



AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD

Bacciocco Auditorium, 2nd Floor
1250 San Carlos Avenue, San Carlos CA 94070

February 7, 2013 – Thursday

10:00 a.m.

1. Pledge of Allegiance
2. Swearing in of Perry Woodward Representing Santa Clara Valley
3. Call to Order/Roll Call
4. Public Comment
Public comment by each individual speaker shall be limited to two minutes
5. Consent Calendar MOTION
Members of the public or Board may request that an item under the Consent Calendar be considered separately
a) Approval of Minutes of January 3, 2013
6. Chairperson’s Report INFORMATIONAL
a) Certificate of Appreciation to Outgoing CAC Chair
Paul Bendix
7. Report of the Citizens Advisory Committee
8. Report of the Executive Director
9. Update on New Agreement Between the Peninsula Corridor Joint Powers Board and California High Speed Rail Authority INFORMATIONAL
10. Acceptance of Statement of Revenues and Expenses for December 2012 MOTION
11. Authorize Amending the Fiscal Year 2013 Operating Budget from \$111,368,706 to \$112,165,890 RESOLUTION
12. Authorize an Increase in Change Order Authority by an Amount Not to Exceed \$6 Million for the San Bruno Grade Separation Project RESOLUTION

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| 13. Authorize Contract Amendment for Additional Contract Authority in an Amount Not to Exceed of \$3.4 Million and Extend the Agreement for an Addition Three Years to May 2016 for Construction Management Services with URS Corporation | RESOLUTION |
| 14. Preliminary Metropolitan Transportation Commission Transit Sustainability Project | INFORMATIONAL |
| 15. Update on Title VI Policies | INFORMATIONAL |
| 16. Approval of 2013 Legislative Program | MOTION |
| 17. Legislative Update | INFORMATIONAL |
| 18. Fiscal Year 2012 Comprehensive Annual Financial Report | INFORMATIONAL |
| 19. Correspondence | |
| 20. Board Member Requests | |
| 21. Date/Time of Next Meeting: Thursday, March 7, 2013, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2 nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070 | |
| 22. General Counsel Report | |
| a) Closed Session: Real Estate Negotiations – Pursuant to Government Code 54956.8: | |
| Agency Negotiators: David J. Miller and Brian Fitzpatrick | |
| Under Negotiation: Price and Terms of Purchase | |

Property/Negotiating Parties Owner Address and APN

Hines, EBL & S/Shea	Hayward Park Caltrain Station Site Concar Drive & Pacific Boulevard San Mateo, CA APN 035-200-150
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23. 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.

Peninsula Corridor Joint Powers Board (JPB)
Board of Directors Meeting
1250 San Carlos Avenue, San Carlos CA 94070

Minutes
January 3, 2013

MEMBERS PRESENT: J. Cisneros, M. Cohen, J. Deal, A. Lloyd, T. Nolan, A. Tissier, K. Yeager

MEMBERS ABSENT: A. Kalra

STAFF PRESENT: J. Averill, J. Cassman, C. Cavitt, A. Chan, G. Harrington, C. Harvey, R. Haskin, M. Lee, M. Martinez, N. McKenna, D. Miller, S. Murphy, M. Scanlon, M. Simon

Chair Adrienne Tissier called the meeting to order at 10:06 a.m. and led the Pledge of Allegiance.

REPORT FROM THE NOMINATING COMMITTEE (COHEN, DEAL, KALRA) – ELECTION OF 2013 OFFICERS

Director Jerry Deal said the Nominating Committee met and recommended Director Ken Yeager for chair and Director Tom Nolan for vice chair for 2013.

A motion (Deal/Cisneros) to close the nominations was approved unanimously.

A motion (Deal/Cisneros) to elect Director Yeager for chair and Director Nolan for vice chair for 2013 was approved unanimously.

PUBLIC COMMENT

Jim Bigelow, Redwood City/San Mateo County/Menlo Park Chamber of Commerce, thanked Director Tissier for her work as chair in 2012 and for all the work she did at the Metropolitan Transportation Commission (MTC) for the nine-county Memorandum of Understanding (MOU) for the Caltrain Electrification Project.

Doug DeLong, Mountain View, said he thinks it would make sense to replace the senior discount fare with a low income discount fare. The difficulty is the Department of Housing and Urban Development has set a policy of 30 percent of income threshold for what is considered a reasonable housing cost burden and he is not aware of a similar benchmark for transportation costs. Mr. DeLong said maybe a multi-step discount program or a sliding scale should be considered.

John Canfeld, founder of Nimbler, said he has developed and launched a Caltrain mobile application for the iPhone. He said the software provides schedules, routing and two-way communication between Caltrain, the Caltrain newsfeed and other Twitter feeds to customers about delays and allows for feedback from customers. He commended Caltrain for the increased communications about delays. Mr. Canfeld said most of the user feedback he has received is for the need for Wi-Fi on the trains.

CONSENT CALENDAR

- a. Approval of Amended Minutes of December 6, 2012.
- b. Adoption of the Amended Conflict of Interest Code.
- c. Authorize Execution of a Highway-Railroad Crossing Safety Account (HRCSA) Agreement to Receive \$9 Million in Proposition 1B Highway-Railroad Crossing Safety Account Bond Funds from the California Department of Transportation for the San Mateo Bridges Project.
- d. Authorize the Filing of Applications for State Proposition 1B Transit Security Grant Program Funds to Receive \$939,246 in Fiscal Year 2012/2013 for Transportation Security Projects.
- e. Authorize Entering into a Grant Agreement with the Bay Area Air Quality Management District to Receive an Award of Carl Moyer Funds, up to an Amount of \$330,000 for the Wayside Power Project at the San Jose Diridon Caltrain Station.

A motion (Nolan/Deal) to approve the consent calendar was approved unanimously.

CHAIRPERSONS REPORT

Resolution of Appreciation to Outgoing Chair Adrienne Tissier

Chair Yeager presented Director Tissier with a Resolution of Appreciation for her service as chair during 2012.

A motion (Nolan/Deal) to approve the Resolution of Appreciation to outgoing Chair Adrienne Tissier was approved unanimously.

Director Tissier thanked the Board and staff for their work during the year.

Public Comment

Adina Levin, Friends of Caltrain, thanked Director Tissier for her incredible leadership and efforts on the MOU and obtaining funding for Caltrain electrification.

REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)

No report.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Michael Scanlon reported:

- Thanked Director Tissier for her service and congratulated Chair Yeager and Director Nolan on their elections.
- Key Caltrain Performance Statistics
 - Monthly Performance Statistics – November 2012 compared to November 2011
 - Total Ridership was 1,226,450, an increase of 11.4 percent.
 - Average Weekday Ridership was 47,326, an increase of 12 percent.
 - Total Revenue was \$5,269,467, an increase of 14.4 percent.
 - On-time Performance was 91 percent, a decrease of 2.7 percent.
 - Caltrain Shuttle Ridership was 8,696, an increase of 18.7 percent.

