</td>
<td>95,658</td>
<td>301,396</td>
<td>288,981</td>
<td>287,136</td>
<td>100.6%</td>
</tr>
<tr>
<td>Rental Income</td>
<td>147,406</td>
<td>437,654</td>
<td>442,626</td>
<td>434,310</td>
<td>101.9%</td>
</tr>
<tr>
<td>Other Income</td>
<td>199,897</td>
<td>551,310</td>
<td>640,521</td>
<td>717,189</td>
<td>83.9%</td>
</tr>
<tr>
<td>TOTAL OPERATING REVENUE</td>
<td>5,721,493</td>
<td>13,939,132</td>
<td>17,524,351</td>
<td>15,352,548</td>
<td>114.1%</td>
</tr>
</tbody>
</table>

| CONTRIBUTIONS: | | | | | |
| AB434 Peninsula Feeder Shuttle | 83,333 | 250,000 | 250,000 | 249,999 | 100.0% |
| Operating Grants | - | 1,217,665 | - | 1,537,074 | 99.5% |
| JPB Member Agencies | 2,111,438 | 8,442,534 | 6,334,310 | 6,334,311 | 100.0% |
| Other Sources | 253,419 | - | 253,419 | 2,530,532 | 10.0% |
| TOTAL CONTRIBUTED REVENUE | 2,448,190 | 9,910,199 | 6,837,729 | 10,651,916 | 64.2% |

| GRAND TOTAL REVENUE | 8,169,683 | 23,849,331 | 24,362,080 | 26,004,464 | 93.7% |

| EXPENSE | | | | | |
| OPERATING EXPENSE: | | | | | |
| Contract Operating and Maintenance | 4,681,176 | 13,672,717 | 14,040,114 | 15,002,975 | 93.6% |
| Operator Contract Transition Costs | 54,311 | - | 161,040 | 161,818 | 99.5% |
| Shuttles (incl Peninsula Pass) | 258,024 | 749,144 | 762,897 | 765,000 | 99.7% |
| Fuel | 1,189,425 | 3,093,244 | 4,308,903 | 4,421,697 | 97.4% |
| Timetables and Tickets | 4,247 | 2,485 | 4,247 | 40,250 | 10.6% |
| Insurance | 394,012 | 2,207,492 | 1,171,021 | 1,217,490 | 96.2% |
| Utilities | 122,431 | 313,330 | 337,370 | 399,250 | 84.5% |
| Services | 67,336 | 228,714 | 219,528 | 295,964 | 74.2% |
| TOTAL OPERATING EXPENSE | 6,887,293 | 20,471,966 | 21,200,112 | 22,507,247 | 94.2% |

| GRAND TOTAL EXPENSE | 7,889,316 | 22,912,122 | 24,362,080 | 26,004,464 | 93.7% |

---

"% OF YEAR ELAPSED" provides a general measure for evaluating overall progress against the annual budget. When comparing it to the amounts shown in the "% REV BUDGET" column, please note that individual line items reflect variations due to seasonal activities during the year.

10/20/11 9:02 AM
**The Portfolio and this Investment Report comply with the Investment Policy and the provisions of SB 564 (1995). The Joint Powers Board has the ability to meet its expenditure requirements for the next six months.**

Peninsula Corridor Joint Powers Board  
Investment Portfolio  
As of September 30, 2011

<table>
<thead>
<tr>
<th>Type of Security</th>
<th>Maturity Date</th>
<th>Interest Rate</th>
<th>Purchase Price</th>
<th>Market Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Agency Investment Fund (Restricted)</td>
<td>Liquid Cash</td>
<td>0.378%</td>
<td>$2,000,000</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Local Agency Investment Fund (Unrestricted)</td>
<td>Liquid Cash</td>
<td>0.378%</td>
<td>$17,519,164</td>
<td>$17,519,164</td>
</tr>
<tr>
<td>Investment Portfolio (Unrestricted)</td>
<td>Liquid Cash</td>
<td>3.895%</td>
<td>$4,164,306</td>
<td>$4,048,471</td>
</tr>
<tr>
<td>Other (Unrestricted)</td>
<td>Liquid Cash</td>
<td>0.010%</td>
<td>$2,227,115</td>
<td>$2,227,115</td>
</tr>
</tbody>
</table>

|  |  |  |  |  |

$25,910,586 $25,794,750

Accrued Earnings for September 2011 $15,328.80  
Cumulative Earnings FY2012 $53,000.95
AGENDA ITEM #
NOVEMBER 3, 2011

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director / CEO

FROM: Gigi Harrington
Deputy CEO

SUBJECT: QUARTERLY INVESTMENT REPORT AND
FIXED INCOME MARKET REVIEW AND OUTLOOK

ACTION
Staff Coordinating Council (SCC) recommends that the Board accept and enter into the record
the Quarterly Investment Report and Fixed Income Market Review and Outlook for the quarter
ended September 30, 2011.

SIGNIFICANCE
The Joint Powers Board’s (JPB) Investment Policy contains a requirement for a quarterly report
to be transmitted to the Board within 30 days of the end of the quarter. This staff report was
forwarded to the Board of Directors under separate cover on October 26, 2011 in order to meet
the 30 day requirement.

BUDGET IMPACT
As this reports on the Quarterly Market Review and Outlook, there is no budget impact.

BACKGROUND
The JPB is required by state law to submit quarterly reports within 30 days of the end of the
quarter covered by the report. The report is required to include the following information:

1. Type of investment, issuer, date of maturity, par and dollar amount invested in all
   securities, investments and money held by the local agency;
2. Description of any of the local agency's funds, investments or programs that are under
   the management of contracted parties, including lending programs;
3. For all securities held by the local agency or under management by any outside party
   that is not a local agency or the State of California Local Agency Investment Fund
   (LAIF), a current market value as of the date of the report and the source of this
   information;
4. Statement that the portfolio complies with the Investment Policy or the manner in which
   the portfolio is not in compliance; and,
5. Statement that the local agency has the ability to meet its pool’s expenditure requirements (cash flow) for the next six months or provide an explanation as to why sufficient money shall or may not be available.

A schedule, which addresses the requirements of 1, 2, and 3 above, is included in this report on page 6. The schedule separates the investments into three groups: The Investment Portfolio which is managed by SunTrust Banks, doing business as CSI Capital a SunTrust Group (“CSI”). Liquidity funds which are managed by JPB staff; and Trust funds which are managed by a third party trustee. The Investment Policy governs the management and reporting of the Investment Portfolio and Liquidity funds while the bond covenants govern the management and reporting of the Trust funds.

CSI provides the JPB a current market valuation of all the assets under its management for each quarter. The valuation is provided by FT Interactive Data, the major operating division of Interactive Data Corporation, (IDC). IDC is a leading provider of global securities data. They offer one of the largest information databases with current and historical prices on securities traded in all major markets including daily evaluations for more than 2.5 million fixed income securities.