- Year-to-date Performance Statistics – November 2012 compared to November 2011
 - Total Ridership was 6,601,313, an increase of 12.6 percent.
 - Average Weekday Ridership was 49,421, an increase of 12.5 percent.
 - Total Revenue was \$29,344,703, an increase of 18.7 percent.
 - On-time Performance was 89.4 percent, a decrease of 3.9 percent.
 - Caltrain Shuttle Ridership was 8,774, an increase of 25 percent.
- The Rail Operating Control System had a software failure on December 26. The problem was addressed and the system was back up by the afternoon.
- On Friday, December 14, there was a trespasser fatality by the Hayward Park Station. In calendar year 2012 there were 12 fatalities, down from 16 in 2011.
- On December 15, agency staff and the Transit Police unit joined other first responders in an annual emergency preparedness drill. All first responders attended classroom instruction and familiarization with locomotive and rail cars. Staff has been working to integrate railroad operations into the incident command center. The Federal Railroad Administration and California Public Utilities Commission attended both the classroom instruction and drill.
- The Bicycle Advisory Committee continues to recruit members and because of no quorum the January 17 meeting is canceled.
- Special service:
 - Kraft Fight Hunger Bowl was on Saturday, December 29 and extra service was provided with an additional 1,900 passengers, an increase of 8 percent over 2011.
 - On New Year's Eve four post-fireworks trains operated out of San Francisco and an additional 5,000 passengers were carried, an increase of 17 percent over 2011.
 - The Freedom Train will operate on January 21. The Martin Luther King, Jr. Association of Santa Clara County will charter two trains operating from San Jose to San Francisco with stops in Sunnyvale, Palo Alto and San Mateo.
- A new campaign will be starting on January 7 called "See Something, Say Something." This was a recommendation from the American Public Transportation Association after the last system safety audit. A new message will be distributed each month via conductor announcements, social media and message boards.
- The Reading File contains correspondence, the November Safety and Security Report and the new *Track the Fun* brochure.

Caltrain Modernization Program

Executive Officer, Caltrain Modernization Program Marian Lee said the new California High Speed Rail Authority (CHSRA) and Caltrain agreement presented in December was to come back to the Board today for action, but staff is recommending pushing out until February to collect additional input from stakeholders. She said initial comments seek stronger language in the agreement about the commitment to the blended system, a desire for Caltrain to lead all aspects advancing the blended system so stakeholder voices are heard by the JPB at a local level, and continued commitment to achieve interoperability with HSR. Staff will be taking comments until the February 7 JPB Board meeting and will address and reflect them in the new agreement being proposed.

Ms. Lee said the blended system planning study will be released in February for public review and comment. That will include simulations for the purposes of assessing gate-time impacts and traffic impacts.

Ms. Lee said all items discussed today have been presented at the staff level through the City/County Staff Coordination Group or the Peninsula Working Group, which is the senior staff from the nine-party MOU agencies. They all have had an opportunity to review and provide comments to staff. These items were also presented to the Local Policymaker Group last month.

Chair Yeager asked what types of comments are received concerning conductors. Mr. Scanlon said they are about conductors and bikes or conductors trying to collect fares. He said all complaints on conductors are investigated by staff.

Deputy CEO Chuck Harvey said it is a combination of interaction with bikes, proof of payment issues and persons needing assistance. Specific training is given to the conductor after a complaint. Mr. Harvey said staff can compile and categorize the last two months of complaints and provide them to the Board.

Public Comment

Doug DeLong, Mountain View, said November reliability was at the bottom of the range over the past year. He said there needs to be a service design with more slack in it to accommodate the growing customer base. There is a need for more money for rolling stock or redesign of service to get more seat miles per peak hour with existing rolling stock by stopping at fewer stations.

Adina Levin, Friends of Caltrain, said it might be helpful to have the items discussed at the Peninsula Working Group meeting be recapped during the Board meetings.

Ed DeLanoy, San Carlos, thanked Director Tissier for her service. He said recently he saw a train with two locomotives.

CORRIDOR ELECTRIFICATION ENVIRONMENTAL REPORT

Ms. Lee reported:

- JPB's commitment with the CHSRA is to implement a blended system in the corridor. The concept is to modernize and electrify the railroad and maximize

the existing infrastructure to share the corridor with HSR as well as support the existing tenants and freight operators.

- The primary benefit of the blended system is it minimizes community impact, lowers project cost and helps advance project delivery.
- A thorough due diligence was done on a blended system to see if such a system could be safely operated.
- Computer analysis showed the blended system works within the corridor. Two speed brackets were tested, 79 mph and 110 mph, and at both speeds the blended system was operationally viable.
- The regional nine-party funding MOU was reached with a blended system.
- The first incremental investment is \$1.5 billion for corridor electrification and \$705 million is from the State high-speed rail bonds. The remainder of funding will come from other local, regional, State and Federal sources.
- Staff is committed to electrifying the service by 2019 and continues to go through the planning process to identify additional investments to be made beyond electrification that will ultimately support HSR.

Consultant Rich Walter, Principal at ICF was introduced and provided a presentation on the electrification Environmental Impact Report (EIR):

- ICF has been a San Mateo County Transit District on-call environmental contractor. ICF has extensive rail and transit experience, locally and nationwide.
- The Positive Train Control/Communications-based Overlay Signal System has been approved and is in the design phase now with an in-service date of 2015.
- The corridor electrification project calls for six Caltrain trains per peak hour. This process will produce an EIR under the California Environmental Quality Act (CEQA) and an environmental assessment under the National Environmental Policy Act (NEPA) for an in-service date of 2019. The EIR will clear Caltrain service but not HSR service. The blended system phase would include six Caltrain trains per peak hour plus up to four HSR trains per peak hour. The projected in-service date is 2026-2029.
- Electrification environmental clearance is for 51 miles of the corridor from 4th and King in San Francisco to the Tamien Station. The speed will be limited to the current 79 mph. The infrastructure for electrification would be poles and overhead wires, traction power stations and the electric powered units (EMUs).
- As required by CEQA and NEPA cumulative impacts of the project need to be analyzed.
- The traction power stations will be within the Caltrain right of way.
- Positive environmental impacts include reducing regional congestion, energy consumption, air pollutants, greenhouse gas emissions, noise and reduction in vibration.
- Environmental impact issues that need to be addressed include noise, traffic, visual aesthetics, land use compatibility, other CEQA and NEPA subjects and cumulative impacts.
- Key schedule milestones include public scoping in late January/early February 2013, a draft EIR released in fall 2013, final EIR in spring/summer 2014 and project approval in summer/Fall 2014.

Director Nolan asked what milestones the Board will need to take action on. Mr. Walter said in the spring/summer of 2014, the Board will be asked to certify the EIR, but there will be updates as necessary.

Chair Yeager asked when and where the four community meetings will be. Mr. Walter said staff is working on that and it will be known by the end of January. Chair Yeager asked that Mr. Walter and staff work with the three members of each county to ensure the meetings are coordinated.

Public Comments

Elizabeth Lasensky, San Carlos, said she is a Caltrain rider and the on-time statistics are not statistics, but reality. She thinks electrification will increase on-time performance along with level platforms to allow people to get on and off the trains easier.

Jim Bigelow, Redwood City/San Mateo County/Menlo Park Chamber of Commerce, said he encourages the Board to keep on the schedule that was provided today. The diesel equipment is wearing out and there are a number of problems by elongating this process. In the graphics he suggested EMU train sets be shown and staff needs to educate people on passing tracks.

Jeff Carter, Millbrae, said the electrification schedule needs to be adhered to or sped up. He thinks the project shouldn't be limited to two tracks along the right of way as no one knows future demands. Mr. Carter said it would help if Caltrain published how wide the right of way is.

Adina Levin, Friends of Caltrain, asked if level boarding is being included in the EIR. Cities are now planning their land use around Caltrain service and cutting service sends the wrong message to cities.

Roland LeBrun, San Jose, said the JPB cannot afford to wait until 2019 for EMUs. The slides are not reality and were created by Photoshop. Staff needs to have actual design photos.

Paul Jones, Atherton, said he recently went through the previous EIR and it is seriously flawed. He has passed on his comments to staff and urges the consultant to be very careful in working with the previous report.

Yoriko Kishimoto, Friends of Caltrain, said they are looking forward to co-hosting a community meeting. The public would like to be involved in the discussions for level boarding.