Due to the nature of securities which are bought and sold in a principal market, such as fixed income securities, multiple market values may exist for a given security at any given time. CSI has chosen IDC as an unbiased estimator of these prices based on their leading role as a provider of end of the day pricing, an evaluation of their methodology and the experience of their evaluation staff. Unfortunately, given the recent volatility in the markets not every security is currently supported or accurately reflected by IDC. Therefore at the end of the quarter, CSI surveyed a number of Wall Street firms to get an accurate market value of the securities held in JPB’s portfolio. These surveys reflect the levels at which someone is actually willing to purchase the securities held by JPB. In the case of money market instruments, which are not supported by IDC, CSI uses adjusted cost.

The Liquidity funds managed by JPB staff are considered to be cash equivalents and therefore market value is considered to be equal to book value, (i.e. cost). The shares of beneficial interest generally establish a nominal value per share. Because the Net Asset Value is fixed at a nominal value per share, book and market value are equal and rate of income is recalculated on a daily basis.

The portfolio and this Quarterly Investment Report comply with the Investment Policy and the provisions of SB 564 (1995). The JPB has the ability to meet its expenditure requirements for the next six months.
**DISCUSSION**

**Market Review and Outlook**

Interest rates fell during the third quarter of the year as a series of events including the sovereign debt crisis in Europe, further stimulus measures by the Federal Reserve of the United States (the Fed), and a downgrade by Standard and Poor's Corporation (S&P) of the sovereign debt of the United States, dominated the headlines. Taken together, these events lowered expectations for global growth and raised the possibility for renewed recessions in both Europe and the United States. By the end of the quarter, interest rates had fallen to record lows and the equity markets stood 17.5 percent off their recent highs.

Most commentators believe the most serious challenge currently facing the global economic market is the debt problems in the Euro Zone. It is now widely expected that Greece will default on its debt. While it is unclear how such a default will impact the remainder of the Euro Zone, it is clear that a default will come as a serious blow to the many European banks that hold the sovereign debt. The fear is that such a default could lead to a broader financial crisis that could in turn lead to a more serious economic downturn across the continent of Europe and further.

In the United States, slow economic growth, persistently high levels of unemployment and weaker financial markets led the Fed to announce “Operation Twist” as their latest attempt to stimulate economic growth. Operation Twist’s stated goal is to stimulate economic activity through the sale of short-term bonds and the purchase of long-term bonds. However, investors are not convinced that the Fed’s actions have had, or will have much of an impact on growth. Until banks start lending again, the argument goes, the additional liquidity provided by the Fed will do the economy little good.

An unprecedented event that took place during the quarter was the downgrade by S&P of the
sovereign debt of the United States. The immediate market reaction was an increase in the price of U.S. Government securities indicating that the downgrade was not taken as a reflection of the credit quality of U.S. Government debt. Rather, the downgrade signaled concern for weaker global growth as fiscal policies across the world are tightened.

In another unprecedented event during the quarter, the Fed announced their intention to maintain an extremely low level of interest rates through mid 2013. It was the Fed’s hope that this statement would reduce uncertainty and allow companies to plan for future investments. The move was not universally supported. Unfortunately, by the Fed’s own words, this is a strategy they intend to pursue for some time and investors need to set their expectations accordingly.

The decline in rates is not what we had been expecting. Even though we believe the U.S. economy can continue to grow in spite of its current challenges, the message from the market is that it will be well over a year before the Fed starts to raise interest rates.

Despite the litany of negative news there are still several bright spots. Corporate profits reached record levels, balance sheets remain strong, and production schedules appear more or less in line with reduced levels of demand. What’s more, the global economy seems poised to grow at a faster than normal pace, there are expectations for the global middle class to quadruple in size over the next twenty years with the resulting increase in global GDP providing ample opportunities for multinational corporations to continue to grow profits, which is a good sign for increasing levels of employment over time.

**Strategy**

Over the foreseeable future CSI expect interest rates to move gradually higher. They continue to caution that the current low rates leave no room for a sudden rise in interest rates, which would result in negative returns. Given CSI’s outlook and the current level of uncertainty in the markets, we are comfortable keeping the portfolio’s exposure to a change in interest rates below that of the benchmark.

As of the end of the quarter, the JPB’s portfolio consisted of 0 percent FDIC guaranteed Corporate Bonds, 100 percent Agency Securities and 0 percent US Treasury securities; see Exhibit 6. The current average interest rates on short term US Treasury securities are below the return provided by LAIF. FDIC guaranteed Corporate Bonds typically have a longer duration than one year and do not satisfy the JPB’s liquidity needs. It is for these reasons the current portfolio mix is 100 percent invested in Agency Securities.

**Budget Impact**

The portfolio’s performance is reported on a total economic return basis. This method includes the coupon interest, amortization of discounts and premiums, capital gains and losses and price changes (i.e., unrealized gains and losses). For the quarter ending September 30, the portfolio returned 0.04 percent. This compares to the benchmark return of 0.27 percent. The Performance graph in Exhibit 3 shows the relative performance of the JPB’s portfolio since inception. The Growth of a Thousand Dollars graph in Exhibit 4 shows the cumulative performance over this same time frame for the portfolio.
The portfolio’s yield to maturity, the return the portfolio will earn in the future if all securities are held to maturity is also reported. This calculation is based on the current market value of the portfolio including unrealized gains and losses. For the quarter ending September 30, the portfolio’s yield to maturity or call was 0.47 percent. The benchmark’s yield to maturity was 0.20 percent.

Another method of measuring the portfolio’s yield to maturity is the yield of the portfolio at cost. This calculation is based on the value of the portfolio at cost and does not include any unrealized gains or losses as part of its computation. As of the end of the quarter the portfolio’s rate of return on investments, at cost, was 1.91 percent.

Prepared by: Lori Snow, Manager, Finance Treasury

650.508.6425
**PENINSULA CORRIDOR JOINT POWERS BOARD**
**REPORT OF INVESTMENTS**
**FOR QUARTER ENDED SEPTEMBER 30, 2011**

<table>
<thead>
<tr>
<th>TYPE</th>
<th>DATE OF MATURITY</th>
<th>PAR VALUE</th>
<th>CARRYING AMOUNT</th>
<th>MARKET VALUE</th>
<th>ACCRUED INTEREST</th>
<th>MARKET VALUE + ACCR. INT.</th>
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<tr>
<td><strong>FUNDS MANAGED BY SUNTRUST BANKS/CSI CAPITAL A SUNTRUST GROUP:</strong></td>
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<td>INVESTMENT PORTFOLIO:</td>
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<td>11-15-11</td>
<td>2,000,000</td>
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<td>2,039,250</td>
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<td>2,079,563</td>
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<td>536,148</td>
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TOTAL FUNDS MANAGED BY SUNTRUST BANKS/CSI CAPITAL A SUNTRUST GROUP 5,035,000 5,013,583 5,075,940 43,400 5,119,340

**LIQUIDITY FUNDS MANAGED BY DISTRICT STAFF:**

| BANK OF AMERICA CHECKING   |                  |           |                 |              |                  |                           |
| LAIF                        | 2,227,115        | 2,227,115 | 0               |              |                  | 2,227,115                 |
| 19,519,164                  | 19,519,164       | 15,139    | 19,534,303      |