UPDATE ON FEDERAL TRANSIT ADMINISTRATION (FTA) TITLE VI REQUIREMENTS

Mr. Harvey said:

- There have been recent changes to Title VI of the Civil Rights Act of 1964 that affect all transit agencies.
- Title VI ensures public services, including transportation, are provided in a nondiscriminatory manner; requires opportunities for public participation in

- decision-making without regard to race, color or national origin; provides access to public services; and is the subject of renewed focus at the Federal level.
- The JPB is eligible for and receives Federal assistance for its transit and other programs, which makes it subject to Title VI. The FTA monitors transit providers for Title VI. Staff submits a report every three years to the FTA.
 - New Title VI primary requirements include:
 - Conduct updated survey of passengers
 - Develop a formal Public Participation Plan
 - Report racial breakdown of membership of District-appointed membership advisory committees
 - Adopt a policy on major service changes
 - Adopt policies on disparate impact and disproportionate burden for specific populations
 - System wide service standards and policies need to be adopted by the Board for submission to the FTA by March 31, 2013. Staff has to monitor compliance with standards and policies and present service monitoring results to the Board for approval at least every three years.
 - Staff will be holding public meetings in each county.
 - Major Service Change Policy and Disparate Impact, Disproportionate Burden Policies will be brought to the public and Board.
 - New policies require equity analyses of major service changes and all fare changes to determine whether adverse impact is present prior to Board adoption.
 - Proposed Title VI schedule:
 - February 2013 – review proposed draft policies to the Board.
 - February-March – conduct outreach.
 - March 2013 – Board adoption.
 - March 31 – submit to FTA.

Director Nolan asked if there will be a way to notify and attract low-income and minorities to attend these meetings in the three counties.

Director Malia Cohen said it would be good if staff partnered with local and community leaders for these meetings. She said marketing materials should be in English, Chinese, Cantonese and as many languages as possible, and staff should have translators of different languages available at the public meetings. Director Cohen said it would also be good to advertise in the smaller neighborhood newspapers.

Mr. Harvey said staff will reach out to Board members for ideas of locations and newspapers to reach the most people.

Director José Cisneros left at 11:25 a.m.

**ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR
NOVEMBER 2012**

Deputy CEO Gigi Harrington said November fare revenue is over budget by \$3.9 million and staff is recommending applying this to future years. There is about \$1.6 million in savings on the expense side. Last week fuel was \$3.02 per gallon and is \$3.19 year to date. The JPB received \$30,000 in December and year to date just under \$300,000 from the fuel hedge.

A motion (Lloyd/Tissier) to accept the November 2012 statement was approved unanimously.

ADOPTION OF A NEW FAREBOX RECOVERY RATE GOAL OF 45 TO 65 PERCENT

Ms. Harrington said this is a Board policy put in place in 2006 and updated in 2008. This range is very good by Bay Area transit property standards and reflects current actual performance. Ms. Harrington said this does not mean staff will be proposing fare adjustments for next fiscal year, but just setting the parameters for the upcoming budget discussions.

Chair Yeager said his concern was staff will come back for a fare increase because of this higher farebox recovery goal. Ms. Harrington said in recent years the farebox recovery has been in the 50 percent range. Chair Yeager said the increase in ridership has helped this year. Ms. Harrington said farebox revenue has continued year-over-year to be both over budget and exceed the prior year's actuals, reflecting the increased ridership.

Director Art Lloyd asked what the Bay Area Rapid Transit's rate to cost is. Ms. Harrington said they are a bit higher and FY2012 year-end they were above 65 percent.

Director Cisneros returned at 11:31 a.m.

Director Deal said people need to be informed their fare is only paying 45 percent of the cost to ride the system and it takes a subsidy to run the system. Ms. Harrington said she can incorporate that fact into the budget presentation.

Public Comment

Doug DeLong, Mountain View, said this is the third year of a 50 percent farebox recovery and 50 percent should be the bottom end of the goal as the trend is increasing. He said there is no reason to push the top end even higher.

Jeff Carter, Millbrae, said he shares the concerns of Chair Yeager about an increase in fares and the goal being used to ask for a fare increase.

Roland LeBrun, San Jose, said he would like the Board to amend the motion to set the goal to not less than 60 percent.

Greg Conlon, Atherton, said the fuel hedging portfolio should be increased. He said three of the Board members are on agencies that hedge 100 percent of their fuel portfolio. If the price of fuel is low enough to assure the budget can be balanced, the hedge should be increased.

A motion (Lloyd/Tissier) to adopt a new farebox recovery goal of 45 to 65 percent was approved unanimously.

AUTHORIZE EXERCISE OF OPTION 1(A), PHASE 2, WITH PARSONS TRANSPORTATION GROUP TO THE CONTRACT FOR A COMMUNICATIONS-BASED OVERLAY SIGNAL SYSTEM (CBOSS)/POSITIVE TRAIN CONTROL (PTC) IN THE ESTIMATED AMOUNT OF \$35.3 MILLION

Ms. Harrington said this is to request an option be exercised for the CBOSS/PTC Project. Staff provided an update in November and a budget amendment for this option was approved at the December meeting. The Board previously requested staff to seek Board approval of future options due to the uncertainty of funding. The project is now fully funded as part of the Caltrain Modernization Project. This option will fund the second phase of the project, which will start next month. This includes completion of the design of the project and installation of the data communications system. The construction phase will start this summer and staff will be back this summer for a project update, budget amendment and to award the last option.

A motion (Tissier/Cisneros) to exercise Option 1 (A), Phase 2 with Parsons Transportation Group to the contract for a CBOSS/PTC in the estimated amount of \$35.3 million was approved unanimously.

AUTHORIZE AWARD OF CONTRACTS TO HOLLAND & KNIGHT, LLP IN THE FIRM-FIXED PRICE OF \$300,000 AND KADESH & ASSOCIATES, LLC FOR THE ESTIMATED AMOUNT OF \$265,404 TO PROVIDE FEDERAL LEGISLATIVE ADVOCACY SERVICES FOR A FIVE-YEAR TERM

Director, Contracts and Procurement Cheryl Cavitt said both firms participated in the Request for Proposal competitive process and presented well qualified key personnel. The Evaluation Committee consisted of representatives from all the member agencies and the City/County Association of Governments.

Chair Yeager asked if the lobbyists in Sacramento will be working with the lobbyists in Washington D.C. and if the focus will be on Washington D.C. Director, Government and Community Affairs Seamus Murphy said staff does encourage a lot of coordination between the Sacramento representatives and the advocates in Washington D.C. He said with respect to HSR, there is a lot of work to do that is unfunded regardless of the progress made on the Caltrain Modernization funding front.

Chair Yeager asked if the focus will be on Capitol Hill or more with the FTA and the Administration trying to clear the path for things that need to be approved. Mr. Murphy said all of it will require attention. He said it is hard to predict what the different funding dynamics are going to be in any given year.

Public Comment

Jim Whittemore, San Mateo, said tonight the San Mateo County Transportation Authority Board will be authorizing the same contract and their rate is lower than JPBs.

He asked why the rates are different and why the San Mateo County Transit District is moving to a five-year contract.

A motion (Nolan/Lloyd) to award a contract to Holland & Knight, LLP in the firm-fixed price of \$380,000 and Kadesh & Associates, LLC for the estimated amount of \$265,404 to provide Federal Legislative Advocacy Services for a five-year term was approved unanimously.