TOTAL FUNDS MANAGED BY DISTRICT STAFF 21,746,279 21,746,279 15,139 21,761,418

**TRUST FUNDS MANAGED BY THIRD PARTY TRUSTEE:**

| First American Treas. Oblig. Cl D Corp Tr |                  |           |                 |              |                  |                           |

| 551,438                       | 551,438          | 0         | 551,438         |

TOTAL FUNDS MANAGED BY THIRD PARTY TRUSTEE 551,438 551,438 0 551,438

TOTAL AS OF SEPTEMBER 30, 2011 5,035,000 27,311,300 27,373,657 58,539 27,432,196

**EXHIBIT 1**
Peninsula Corridor Joint Powers Board
Historical Yield Curve

Data Source: Bloomberg

CSI Capital Management, Inc.
Peninsula Corridor Joint Powers Board
Monthly Review – Account vs. Benchmark

Rolling 24 Months

MONTHLY PERFORMANCE DATA

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<td>0.07%</td>
<td>-0.07%</td>
<td>-0.02%</td>
<td>0.10%</td>
<td>-0.01%</td>
<td>0.12%</td>
<td>0.18%</td>
<td>0.07%</td>
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<td>0.11%</td>
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<td>0.03%</td>
<td>0.12%</td>
<td>0.23%</td>
<td>-0.08%</td>
<td>0.76%</td>
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CSI Capital Management, Inc.
Peninsula Corridor Joint Powers Board
Growth of One Thousand Dollars

Rolling 24 months

CSI Capital Management, Inc.
Peninsula Corridor Joint Powers Board
Duration vs. Benchmark

*Duration* is a measure of a portfolio's sensitivity to a change in interest rates. It represents the amount a portfolio's value would change, in percent, if interest rates were to rise or fall by 1%. For example, we would expect a portfolio with a duration of 2 to rise by 2% in value if interest rates fell 1% and to fall by 2% in value if interest rates rose by 1%.

CSI Capital Management, Inc.
Peninsula Corridor Joint Powers Board
Percent of Assets Held by Type
TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington  Aidan Hughes
Deputy CEO Interim Executive Officer
Planning and Development

SUBJECT: AUTHORIZING AWARD OF CONTRACT FOR BILLBOARD
ADVERTISING OPTIMIZATION

ACTION
Staff Coordinating Council (SCC) recommends that the Board:

1. Award a revenue-sharing contract for Billboard Advertising Optimization for a three-year term, to All Vision, LLC of San Francisco, CA.
2. Authorize the Executive Director, or his designee, to execute a contract with All Vision, LLC in full conformity with the terms and conditions of the solicitation documents.
3. Authorize the Executive Director, or his designee, to exercise up to two additional one-year option terms, if it is in the best interest of the Peninsula Corridor Joint Powers Board (JPB).

SIGNIFICANCE
This recommended contract award will provide the JPB the necessary consultant expertise to generate more revenue from the rental of billboard sites than the JPB is currently earning.

BUDGET IMPACT
Funds will not be required for this contract because the consultant will not be paid unless their work results in an increase in revenues to the JPB. If revenues increase beyond the annual $26,300 the JPB receives for the lease of billboard sites, the consultant will receive between 20 and 25 percent of the additional income collected by the JPB, based on a tiered schedule, for a period equivalent to the lesser of the term of any new billboard agreement or 20 years.

BACKGROUND
A Request for Proposals (RFP) was issued and advertised in a local newspaper and on the Caltrain’s procurement website. Solicitation notices also were sent to advertising and media buying agencies in the small and disadvantaged business community. The JPB received one proposal. An Evaluation Committee (Committee) composed of qualified staff reviewed and scored the proposal in accordance with the following criteria:
• Billboard Advertising Optimization Approach 0 to 10
• Qualifications and Experience of the Project Team 0 to 30
• Qualifications and Experience of the Proposer on Similar Projects 0 to 30
• Financial Strength and Data Management Processing 0 to 05
• Compensation Proposal 0 to 25

All Vision, LLC submitted the only proposal, received an acceptable score and was invited for an interview. Upon completion of the interview, final scoring of the proposal, financial review and reference checks, staff determined that the selected firm has the requisite depth of experience and the required qualifications to successfully perform the services.

The Committee determined that All Vision’s fixed payment percentage rate range compared favorably to rates paid by other public agencies for similar services and is fair and reasonable.

The JPB currently has 17 leases with billboard companies that own, operate and maintain billboards on the Caltrain right of way. As JPB’s consultant, All Vision will assist the JPB by:

a) Assessing the revenue potential of the existing billboard locations
b) Identifying other potential billboard locations along the right of way
c) Working with cities to determine the types of billboard facilities that would be acceptable to each municipality
d) Negotiating with billboard companies

This work may result in proposals for larger or more innovative billboard advertising in identified locations. JPB has the right under the contract to reject new billboard sites at their discretion and any proposed billboard leases resulting from All Vision’s work will be processed according to the JPB’s policies on conveyance of property rights.

The contract with All Vision will limit risk to the JPB because they will not be paid unless their work results in an increase in the gross rents received by JPB for rent of billboard sites.

Contract Officer: Evelyn Marcal 650.508.7958
Project Manager: Brian Fitzpatrick, Manager, Real Estate and Property Development 650.508.7781
RESOLUTION NO. 2011-

BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD
STATE OF CALIFORNIA

*   *   *

AUTHORIZING AWARD OF A REVENUE-SHARING CONTRACT FOR
BILLBOARD ADVERTISING OPTIMIZATION
FOR A THREE YEAR TERM

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) has solicited competitive
proposals for providing Billboard Advertising Optimization Services; and

WHEREAS, in response to the JPB’s Request for Proposals (RFP), one firm submitted a
proposal; and

WHEREAS, an Evaluation Committee (Committee) comprised of qualified JPB staff
reviewed and evaluated the proposals in accordance with the criteria set forth in the RFP; and

WHEREAS, upon completion of the initial evaluation and scoring process, All Vision, LLC of San Francisco, CA was invited for an interview; and

WHEREAS, upon completion of the interview, checking of references, and final scoring
of the proposal, it was determined that all All Vision, LLC has the requisite depth of experience
and the required qualifications to successfully perform the contract requirements; and

WHEREAS, staff has determined that the agreed upon payment rate for the consultant is
fair and reasonable; and

WHEREAS, staff has determined that it would be in the best interest of the JPB to award
the contract to All Vision, LLC; and
WHEREAS, the Executive Director recommends that a contract be awarded to All Vision, LLC, whose proposal meets all of the RFP requirements and which includes a fair and reasonable revenue sharing agreement for furnishing Billboard Advertising Optimization Services.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the JPB awards a contract for Billboard Advertising Optimization Services for a three-year term and up to two additional, one-year option terms, if it is in the best interest of JPB.

BE IT FURTHER RESOLVED that the Board of Directors authorizes the Executive Director or his designee to execute the contract on behalf of the JPB with All Vision, LLC in full conformity with all the terms and conditions of the solicitation documents and negotiated agreements subject to the compensation limits set forth above and to exercise up to two one-year option terms if it is in the best interest of the JPB.

Regularly passed and adopted this 3rd day of November, 2011, by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary
TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Rita P. Haskin
Executive Officer, Customer Service and Marketing

SUBJECT: CLIPPER MEMORANDUM OF UNDERSTANDING AMENDMENT No. 1

ACTION
Staff Coordinating Council (SCC) recommends that the Board authorize the Executive Director,
or his designee, to execute Clipper® Memorandum of Understanding Amendment Number 1
regarding responsibility for commissions for sales handled through third-party transit benefit
programs. The MOU goes into effect upon signature by all parties and will expire June 2013
unless extended by approval by all parties.

SIGNIFICANCE
Amendment No. 1 states that the participating transit agencies are financially responsible for a
new 1 percent sales commission associated with sales of Clipper value through third-party transit
benefit programs. The sales commission will apply to automated monthly Clipper add value
transactions initiated through the transit benefit programs’ website interfaces.

BUDGET IMPACT
The net impact of the sales commission is anticipated to be cost neutral.

BACKGROUND
In June 2010, the JPB approved entering into the Clipper Memorandum of Understanding
(Reso. 2010-30) along with the Alameda-Contra Costa Transit District, Bay Area Rapid Transit
District, Golden Gate Bridge, Highway and Transportation District, San Francisco Municipal
Transportation Agency, San Mateo County Transit District, Santa Clara Valley Transportation
Authority and Metropolitan Transportation Commission. The Clipper MOU succeeds the
previously executed TransLink Interagency Participation Agreement in defining the agreements
among MTC and transit operators with respect to operation of the Clipper fare payment system.
Under the Clipper MOU, transit agencies are financially responsible for sales commissions for
Clipper add-value transactions at retailers and credit/debit processing fees.

Prepared by: Rita P. Haskin, Executive Officer, Customer Service and Marketing  650.508.6248
AMENDMENT NO. 1

TO

CLIPPER® MEMORANDUM OF UNDERSTANDING

This Amendment No. 1 to the Clipper® Memorandum of Understanding dated __________, 2011, (the “MOU”) is entered into as of the ___day of ________, 2011 by and among the Metropolitan Transportation Commission (“MTC”) and the following transit operators participating in the Clipper® program (referred to herein as “Operator” or “Operators”):

Alameda-Contra Costa Transit District (“AC Transit”); Golden Gate Bridge Highway and Transportation District (“GGBHTD”); the San Francisco Bay Area Rapid Transit District (“BART”); the City and County of San Francisco, acting by and through its Municipal Transportation Agency (“MTA”); the San Mateo County Transit District (“SamTrans”); the Santa Clara Valley Transportation Authority (“VTA”); the Peninsula Corridor Joint Powers Board (“Caltrain”); and any other transit operators that implement Clipper and execute this MOU after the Effective Date.

MTC and the Operators are referred to herein as “the Parties” or individually, as a “Party”.

The Parties agree to amend the MOU as follows:

Appendix B, Clipper® Cost and Revenue Allocation, is deleted and the revised Appendix B is substituted, as attached hereto and incorporated herein by this reference.
IN WITNESS WHEREOF, this MOU has been duly authorized and executed by the Parties hereto on the dates specified below.

**Metropolitan Transportation Commission**

____________________________

Steve Heminger, Executive Director
Date: __________________

Approved as to Form:

____________________________

Adrienne D. Weil
General Counsel

**Alameda Contra Costa Transit District**

Approved as to Form:

**Golden Gate Bridge Highway and Transportation District**

Approved as to Form:

**San Francisco Bay Area Rapid Transit District**

Approved as to Form:

**City and County of San Francisco Municipal Transportation Agency**

Approved as to Form:

**Edward Reiskin, CEO/Executive Director**

Date:

Robin M. Reitzes
Deputy City Attorney
Municipal Transportation Agency Board of Directors
Resolution No. __________________
Dated: ______________________

______________________________
Secretary, MTAB

San Mateo County Transit District
Approved as to Form:

Michael Scanlon, General Manager/CEO
Date: ______________________
David J. Miller
General Counsel

Santa Clara Valley Transportation Authority
Approved as to Form:

Michael T. Burns, General Manager
Date: ______________________
Kevin Allmand
General Counsel

Peninsula Corridor Joint Powers Board
Approved as to Form:

Michael Scanlon, Executive Director
Date: ______________________
David J. Miller
General Counsel

J:\CONTRACT\Contracts-New\Con Clipper\MOUs\Clipper MOU\Amendment 1\Clipper MOU_Amend1_10.14.11 draft3.doc
Appendix B

ClipperSM Cost and Revenue Allocation

1. Cost Allocation Among Operators

The allocation of Clipper® operating costs to each Operator shall be based on a combination of revenue collected and the number of fee payment transactions processed. “Revenue collected” shall mean the fee collected on behalf of each Operator by the Clipper® clearinghouse (e.g., the price charged to ride on the Operator’s transit system, the value of pass sales, the amount of parking fees paid). A “fee payment transaction” shall mean any activity in which a ClipperSM card is used to receive service on or from an Operator’s system (e.g., to ride on the Operator’s transit system, to park on the Operator’s property). A fee payment transaction shall be attributed to the Operator on whose system the service was provided, except that a transaction in which a patron uses a Muni Fast Pass to ride BART will be attributed to MTA. All fee payment transactions are included for purposes of allocating Clipper® operating costs, regardless of whether the transaction results in a reduction of the amount of stored value or stored rides on a Clipper® card (e.g., use of a monthly pass on a transit system, intra-operator transfers, entry and exit transactions for a single ride where both transactions are required to compute the appropriate fare payment).

One-third (1/3) of Clipper® operating costs shall be allocated to Operators based on each Operator’s share of total revenue collected by the Clipper® clearinghouse, as defined above. Two-thirds (2/3) of Clipper® operating costs shall be allocated to Operators based on each Operator’s share of total fee payment transactions processed by the Clipper® clearinghouse, as defined above.

In addition to the Clipper® operating costs allocated in accordance with Appendix B.2.B(i) herein, each Operator shall be responsible for payment of:

a. Clipper® Data Server (CDS) Store operating costs specified below for any TDS Store implemented on such Operator’s site; and

b. Credit/debit interchange fees charged through an Operator-specific credit/debit gateway associated with Clipper® sales through add value machines, ticket office terminal devices and ticket vending machines. This responsibility is subject to review pursuant to Article I.F to ensure that no single Operator is unfairly burdened by such fees.

c. Incremental Clipper® operating costs established by and/or resulting from Clipper® Contract change orders requested and funded by an Operator for such Operator’s use and benefit shall be the responsibility of such Operator. This applies to costs or portions of costs that would otherwise be MTC’s responsibility as described below.