LEGISLATIVE UPDATE

State Update

Mr. Murphy said the Legislature convenes on January 7 and the governor releases his budget on January 10. The deadline for introducing legislation is February 22. A matrix of significant legislation items that have been introduced will be available at the February 7 Board meeting. Mr. Murphy said two bills likely to be part of the JPB Legislation Program the Board will consider in February have already been introduced. One is to reduce the voter threshold for sales tax revenue for transportation improvements from the existing two-thirds level down to 55 percent. The other would reauthorize the Carl Moyer Program, a regional air quality program that is an integral part of the Caltrain Modernization funding plan. He said committee chairs have been announced in both chambers. Assemblyman Jim Beall is going to chair the Budget Subcommittee on Transportation and Assemblyman Mark DeSaulnier will chair the Transportation and Housing Policy Committee. Mr. Murphy said Assemblyman Rich Gordon has retained a role on the Transportation Budget Subcommittee and Assemblyman Tom Ammiano will be representing the Bay Area on the Transportation Policy Committee.

Federal Update

Mr. Murphy said the 113th Congress was sworn in today. He said there has been some progress made on averting the fiscal cliff. This delays the sequestration that would have occurred by two months and this is good news for the Federal New Starts Program, which would have been cut severely under sequestration. The Fiscal Cliff Resolution included parity between transit commute benefits and parking commute benefits. The transit commute benefits had been reduced to \$125 per month compared to \$230 per month for carpool drivers. With this legislation both drivers and transit riders will benefit from \$240 per month. This extension is only through the current year. Mr. Murphy said in addition to the commute benefits, the alternative fuel tax credit was extended through 2013.

Chair Yeager asked if there is much legislation or budget items dealing with HSR this year. Mr. Murphy said from a funding perspective probably not. Funding for HSR in the Legislature is not likely to be an issue, but could end up playing defense on a number of issues and might see legislation that is proposed that deals with CEQA that not only affects HSR and transportation projects, but all major infrastructure projects.

CORRESPONDENCE

No discussion.

BOARD MEMBER REQUESTS

None

GENERAL COUNSEL REPORT

Legal Counsel David Miller introduced Shayna van Hoften who is working with staff on the Title VI changes.

DATE/TIME/PLACE OF NEXT MEETING

The next meeting will be Thursday, February 7, 2013, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070.

Adjourned at 11:55 a.m.

**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 DECEMBER 2012**

Caltrain's average weekday ridership (AWR) in December 2012 was 42,705, which is an increase of 4,318 or 11.2 percent over December 2011. Total Caltrain ridership in December 2012 was 1,126,167, which is 8.6 percent greater than December 2011.

On-time performance (OTP) for December 2012 was 91.5 percent. While lower than December 2011, which was 94 percent, OTP has been improving over the last several months. When measuring trains arriving within 10 minutes of the scheduled arrival time, on-time performance rises to 95.9 percent. In fact, there were 18 days with 95 percent or better on-time performance, with five days of those days at 100 percent on-time

There were 10.9 complaints per 100,000 passengers. This is lowest rate this fiscal year. Monthly mechanical delays were below average at 852 minutes for December 2012.

Average weekday shuttle ridership was 6,165, which is an increase of 394 or 6.8 percent over December 2011 AWR of 5,771. Marguerite AWR is nearly 25 percent higher than a year ago and many of the employer shuttles also are also showing increases. For the station shuttles, the Millbrae-Broadway shuttle averaged 141 daily riders. The Belmont-Hillsdale shuttle averaged 50 daily riders. The weekend Tamien-San Jose shuttle averaged 57 riders per day.

Caltrain Promotions – December 2012

Happy Holidays Video – Caltrain was included in a video holiday card from the San Mateo County Transit District that focused on the people who provide the service for the people who ride. The short video wrapped up with a locomotive engineer saying, “We’re on the move but stopping to wish you happy holidays.” The greeting also was provided in multiple languages.

Holiday Train – After a two-year hiatus, Caltrain ran the Holiday Train to the delight of children of all ages. Over two days, the train made five station stops and put on a short show that included singing and visits with Santa Claus and his North Pole partners. One of the main purposes of the Holiday Train, which was made possible due to the generous support of the Silicon Valley Community Foundation, is to collect toys and books for the Toys for Tots program. Nearly 3,000 toys were collected.

Kraft Fight Hunger Bowl – College football fans turned to Caltrain to get them to the annual Kraft Fight Hunger Bowl held at AT&T Park. The service, which included an extra train both before and after the game, was promoted with web postings, inclusion in *Track the Fun*, *Caltrain Connection*, social media, electronic station signs and a news release. Total extra ridership was 1,904, an 8 percent increase compared to the last bowl game.

San Francisco Bulls – South Bay hockey fans hungry for action while the San Jose Sharks cooled their skates were treated to a bit of bull. The San Francisco Bulls ice hockey team played a game at the HP Pavilion in San Jose. Caltrain promoted its service to the fans via social media, the website and a news release.

Muni’s Centennial – Caltrain partnered with SamTrans and the San Mateo County Transportation Authority to run an ad in the *Examiner* congratulating San Francisco Municipal Transportation Agency on the 100th anniversary of Muni service.

New Year’s Eve – To ring in the New Year, Caltrain operated special service for revelers who celebrated in San Francisco and wanted a safe ride home to the Peninsula and South Bay. The service was promoted through onboard announcements, take ones, station flyers, social media, news release, website and inclusion in newsletters and brochures. Caltrain also offered complimentary rides beginning at 11 p.m. Nearly 5,000 customers rode the five special trains, a 17 percent 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

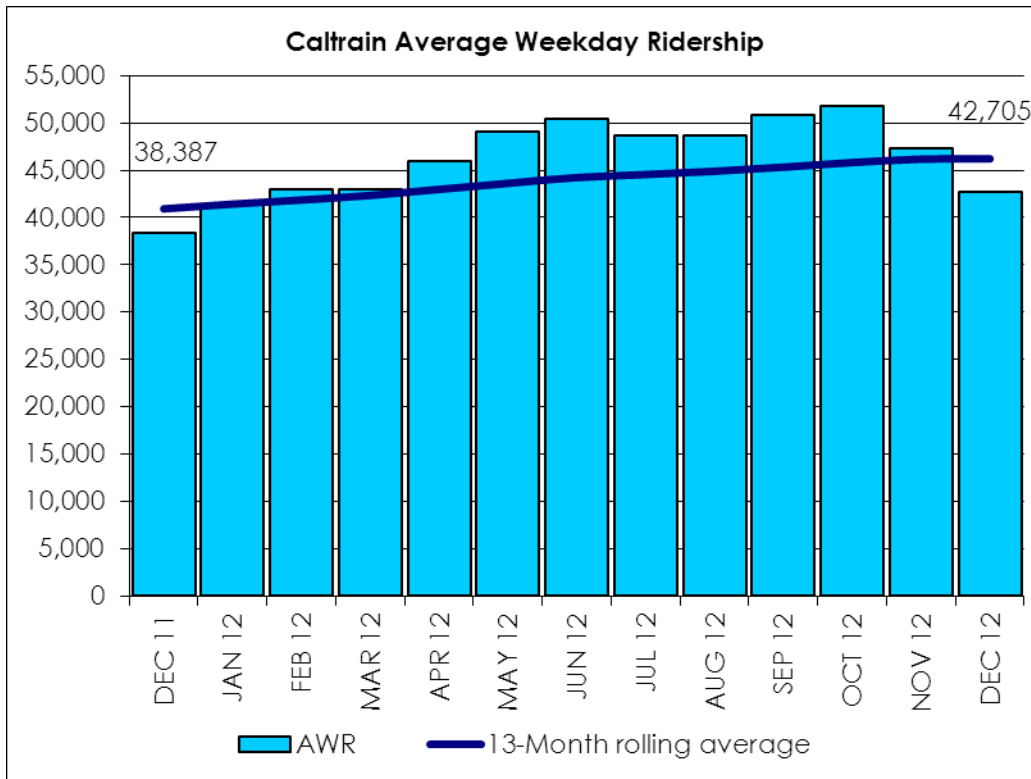
December 2012			
	FY2012	FY2013	% Change
Total Ridership	1,036,826	1,126,167	8.6%
Average Weekday Ridership	38,387	42,705	11.2%
Total Farebox Revenue	\$4,305,083	\$4,835,232	12.3%
On-time Performance	94.0%	91.5%	-2.5%*
Average Caltrain Shuttle Ridership**	5,771	6,165	6.8%

Year to Date			
	FY2012	FY2013	% Change
Total Ridership	6,898,319	7,727,480	12.0%
Average Weekday Ridership	42,996	48,302	12.3%
Total Farebox Revenue	\$29,025,589	\$34,179,935	17.8%
On-time Performance	93.4%	89.7%	-3.7%*
Average Caltrain Shuttle Ridership**	6,813	8,340	22.4%

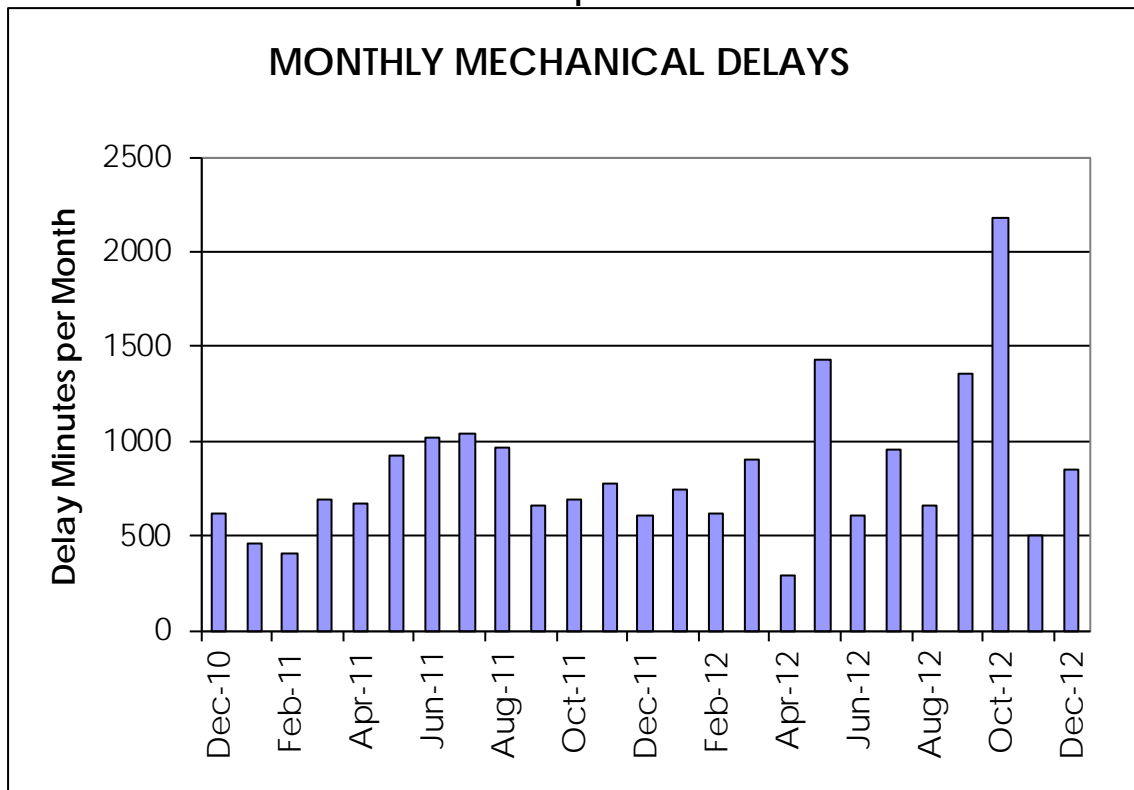
* numeric difference of the percentages

** Shuttles included have been adjusted for FY12 to reflect only JPB funded shuttles

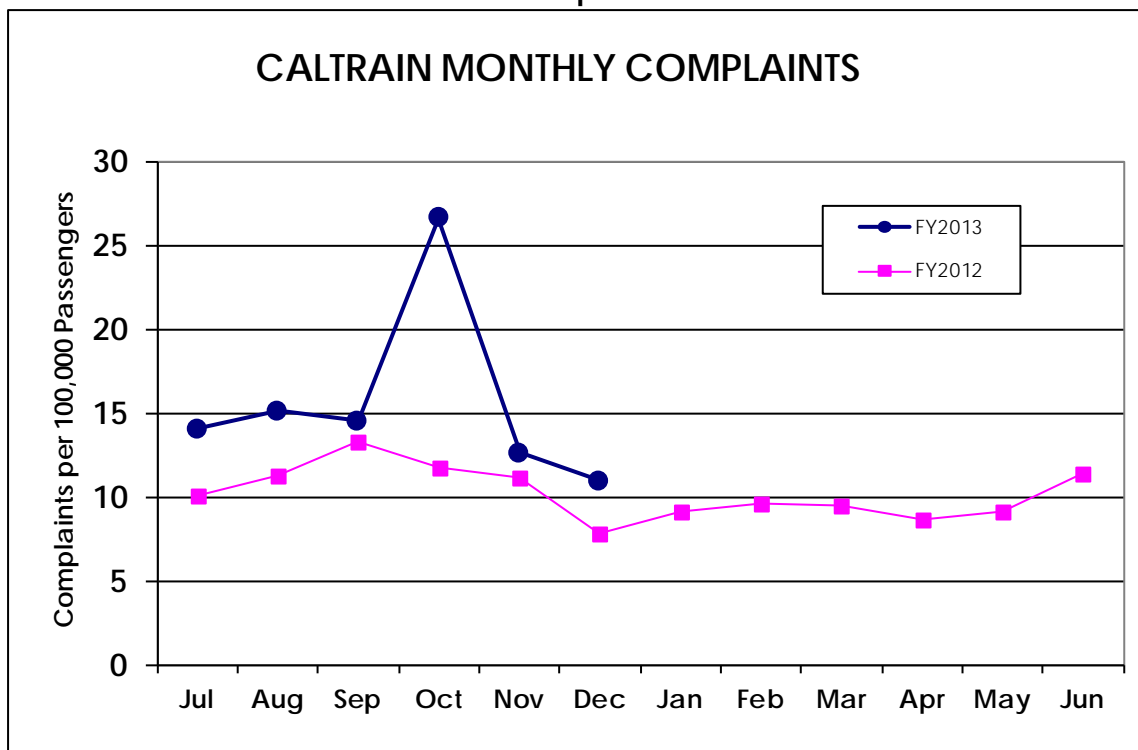
Graph A



Graph B



Graph C



**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Marian Lee
Executive Officer, Caltrain Modernization Program

SUBJECT: **UPDATE ON NEW AGREEMENT BETWEEN THE PENINSULA CORRIDOR JOINT
POWERS BOARD AND CALIFORNIA HIGH SPEED RAIL AUTHORITY**

ACTION

This report is for information only. No Board action is required. Staff will be back to the Board in March with a finalized agreement requesting approval. The approval date was extended to allow for further input from JPB stakeholders.

SIGNIFICANCE

The Peninsula Corridor Joint Powers Board (JPB) and the California High Speed Rail Authority (CHSRA) currently are parties to agreements entered into in 2004 and 2009 that anticipate future shared use of the JPB's Peninsula rail corridor to accommodate commuter and high-speed rail services.

The 2004 Memorandum of Understanding (MOU) and 2009 Agreement between the two agencies are outdated as they were entered into at a time when CHSRA envisioned a four-track, grade-separated, high-speed rail service operating within the Peninsula rail corridor. That earlier vision has been replaced with a new one; the JPB and its local and regional partners, as well as the CHSRA, have adopted policies and entered into a nine-party MOU that establishes a new approach known as the Blended System.