2. Clipper® Costs

A. MTC Operating and Maintenance Costs. MTC shall pay the following Clipper® operating costs:
i. All fixed operating costs of the Clipper® clearinghouse and equipment maintenance services costs as specified in the Clipper® Contract’s Price Schedule (Attachment 2 to the Clipper® Contract) (the “Price Schedule”), including:
   a. Item 3.20 Program Management – Operations and Maintenance
   b. Item 3.30 Clipper® Testbed Operations & Maintenance
   c. Item 5.31 Operator Help Desk
   d. Item 5.32 Reporting
   e. Item 5.33 Asset Management
   f. Item 6.0 Equipment Maintenance Services
   g. Item 10.21(a) Location Acquisition
   h. Item 10.22 Location Servicing and Support
   i. Item 10.23 (a) Acquisition Payment for Third Party Location
   j. Item 12.0 Network Management
   k. Item 13.22 Basic Monthly Operations and Admin

ii. Variable Clipper® operating costs as specified in the Price Schedule (Attachment 2 to the Clipper® Contract), specifically:
   a. Item 8.0 Card Distribution Services
   b. Item 9.41 Fixed and Incremental Fees Per Active Card Account (50% of the invoiced amount)

iii. All other lump sum and capital expense items specified in the Price Schedule not enumerated above or covered by Section 2.B; and

iv. $7,120,000 in incentives to be allocated to Operators to pay operating costs, as shown in Section 4, Incentive Payments, below.

B. **Operator Operating Costs.**

   i. Operators shall pay the following listed Clipper® operating costs in accordance with the cost sharing formula in Appendix B.1, reduced by any amounts payable by MTC pursuant to 2.A(iv) above. References to Item numbers refer to the corresponding prices payable to the Clipper® Contractor under the Clipper® Contract Price Schedule, which are subject to annual price adjustment as specified in Article 13.6 of the Clipper® Contract:
      a. Item 9.24 Balance Protection Services Registration
      b. Item 9.25 Lock/unlock Clipper® Application
      c. Item 9.41 Fixed and Incremental Fees Per Active Card Account (50% of the invoiced amount)
      d. Item 10.11 Clipper® E-purse Load
      e. Item 10.12 Pass/Stored Ride Load
      f. Item 10.30 Employer Program Commission [see Note below]
      g. Item 11.0 Autoload Services
      h. Item 12.22.89 Fixed Monthly Service Fee to Support ClipperSM Data Server Store
i. Item 13.22.45 Supplemental Monthly Operations and Admin (except as reduced by MTC in accordance with Section 4.1, Incentive Payments)

j. Item 13.31 Clipper® Transaction Fee

k. Item 13.60 Incremental Gateway Fees

l. Item 13.70 Incremental Debit Card Interchange Fees

m. Item 13.80 Incremental Credit Card Interchange Fees

n. Item 13.90 Pass Through Website Credit Card Processing Fees

o. Reimbursement of MTC bank fees and direct bank charges in connection with the Clipper® bank account(s) in excess of the amounts reimbursed under Section 3.A below

p. Direct payment or reimbursement of MTC costs for network communication.

The period in which Item 10.30 shall be a Clipper® Operating Cost under this Section shall be from the Effective Date of Amendment No. 1 to June 30, 2013, unless all Operators notify MTC in writing of their agreement to continue to pay Item 10.30, in which case its applicability shall continue through the Term of the MOU.

ii. Changes or Additions to Operator Operating Costs Items. Substantive changes or additions to the Operator-paid operating cost items set forth in B(i)(a-o) require an amendment to this Appendix B and approval of all Parties to the MOU as of the date of the change or addition.

C. MTC shall invoice each Operator on a monthly basis for its share of the operating costs. The Operators shall pay MTC within fifteen (15) calendar days of receipt of such invoice.

3. Revenue Allocation

Revenues generated by Clipper® during any period of time, including interest earnings on funds held by the clearinghouse and excluding fare revenues or parking fees collected on behalf of and distributed to Operators, shall be utilized as follows:

A. To offset MTC’s bank fees and direct bank charges related to the managing of the Clipper® accounts;

B. After deduction of MTC’s bank fees and charges under 3.A above, to reduce the Operators’ Clipper® operating costs listed in 2.B(i) above; and

C. After payment of Operators’ Clipper® operating costs listed in 2.B(i) above, to be allocated to Operators using the formula specified in Section 1 herein.

Notwithstanding the above, fees charged cardholders for card acquisition, card replacement, balance restoration, failed Autoload funding recovery, card refund processing, and other card-related activities shall be reserved to pay for future card procurements; provided, however, that surcharges on limited use cards or other fare media imposed by an Operator to pay for the acquisition, implementation, administration and replacement of such fare media shall be
distributed to and retained by such Operator. (For clarity, any surcharge imposed by an Operator as part of its fare structure shall be considered “fare revenue” and shall be distributed to and retained by such Operator.)

4. **Incentive Payments**

MTC’s $10,000,000 in incentive funds shall be allocated to pay operating costs associated with Phase II as follows:

(1) $2,880,000 contingency to Contractor (for payment of Clipper® Contract Price Schedule Item No. 13.22.45) for transaction assurances in the event minimum transaction volumes (20,000,000 transactions/month) are not achieved. If the minimum transaction volumes are met and these funds are not needed, MTC may reallocate the remaining funds to other purposes; and

(2) $7,120,000 to individual Operators, to be applied as a credit against Phase II variable operating costs, a portion of which has already been credited to certain individual Operators:

- AC Transit $862,227
- BART 2,128,016
- Caltrain/SamTrans 484,744
- Golden Gate Transit 634,239
- MTA 2,327,503
- SCVTA 683,271
RESOLUTION NO. 2011 –

PENINSULA CORRIDOR JOINT POWERS BOARD
STATE OF CALIFORNIA

* * *

AUTHORIZE THE EXECUTION OF THE MEMORANDUM OF UNDERSTANDING AMENDMENT NO. 1 REGARDING COMMISSIONS FOR SALES HANDLED THROUGH THIRD-PARTY TRANSIT BENEFIT PROGRAMS FOR THE CLIPPER® FARE COLLECTION SYSTEM

WHEREAS, the Metropolitan Transportation Commission (MTC), under authority granted to it under SB1474 (Statutes 1996, Chapter 256), included Clipper in its regional transit coordination program; and

WHEREAS, Clipper is an automated fare payment system for intra- and inter-operator transit trips in the San Francisco Bay Area; and

WHEREAS, the Peninsula Corridor Joint Powers Board approved the Clipper Memorandum of Understanding (MOU) in June 2010 that set forth a new governance structure for the participating agencies in the operation and maintenance of Clipper; and

WHEREAS, the seven signatories to the MOU are the Metropolitan Transportation Commission, Alameda-Contra Costa Transit District, the City and County of San Francisco, acting by and through its Municipal Transportation Agency, the Golden Gate Bridge, Highway and Transportation District, the Peninsula Corridor Joint Powers Board, the San Mateo County Transit District, the San Francisco Bay Area Transit District and the Santa Clara Valley Transportation Authority; and

WHEREAS, Amendment No. 1 is provided in Attachment A, which outlines responsibility for commissions for Clipper sales handled through third-party transit benefit programs; and

WHEREAS, Amendment No. 1 goes into effect upon signature by all parties, and expires June 30, 2013, but may be extended by approval of all parties past the June 2013 expiration.
NOW, THEREFORE, BE IT RESOLVED that the Peninsula Corridor Joint Powers Board authorizes the Executive Director, or his designee, to execute Amendment No. 1 to the Clipper Memorandum of Understanding with the Metropolitan Transportation Commission regarding commissions for Clipper sales handled through third-party transit benefit programs to take effect upon execution by all seven agencies.

Regularly passed and adopted this 3rd day of November 2011, by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPG Secretary
AGENDA ITEM # 13  
NOVEMBER 3, 2011

PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT

TO: Joint Powers Board

THROUGH: Michael J. Scanlon  
Executive Director

FROM: Mark Simon  
Executive Officer, Public Affairs

SUBJECT: STATE AND FEDERAL LEGISLATIVE UPDATE

ACTION  
This report is for information only. No Board action is required

SIGNIFICANCE  
Staff will provide regular updates to the Board in accordance with the approved Legislative Program.

STATE ISSUES  
Bond Sale
On October 19, the State began offering the sale of $1.8 billion in bonds to help create jobs by funding major infrastructure projects.

Since the Governor decided to forego a bond sale last spring due to unfavorable economic conditions, staff has been working with the California Transit Association and other statewide entities to push for a bond sale in the fall.

The level of funding generated through the bond sale that would be invested in transportation or public transit projects has yet to be determined, but the Governor stated that projects with cash flow needs or requiring reimbursement from the State would be given priority.

FEDERAL ISSUES  
Appropriations
After passing a Continuing Resolution that preserves current spending levels through November 18, Congress renewed work on the Fiscal Year 2012 appropriations process.

The Senate is planning a November 1 vote on a “minibus”, which would include funding for Agriculture, Commerce-Science-Justice and Transportation, housing and Urban Development programs. The Senate legislation preserves existing funding levels for critical transportation programs, while legislation proposed in the House would reduce funding for transportation and public transit by 30-40 percent.
American Jobs Act
On October 11, the Senate failed to advance the American Jobs Act with the 60 votes necessary to avoid a filibuster. Instead, proponents of the legislation, which would provide nearly $50 billion for transportation infrastructure improvements, embraced a strategy to divide the bill into smaller components that could be passed separately by Congress.

The first two components of this strategy also failed to secure enough votes in the Senate last week, but the component that includes transportation funding, the Rebuild America Jobs Act, is planned to receive a vote during the week of October 31. The bill calls for the investment of $50 billion in transportation infrastructure and includes $27 billion for highways, $9 billion for transit, $4 billion for high-speed rail, $3 billion for airports and $5 billion for multimodal discretionary grants. The bill also includes $10 billion to create a new National Infrastructure Bank.

The bill is funded through a new income tax on those earning more than $1 million per year, which will make it difficult to secure votes from Senate Republicans.