A new agreement between the JPB and CHSRA is necessary to reflect and to be grounded in the Blended System as defined in the 2012 CHSRA Business Plan, the 2012 nine-party MOU and the JPB's Resolution No. 2012-18 adopting the MOU.

At the December 2012 JPB meeting, staff provided recommended key principles to be included in a new JPB and CHSRA agreement. Since December, staff has obtained stakeholder input on the proposed principles. Subsequently, staff and attorneys for the JPB and CHSRA developed the attached draft agreement based upon the key principles and feedback received from the public concerning them.

At the JPB meeting, staff will provide an overview of the proposed new agreement and stakeholder comments.

BUDGET IMPACT

There is no impact to the existing budget.

BACKGROUND

The fundamental purpose for entering into a new agreement with the CHSRA is to replace outdated agreements that envisioned a four-track, grade-separated system with a commitment by the JPB and the CHSRA to advance a project focused exclusively upon and confined to a Blended System in the Peninsula corridor. The Blended System has been defined to consist of primarily a two-track system located substantially within the existing JPB-owned rail corridor to be shared by JPB and CHSRA trains, as well as other passenger and freight services.

The agreement also affirms:

- JPB's ownership of the Peninsula rail corridor today and in the future.
- The Proposition 1A funding commitment for design and construction of the JPB early investment projects, consisting of corridor electrification and associated rolling stock, and construction of an advanced signal system known as Communications-based Overlay Signal System (CBOSS).
- JPB and CHSRA joint approvals as prerequisites to building the Blended System.
- Protection of local community interests and concerns.
- Support for locally supported plans/projects compatible with the Blended System.

The agreement identifies the legally appropriate environmental lead agencies for advancing the blended system: the JPB for the early investment program and the CHSRA for additive improvements needed for high-speed rail service beyond the early investment program.

Some local stakeholders have expressed a desire for the JPB to lead both environmental phases of the program to maximize local protection. From a National Environmental Policy Act/California Environmental Quality Act legal perspective, it is appropriate for the CHSRA to environmentally lead the future Blended System project. It is important to stress, however, that local control is fully protected. The JPB will continue to exert its rights as the owner of the Peninsula corridor, reserves the right to approve the Blended System project design and its construction program, and will continue to protect local interests and concerns.

The following stakeholder comments are not addressed in this agreement:

1. Commit that the Blended System will not have local impacts
2. Define JPB and CHSRA service/operations/maintenance agreements
3. Include local projects (not in the early investment program) in the Corridor Electrification environmental document

These suggestions are not included because they either first must be addressed through the environmental process (Item 1) or is premature for inclusion (Item 2) or can be addressed separately in a way that will avoid delays to the completion of corridor electrification by 2019 (Item 3).

Prepared By: Marian Lee, Executive Officer, Caltrain Modernization 650.622.7843

AGREEMENT

THIS AGREEMENT is entered into as of this ____ day of _____, 2013 by and between the California High Speed Rail Authority (hereinafter referred to as "CHSRA") and the Peninsula Corridor Joint Powers Board (hereinafter referred to as "JPB").

RECITALS

WHEREAS, in January, 2004, the CHSRA and the JPB entered into a Memorandum of Understanding (the "2004 MOU"), the purpose of which was to establish a framework for future cooperation between the two agencies relative to the proposed development of a high speed train system for California that would share the rail corridor between the City of San Jose and the City and County of San Francisco owned by the JPB ("Peninsula Rail Corridor"); and

WHEREAS, in April, 2009, the CHSRA and the JPB entered into a new agreement, the purpose of which was to establish an initial organizational framework whereby CHSRA and JPB would engage as partners in the planning, design and construction of improvements along the Peninsula Rail Corridor to accommodate and serve the respective interests of the two organizations ("the 2009 Agreement"); and

WHEREAS, in November 2009, the 2009 Agreement was amended which, among other things, established a 50-50 financial cost sharing arrangement between the parties to cover costs incurred in connection with carrying out the purposes of said Agreement; and

WHEREAS, in April, 2012, the CHSRA adopted a Revised Business Plan which enunciated a new approach to the future development of a high speed rail system along the Peninsula Rail Corridor; and

WHEREAS, more specifically, the Revised Business Plan establishes a policy to develop the high speed rail system utilizing a blended system approach that will coordinate the development and operation of high speed trains within the existing JPB commuter rail system, based on the premise that the blended system will remain substantially within the existing JPB right-of-way and will accommodate future high-speed rail and modernized JPB commuter rail service by primarily utilizing the existing track configuration in the Peninsula Rail Corridor (the "Blended System"); and

WHEREAS, the JPB is supportive of a program of investments in its Peninsula Rail Corridor that will serve to upgrade its existing commuter rail system while concurrently preparing for future high-speed trains provided it is limited to infrastructure necessary to support the Blended System consisting of primarily a two-track system substantially within the existing JPB right-of-way shared by both JPB commuter trains and CHSRA trains, as well as other passenger and freight services; and

WHEREAS, the JPB is committed to respecting the interests of the communities through which the Blended System will be constructed by encouraging design of the Blended System in a manner that will avoid adverse impacts, including those associated with aerial options or options that involve construction of facilities substantially outside of the JPB existing right-of-way; and

WHEREAS, during the spring of 2012, the CHSRA and the JPB, together with the Metropolitan Transportation Commission, the San Francisco County Transportation Authority, the Santa Clara Valley Transportation Authority, the City of San Jose, the City and County of San Francisco, the San Mateo County Transportation Authority and the Transbay Joint Powers Authority entered into a Memorandum of Understanding that adopted an early investment strategy pertaining to the Blended System in the San Francisco to San Jose Segment of the Peninsula Rail Corridor (the "2012 Nine-Party MOU"), a copy of which is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the 2012 Nine-Party MOU identifies two principal inter-related projects as essential to the early investment strategy: (1) Corridor Electrification and associated rolling stock acquisition, and (2) construction of an advanced signal system, commonly known as the JPB's "CBOSS" project and hereinafter referred to as CBOSS, which will incorporate federally mandated Positive Train Control (collectively, the "Early Investment Projects"); and

WHEREAS, as a result of and based upon the aforementioned series of actions that support implementation of future high speed rail service in the Peninsula Rail Corridor

predicated upon the Blended System, CHSRA and JPB have concluded that it is timely, and in the public's interest, to terminate the 2004 MOU and 2009 Agreement and to enter into a new agreement covering project planning and development focused exclusively upon and confined to the Blended System.

NOW, THEREFORE, in consideration of the foregoing the parties hereby agree as follows:

1. **TERMINATION OF THE 2004 MOU AND 2009 AGREEMENT**

The parties agree that the 2004 MOU and 2009 Agreement, as amended, hereby are terminated and the provisions contained therein are of no further force or effect.

2. **PURPOSE OF AGREEMENT**

The purpose of this agreement is to establish a new partnership between the parties for the planning, environmental review, design and ultimate construction of improvements in the Peninsula Rail Corridor that will accommodate and serve both JPB commuter rail service and CHSRA high speed rail service predicated upon the Blended System as defined in the CHSRA 2012 amended Business Plan and in the above referenced 2012 Nine-Party MOU.

3. PARTNERSHIP PRINCIPLES

A. The following Partnership Principles that were fundamental to the understandings reached between the parties and embedded in the 2009 Agreement hereby are reiterated and reconfirmed in the context of the Blended System:

1. It is recognized that development of the Blended System will have to take place while JPB commuter rail service remains in regular operation. The customers of the JPB must continue to be served throughout the Blended System construction program. It is further recognized that certain improvements in the Peninsula Rail Corridor, most notably the Early Investment Projects consisting of Corridor Electrification and construction of CBOSS, will be required first in order to facilitate construction of the Blended System and to minimize service disruptions in the operation of the JPB commuter rail service, the commuter rail services of Altamont Commuter Express (ACE), the intercity rail services of Capitol Corridor and freight operations during the Blended System construction program.