Prepared By: Seamus Murphy, Government Affairs Manager 650.508.6388
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<td><strong>AB 147</strong></td>
<td>CHAPTERED 9/6/2011 - Chaptered by the Secretary of State, Chapter Number 228, Statutes of 2011</td>
<td>The Subdivision Map Act authorizes a local agency to require the payment of fees, to be used for various purposes, as a condition of approval of a final map or as a condition of issuing a building permit, including, among others, for purposes of defraying the actual or estimated cost of constructing bridges or major thoroughfares if specified conditions are met. The Mitigation Fee Act authorizes a local agency to charge a variety of fees, dedications, reservations, or other exactions in connection with the approval of a development project, as defined. This bill would authorize a local ordinance to require payment of a fee subject to the Mitigation Fee Act, as a condition of approval of a final map or as a condition of issuing a building permit for purposes of defraying the actual or estimated cost of constructing transportation facilities, as defined. <strong>Last Amended on 5/31/2011</strong></td>
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<td><strong>AB 426</strong></td>
<td>CHAPTERED 7/25/2011 - Chaptered by the Secretary of State, Chapter Number 100, Statutes of 2011</td>
<td>Existing law authorizes certain transit operators to adopt and enforce an ordinance to impose and enforce civil administrative penalties for fare evasion or passenger misconduct, other than by minors, on or in a transit facility or vehicle in lieu of the criminal penalties otherwise applicable, with specified administrative adjudication procedures for the imposition and enforcement of the administrative penalties, including an initial review and opportunity for a subsequent administrative hearing. This bill would authorize the Southern California Regional Rail Authority and the North County Transit District to adopt and enforce such an ordinance. The bill would provide that a person cited under these ordinances adopted by transit operators shall be afforded an opportunity to complete the administrative process under the circumstances set forth in the ordinance. The bill would require an entity that adopts such an ordinance to submit a report to specified committees of the Legislature both 2 and 5 years after the adoption of the ordinance, as specified. <strong>Last Amended on 6/10/2011</strong></td>
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<td><strong>AB 427</strong></td>
<td>ASSEMBLY ENROLLED 9/7/2011 - Enrolled and presented to the Governor at 3:30 p.m.</td>
<td>This bill would provide that commuter rail operators eligible to receive State Transit Assistance funds are also eligible to receive funds from the 60% share of Transit System Safety, Security, and Disaster Response Account funds. The bill would require funds that otherwise would be allocated based on operator revenue for the Southern California Regional Rail Authority (SCRRA) to be allocated to the applicable county transportation commission. The bill would authorize the applicable commission to allocate those funds to eligible purposes, including eligible projects of the SCRRA, or to suballocate those funds to the SCRRA. This bill would delete the provision making intercity and commuter rail entities receiving bond funds from the 15% share of funds ineligible for the 60% share of funds. <strong>Last Amended on 8/15/2011</strong></td>
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<td><strong>AB 516</strong></td>
<td>CHAPTERED 9/7/2011 - Chaptered by the Secretary of State, Chapter Number 277, Statutes of 2011</td>
<td>Existing law requires the Department of Transportation, in consultation with the California Highway Patrol, to establish and administer a &quot;Safe Routes to School&quot; program for construction of bicycle and pedestrian safety and traffic calming projects, and to award grants to local agencies in that regard from available federal and state funds, based on the results of a statewide competition. Existing law requires the department to rate proposals submitted by applicants using specified factors. One of the factors relates to consultation and support for projects by school-based organizations, local traffic engineers, local elected officials, law enforcement agencies, school officials, and other relevant community stakeholders. This bill would delete that factor and instead substitute a factor relating to use of a specified public participation process, with involvement by the public, schools, parents, teachers, local agencies, the business community, key professionals, and others, which process identifies community priorities, ensures those priorities are reflected in the proposal, and secures support for the proposal by relevant community stakeholders. The bill would add another factor relating to benefit of a proposal to a low-income school, as defined, and would make other related changes. Last Amended on 7/14/2011</td>
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<td><strong>AB 551</strong></td>
<td>ASSEMBLY ENROLLMENT 9/6/2011 - Senate amendments concurred in. To Engrossing and Enrolling.</td>
<td>Existing law generally requires that not less than the general prevailing rate of per diem wages, as specified, be paid to workers employed on a public work, as defined. Existing law requires a contractor or subcontractor to submit, to the state or political subdivision on whose behalf a public work is being performed, a penalty of not more than $50 per calendar day, and not less than $10 per calendar day except in certain cases of a good faith mistake, as provided and determined by the Labor Commissioner, for violations of these prevailing wage provisions. This bill would increase that maximum penalty to $200 for each calendar day and would increase the minimum penalty except in certain cases of a good faith mistake to no less than $40 for each calendar day. The bill would also increase the penalty assessed to contractors and subcontractors with prior violations from $20 to $80, and from $30 to $120 for willful violations. Last Amended on 8/24/2011</td>
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<td><strong>AB 615</strong></td>
<td>ASSEMBLY ENROLLMENT 9/8/2011 - In Assembly. Concurrency in Senate amendments pending. Senate amendments concurred in. To Engrossing and Enrolling.</td>
<td>Existing law creates the High-Speed Rail Authority with specified powers and duties relative to development and implementation of a high-speed train system. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1 A at the November 4, 2008, general election, provides for the issuance of $9.95 billion for high-speed train capital projects and other associated purposes. This bill would supplement these Budget Act appropriations by appropriating $4,000,000 from the High-Speed Passenger Train Bond Fund to the authority for the Los Angeles to San Diego segment, subject to similar conditions and provisions. Last Amended on 9/2/2011</td>
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<td><strong>AB 650</strong>&lt;br&gt;Blumenfield D&lt;br&gt;Blue Ribbon Task Force on Public Transportation for the 21st Century.</td>
<td>ASSEMBLY ENROLLMENT&lt;br&gt;9/6/2011 - Senate amendments concurred in. To Engrossing and Enrolling.</td>
<td>This bill would establish, until March 30, 2013, the Blue Ribbon Task Force on Public Transportation for the 21st Century. The bill would require the task force to be comprised of 12 members and would require the Senate Committee on Rules and the Speaker of the Assembly to each appoint 6 specified members, by January 31, 2012. The bill would require the task force to elect one of its non-legislative members as chair. The bill would require the task force to issue a written report that contains specified findings and recommendations relating to, among other things, the current state of California's transit system, the estimated cost of creating the needed system over various terms, and potential sources of funding to sustain the transit system's needs, and to submit the report by September 30, 2012, to the Governor, the Legislature, the Joint Legislative Budget Committee, the Senate Committee on Rules, the Speaker of the Assembly, and the transportation committees of the Legislature. The bill would require the task force, for purposes of collecting information for the written report, to consult with appropriate state agencies and departments and would require the task force to contract with consultants for preparation of the report. The bill would require the Department of Transportation to provide administrative staffing to the task force. The bill would appropriate $750,000 from the Public Transportation Account to the department, as specified, to accomplish the purposes of these provisions. <strong>Last Amended on 8/15/2011</strong></td>
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<td><strong>AB 892</strong>&lt;br&gt;Carter D&lt;br&gt;Department of Transportation: environmental review process: federal pilot program.</td>
<td>ASSEMBLY ENROLLED&lt;br&gt;8/31/2011 - Enrolled and presented to the Governor at 1:30 p.m.</td>
<td>Existing law gives the Department of Transportation full possession and control of the state highway system. Existing federal law requires the United States Secretary of Transportation to carry out a surface transportation project delivery pilot program, under which the participating states assume certain responsibilities for environmental review and clearance of transportation projects that would otherwise be the responsibility of the federal government. Existing law requires the department to submit a report to the Legislature regarding state and federal environmental review. Existing law requires the report to be submitted no later than January 1, 2009, and again, no later than January 1, 2011. This bill would, instead, require the report to be submitted no later than January 1, 2016. <strong>Last Amended on 7/13/2011</strong></td>
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<td><strong>AB 912</strong>&lt;br&gt;Gordon D&lt;br&gt;Local government: organization.</td>
<td>CHAPTERED&lt;br&gt;7/25/2011 - Chaptered by the Secretary of State, Chapter Number 109, Statutes of 2011</td>
<td>The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires a local agency formation commission, where the commission is considering a change of organization that consists of a dissolution, disincorporation, incorporation, establishment of a subsidiary district, consolidation, or merger, to either order a change of organization subject to confirmation of the voters, as specified, or order the change of organization without an election if the change of organization meets certain requirements. This bill would authorize the commission, where the commission is considering a change of organization that consists of the dissolution of a district that is consistent with a prior action of the commission, to immediately order the dissolution if the dissolution was initiated by the district board, or if the dissolution was initiated by an affected local agency, by the commission, or by petition, hold at least one noticed public hearing on the proposal, and order the dissolution without an election, unless a majority protest exists, as specified. <strong>Last Amended on 5/27/2011</strong></td>
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<td><strong>AB 952</strong></td>
<td>ASSEMBLY ENROLLMENT 9/7/2011 - Senate amendments concurred in. To Engrossing and Enrolling.</td>
<td>Existing law creates the High-Speed Rail Authority with specified powers and duties relative to development and implementation of a high-speed train system. The authority is composed of 9 members, including 5 members appointed by the Governor. Members of the authority are subject to the Political Reform Act of 1974. This bill would prohibit a member, employee, or consultant of the authority from being the recipient of any gift, as defined, in a specified provision of the act. The bill would prohibit a construction company, engineering firm, consultant, legal firm, or any other company, vendor, or business entity with a contract or seeking a contract with the authority, or subcontractor of any of the foregoing, or owner, employee, or any member of their immediate families of any of these companies, firms, vendors, entities, or subcontractors, from making any gift to a member, employee, or consultant of the authority, or to any member of their immediate families. The bill would authorize the authority itself to receive gifts, and to transfer those gifts as specified, with the written approval of the Department of Finance. <strong>Last Amended on 8/16/2011</strong></td>
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<td><strong>AB 957</strong></td>
<td>ASSEMBLY ENROLLMENT 9/8/2011 - Senate amendments concurred in. To Engrossing and Enrolling.</td>
<td>Existing law, the Sacramento Regional Transit District Act, creates the Sacramento Regional Transit District, with specified powers and duties relative to providing transit services in the Sacramento region. Existing law provides that the district is comprised of specified cities and unincorporated territories in the Counties of Sacramento and Yolo. Existing law sets forth provisions for transition from the Sacramento Transit Authority to the district and also sets forth provisions applicable to the establishment of the first board of the district. This bill would provide that the district includes the Cities of Citrus Heights, Elk Grove, Rancho Cordova, and West Sacramento. The bill would delete obsolete provisions relating to the transition from the authority to the district and establishment of the district's first board. <strong>Last Amended on 8/31/2011</strong></td>
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<td><strong>AB 1097</strong></td>
<td>ASSEMBLY ENROLLMENT 9/6/2011 - Senate amendments concurred in. To Engrossing and Enrolling.</td>
<td>Existing law provides various sources of funding for transit projects. This bill would specifically authorize the state or a local agency, relative to the use of federal funds for transit purposes, to provide a bidding preference to a bidder if the bidder exceeds Buy America requirements applicable to federally funded transit projects, as specified. <strong>Last Amended on 8/29/2011</strong></td>
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<td><strong>AB 1105</strong></td>
<td>CHAPTERED 7/25/2011 - Chaptered by the Secretary of State, Chapter Number 114, Statutes of 2011</td>
<td>Existing law authorizes the Santa Clara Valley Transportation Authority (VTA) to conduct, administer, and operate a value pricing high-occupancy toll (HOT) lane program on 2 corridors included in the high-occupancy vehicle lane system in Santa Clara County. This bill would provide that such a HOT lane established on State Highway Route 101 may extend into San Mateo County as far as the high-occupancy vehicle lane in that county existed as of January 1, 2011, subject to agreement of the City/County Association of Governments of San Mateo County. <strong>Last Amended on 4/13/2011</strong></td>
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## Peninsula Corridor Joint Powers Board
### State Legislative Matrix as of 10-21-11