2. The Blended System must be designed, constructed and operated in a manner fully consistent with the operational requirements of the JPB commuter rail system and with consideration of the interests of the cities served by said system through which the high speed rail Blended System will be constructed and operated, as well as other community partners and stakeholders.

3. The parties recognize the investments already made by the JPB, including the intrinsic value of the Peninsula Rail Corridor owned by the JPB and expenditures made to acquire and improve it, as well as those to be made in the future by the JPB in pursuit of Corridor Electrification, CBOSS and other rail improvement projects. The parties further

recognize that the existing right of way and existing improvements are owned solely by the JPB and that the Early Investment Project improvements will be owned by the JPB. Ownership of future improvements and associated additional right-of-way required to implement the Blended System will be the subject of a future agreement between the parties. It is understood that it will be necessary for the parties to negotiate one or more agreements at a future date to facilitate construction and shared use of the Peninsula Rail Corridor by CHSRA in order to implement and operate the Blended System.

B. In addition to the foregoing, the parties agree to the following new and additional Principles:

1. As stipulated in the 2012 Nine-Party MOU, the parties will jointly support and pursue the implementation of a statewide high-speed rail system predicated upon the Blended System, it being recognized that the Blended System will support and benefit operation of both JPB's commuter rail system and CHSRA's high-speed train service.

2. Implementation of Corridor Electrification together with associated rolling stock acquisition and construction of CBOSS constitute essential early investment projects in the Peninsula Rail Corridor that will have independent utility while at the same time will be of tangible benefit to future development and operation of the Blended System.

3. As stated in JPB Resolution No. 2012-018, adopted on May 3, 2012 which approved execution of the 2012 Nine-Party MOU and the Early Investment Projects strategy contained therein:

a The JPB, as the owner of the Peninsula Rail Corridor and operator of the commuter rail system thereon, will implement the Early Investment Projects; and

b The Early Investment Projects will be planned, designed and constructed in a way that respects community partners and stakeholders.

The foregoing Principles contained in Sections 3(A) and 3(B) shall govern the actions of the parties henceforth relative to the planning, design and construction of the Early Investment Projects and ultimately the Blended System.

4. ACTION PLAN

The initial series of actions to be pursued in concert by the parties will be to work toward the implementation of the Early Investment Projects strategy as previously agreed in the 2012 Nine-Party MOU. Toward that end, the parties agree to undertake the following specific actions:

A. CHSRA will reflect this Agreement and the 2012 Nine-Party MOU in its Business Plan at the earliest possible date;

B. The parties will work cooperatively and collaboratively to secure approval and release of \$600 million of Proposition 1A funds and \$106 million of Proposition 1A “connectivity” funds appropriated by the California Legislature pursuant to Chapter 152 of the Budget Act of 2012 (Senate bill No. 129) and consistent with the funding plan contained in the 2012 Nine-

Party MOU to enable the Corridor Electrification and CBOSS projects to proceed to their respective next stages of development;

C. Having already environmentally cleared and initiated construction of the CBOSS project, JPB shall continue to serve as lead agency responsible for final completion and delivery of that component of the early investment program;

D. JPB shall continue to serve as lead agency for all aspects of the Corridor Electrification project, including environmentally clearing the project and subsequently arranging for its design, construction and implementation. JPB intends to use its best efforts to ensure delivery of the Corridor Electrification and CBOSS projects on an expedited basis and with a target final completion date no later than 2019 and CHSRA will provide such assistance as may be reasonably necessary to facilitate funding, environmental certification and project delivery by that target date;

E. The parties will establish an organizational framework for the administration and management of their ongoing relationship to achieve the purposes of this Agreement. The organizational framework will incorporate protocols and procedures for approval by both parties of the Early Investment Projects and Blended System designs. In addition to identifying their respective project team members and roles, the organizational framework will formalize a detailed financial plan incorporating financial systems and procedures required to implement continued cost sharing arrangements applicable to administration and management of the early investment program;

F. The parties will develop construction and implementation plans designed to preserve freight service in the Peninsula Rail Corridor in a manner consistent with the existing Trackage Rights Agreements between JPB and Union Pacific Railroad;

G. The parties will work together to assure compliance with all applicable statutory and regulatory reporting requirements and deadlines established by funding agencies;

H. From a longer term perspective, CHSRA shall continue to serve as lead agency for environmental clearance of the high speed rail Blended System project, it being understood that JPB will continue to act independently to support the interests and concerns of the communities along the Peninsula Rail Corridor throughout the environmental, planning, design and construction phases with a specific focus on, among other things, the location of passing tracks and any storage or maintenance facility within or along the Peninsula Rail Corridor that may be determined to be necessary to support the Blended System, grade separations supported by cities in which they will be constructed, and station improvements and associated land use compatibility considerations. Additionally, the parties will address and mutually agree upon the most effective project design and construction mechanism to be deployed, including oversight responsibility; and

I. The parties recognize and acknowledge that over time it will be necessary to formalize supplements to this agreement to address a variety of issues pertinent to future shared use of the Peninsula Rail Corridor including, but not limited to, (1) construction windows and protocols intended to safely construct Blended System improvements while facilitating on-going commuter rail, intercity rail and freight operations, and (2) maximization of system interoperability associated with rail system scheduling, dispatching, passenger boarding, and maintenance of facilities.

5. EFFECT OF AGREEMENT ON OTHER JPB RAIL CORRIDOR-RELATED PROJECTS

Nothing contained in this agreement is intended to preclude the advancement of locally-supported plans or project improvements along the JPB rail corridor that are consistent with the Early Investment Projects and the Blended System project.

6. EFFECTIVE DATE AND TERMINATION

This agreement shall be effective upon execution by both parties and shall continue in effect until and unless terminated by both parties through mutual agreement or upon 180 days' written notice delivered by the party seeking to terminate the agreement to the other party.

IN WITNESS WHEREOF, CHSRA and JPB have executed this Agreement on the day and year first above written.

California High Speed Rail Authority

Peninsula Corridor Joint Powers Board

BY: _____

BY: _____

Approved as to Form:

Approved as to Form:

MEMORANDUM OF UNDERSTANDING

HIGH SPEED RAIL EARLY INVESTMENT STRATEGY FOR A BLENDED SYSTEM IN
THE SAN FRANCISCO TO SAN JOSE SEGMENT KNOWN AS THE PENINSULA
CORRIDOR OF THE STATEWIDE HIGH-SPEED RAIL SYSTEM

BY AND AMONG THE FOLLOWING PARTIES (PARTIES)

CALIFORNIA HIGH SPEED RAIL AUTHORITY (AUTHORITY)
METROPOLITAN TRANSPORTATION COMMISSION (MTC)
PENINSULA CORRIDOR JOINT POWERS BOARD (JPB)
SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY (SFCTA)
SAN MATEO COUNTY TRANSPORTATION AUTHORITY (SMCTA)
SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)
CITY OF SAN JOSE
CITY AND COUNTY OF SAN FRANCISCO
TRANSBAY JOINT POWERS AUTHORITY (TJPA)

Recitals

Whereas, the California High-Speed Rail AUTHORITY (AUTHORITY) is responsible for planning, building and maintaining an 800-mile statewide high-speed rail system and improved mobility through the development of safe, clean, reliable rail technology; and

Whereas, the AUTHORITY, in partnership with the Federal Railroad Administration is advancing a California High-Speed Train (HST) network that links the major metropolitan areas of the State of California utilizing corridors into and through Southern, Central and Northern California; and