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<td><strong>AB 1164</strong> Gordon D</td>
<td>ASSEMBLY ENROLLMENT 9/8/2011 - Re-referred to Com. on TRANS. pursuant to Assembly Rule 77.2. Joint Rule 62(a), file notice suspended. From committee: That the Senate amendments be concurred in. (Ayes 12. Noes 0.) (September 8). Senate amendments concurred in. To Engrossing and Enrolling.</td>
<td>Existing law generally provides for programming and allocation of state and federal transportation capital improvement program funds pursuant to the state transportation improvement program process administered by the California Transportation Commission. This bill would enact similar provisions authorizing the department, until September 30, 2015, to make loans from the State Highway Account of other specified federal transportation funds to fund bond-funded projects pursuant to the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, if the department has determined the loans will not impact the funding of other programs or projects, as specified, and only under circumstances in which federal funds might otherwise be lost, as specified. The bill would appropriate those federal transportation funds in the State Highway Account for these purposes and would require those funds to be obligated to fund the bond-funded projects, as specified. The bill would require the loans to be repaid to the State Highway Account within 3 years from the proceeds of bonds sold pursuant to the bond act and would provide for the appropriation of those repaid funds to the department for use on projects in the state highway operation and protection program or the local assistance program, as specified. The bill would require the department to report to the Joint Legislative Budget Committee each year that federal transportation funds are loaned pursuant to these provisions. This bill contains other existing laws. <strong>Last Amended on 9/1/2011</strong></td>
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<td><strong>AB 1388</strong> Wieckowski D</td>
<td>ASSEMBLY ENROLLMENT 9/7/2011 - Senate amendments concurred in. To Engrossing and Enrolling.</td>
<td>Existing law requires an employer to withhold the amounts required by an earnings withholding order from all earnings of the employee payable for any pay period of the employee that ends during the withholding period. Under existing law, the portion of the judgment debtor's earnings that the judgment debtor proves is necessary for the support of the judgment debtor or the judgment debtor's family supported in whole or in part by the judgment debtor is exempt from the levy of an earnings withholding order. This exemption is not available if the debt was incurred for the common necessaries of life furnished to the judgment debtor or the family of the judgment debtor. This bill would delete that exception for the common necessaries of life. This bill would, instead, provide an exception for a debt incurred pursuant to an order or award for the payment of attorney's fees in connection with certain family law proceedings. The bill would also make a conforming change. <strong>Last Amended on 6/10/2011</strong></td>
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<td><strong>AJR 5</strong> Lowenthal, Bonnie D</td>
<td>CHAPTERED 6/8/2011 - Chaptered by the Secretary of State, Chapter Number 29, Statutes of 2011</td>
<td>This measure would request the President and the Congress of the United States to consider and enact legislation to conduct a study regarding the feasibility of the collection process for a transportation revenue source based on vehicle miles traveled, in order to facilitate the creation of a reliable and steady transportation funding mechanism for the maintenance and improvement of surface transportation infrastructure. <strong>Last Amended on 3/29/2011</strong></td>
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<td>SB 126 Steinberg D</td>
<td>SENATE ENROLLMENT 9/9/2011 - Re-referred to Com. on RLS. pursuant to Senate Rule 29.10.</td>
<td>Existing law prohibits employers from engaging in unfair labor practices, including interfering in the election by agricultural employees of labor representatives to engage in collective bargaining for the designated bargaining units. This bill would provide that if the board refuses to certify an election regarding certification of a labor organization because of employer misconduct that, in addition to affecting the results of the election, would render slight the chances of a new election reflecting the free and fair choice of employees, the labor union shall be certified as the exclusive bargaining representative for the bargaining unit. <strong>Last Amended on 9/2/2011</strong></td>
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<td>SB 310 Hancock D</td>
<td>SENATE ENROLLMENT 9/9/2011 - Assembly amendments concurred in. (Ayes 22. Noes 15.) Ordered to engrossing and enrolling.</td>
<td>Existing law authorizes the legislative body of a city or county to adopt an infrastructure financing plan, which is required to contain specified information, for the purpose of financing certain infrastructure facilities, if specified procedural requirements are met, and requires the legislative body, if it adopts the plan, to submit the proposal to the voters. Existing law authorizes the legislative body to create an infrastructure financing district, by ordinance, if 2/3 of the qualified electors of the proposed district vote in favor of adoption of the plan, and also authorizes the legislative body to initiate proceedings to issue bonds to finance the infrastructure facilities if 2/3 of those electors vote in favor of the issuance. Existing law authorizes infrastructure finance districts to finance specified projects, including financing certain infrastructure facilities. This bill would authorize a district to reimburse a developer that meets specified requirements for permit expenses or expenses related to the construction of affordable housing units pursuant to the Transit Priority Project Program described below. This bill would also require that an infrastructure financing plan also include a plan to finance any potential costs for reimbursing a developer that meets specified requirements for permit and affordable housing expenses related to a project of the Transit Priority Project Program. <strong>Last Amended on 8/29/2011</strong></td>
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<td>SB 582 Yee D</td>
<td>SENATE VETOED 8/1/2011 - Vetoed by the Governor</td>
<td>This bill, beginning on January 1, 2013, subject to certain exceptions, would authorize a metropolitan planning organization jointly with the local air quality management district or air pollution control district to adopt a commute benefit ordinance that requires covered employers operating within the common area of the organization and district with a specified number of covered employees to offer those employees certain commute benefits. The bill would require that the ordinance specify certain matters, including any consequences for noncompliance, and would impose a specified reporting requirement. The bill would provide for the 8 metropolitan planning organizations within the region served by a specified air district to adopt the ordinance only after the district first acts to adopt the ordinance. The bill would exclude from its provisions an air district with a trip reduction regulation initially adopted prior to the federal Clean Air Act Amendments of 1990 as long as it continues to have a regulation that allows trip reduction as a method of compliance. The bill would make its provisions inoperative on January 1, 2017. <strong>Last Amended on 7/7/2011</strong></td>
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