Whereas, the AUTHORITY has responsibility for planning, construction and operation of high-speed passenger train service in California and is exclusively charged with accepting grants, fees and allocations from the state, from political subdivisions of the state and from the federal government, foreign governments, and private sources; and

Whereas, the AUTHORITY's 2012 Business Plan proposes to incrementally develop the HST system utilizing a blended system approach that will coordinate the development and operations of HST with existing passenger rail systems, improving, enhancing and expanding the integration of high-speed and regional/local passenger rail systems; and

Whereas, this blended approach requires a series of incremental investments in the Peninsula corridor to prepare for integrated service and operations and the AUTHORITY recognizes the need for a collaborative effort with regional and local agencies to identify early investment projects along existing rail corridors that improve service, safety and efficiency, and create linkages between HST and local passenger rail service; and

Whereas, a blended system will remain substantially within the existing Caltrain right-of-way and will accommodate future high-speed rail and modernized Caltrain service along the Peninsula corridor by primarily utilizing the existing track configuration on the Peninsula; and

Whereas, this MOU is specific to project investments that upgrade existing rail service and prepare for a future high-speed train project that is limited to infrastructure necessary to support a blended system, which will primarily be a two-track system shared by both Caltrain and high-speed rail and will be designed to continue to support existing passenger and freight rail tenants; and

Whereas, local transportation improvement projects are required to be included in a Regional Transportation Plan (Plan), and the Metropolitan Transportation Commission, working closely with local agencies is charged with developing the Plan every four years to provide guidance for transportation investments within the San Francisco Bay Area and with development of regional transportation strategies to address the needs of the Bay Area; and

Whereas, on December 19, 2001, MTC adopted the Regional Transit Expansion Program of Projects (Resolution 3434) which includes the Transbay Transit Center Phase 2 Downtown Extension and Caltrain Electrification projects as regional priorities for transit expansion; and

Whereas, the Sustainable Communities and Climate Protection Act of 2008 (SB 375, Steinberg, Statutes of 2008) requires the Plan to include a Sustainable Communities Strategy (SCS), showing evidence of integrated planning, goals that establish and strengthen the crucial linkages between the economy, land use development and the regional transportation system to improve access to jobs, education, healthcare, and other amenities in ways that improve the overall quality of life in the Bay Area, and the blended system on the Peninsula corridor in the California High-Speed Rail program is consistent with achieving SB 375 goals to reduce greenhouse gas emissions; and

Whereas, all PARTIES are involved in the planning, funding, construction and/or operation of heavy and light rail transit, buses, and/or commuter train services in the Peninsula corridor and are considering intermodal service integration, including linkages to the proposed HST service; and

Whereas, it is the intent and purpose of this MOU to strengthen the working relationship between the PARTIES to facilitate the development and implementation of projects that will improve local passenger rail service and operations while preparing designated HST corridors for eventual HST operation to achieve region-wide systems integration of rail service in Northern California; and

Whereas, local transportation improvement projects are required to be environmentally evaluated according to CEQA and NEPA regulations and where necessary, existing environmental approval covering incremental improvements to the Peninsula corridor will be updated to reflect evolving local and regional conditions and concerns; and

Whereas, incremental improvements and the blended system project will be planned, designed and constructed in a way that supports local land use and Transit Oriented Development policies along the Peninsula corridor; and

Now, THEREFORE, it is mutually understood and agreed to by the PARTIES as follows:

To jointly support and pursue the implementation of a statewide high-speed rail system that utilizes a blended system and operational model on the Peninsula corridor and that has its northern terminus at the Transbay Transit Center in San Francisco as specified in law, and its southern limit at Mile Post 51.4 at the Tamien Station in San Jose. The blended system will support and benefit operation of both Caltrain and future high-speed train service.

To jointly recognize a defined set of Inter-related Program of Projects that is consistent with the AUTHORITY's phased implementation plan and with a blended system operation of the corridor and achieves objectives that include but are not limited to system capacity and connectivity for Caltrain, HST and freight; public safety; operational efficiency; effectiveness and connectivity.

To generally describe, identify and work to fully fund an Inter-related Program of Projects known as the Corridor Electrification Infrastructure Project, Advanced Signal System (also known as Positive Train Control), the Downtown Extension to the Transbay Transit Center, which is the Proposition 1A designated northern terminus of high-speed rail, new high-speed stations at San Jose Diridon Station and a Millbrae BART/Caltrain Station with a connection to San Francisco International Airport, and a Core Capacity project of needed upgrades to stations, tunnels, bridges, potential passing tracks and other track modifications and rail crossing improvements including improvements and selected grade separations required to accommodate the mixed traffic capacity requirements of high-speed rail service and commuter services.

To recognize that of the set of Inter-related Program of Projects, the most substantial and tangible early-investment benefits will be realized when two essential projects are identified for an Initial Investment Strategy to secure, at the earliest possible date, the benefits of the blended system for the traveling public and an Initial Investment Strategy is needed to provide the groundwork upon which future construction can more readily progress.

To recognize that the two Inter-related projects for Initial Investment Strategy are the Corridor Electrification Infrastructure Project that includes the needed rolling stock to operate revenue service; and the Advanced Signal System project and to adopt as part of this MOU, the funding plans needed to move as expeditiously as possible toward construction of these two essential projects.

To work toward the implementation of the Initial Investment Strategy to the maximum extent feasible and that the PARTIES shall endeavor to incorporate the Electrification Infrastructure and Advanced Signal System projects into their respective plans and that the AUTHORITY shall reflect this MOU in its Business Plan by December 31, 2012.

That the aforementioned projects will need to be environmentally analyzed and cleared according to CEQA and NEPA guidelines as appropriate, including updating and recirculation of the Caltrain Electrification EA/FEIR completed in 2009.

That the AUTHORITY will endeavor in good faith to secure approval and release of \$600 million of Proposition 1A funds and \$106 million of Proposition 1A "connectivity" funds

consistent with the funding plans contained in this MOU as required to complete at the earliest possible date, the Corridor Electrification Infrastructure and Advanced Signal System projects.

That the AUTHORITY will endeavor in good faith to secure approval of Proposition 1A “connectivity” funds for Bay Area project sponsors consistent with and in accordance with the schedule and project expenditure plan approved and as amended by the California Transportation Commission.

That the AUTHORITY will work with funding partners to assist in seeking and releasing the funds necessary to implement the Electrification Infrastructure Project and Advanced Signal System project. Local agencies may provide local funds, real property, or in-kind resources as matching funds where matching funds are required to qualify for grant funds. PARTIES agree to work together to identify the appropriate amounts and types of local resources that may be used to support the completion of the Electrification Infrastructure Project and the Advanced Signal System Project.

That the AUTHORITY and appropriate PARTIES will coordinate to obtain funding using a mutually agreed-upon strategy. In the event that funding for the program is constrained by statute, recession of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the AUTHORITY and the PARTIES shall takes steps to notify each other as needed in a timely manner.

FUNDING PLAN

Program Costs and Proposed Funding for Peninsula Corridor Projects: Electrification and Advance Signal System

Program Costs <i>(in \$ millions, year of expenditure)</i>	
Advance Signal System / Positive Train Control (PTC)	\$231
Electrification and Electric Multiple Units (EMUs)	\$1,225
Total	\$1,456

Program Funding <i>(in \$ millions)</i>	
Source	Amount
JPB Contributions	\$180
JPB Local - Currently Available	\$11
Caltrain PTC	\$4
Subtotal Local	\$195
Prop 1A Connectivity	\$106
Prop 1A High Speed Rail Authority	\$600
Prop 1B Caltrain	\$24
Subtotal State	\$730
Federal RR Admin. for PTC	\$17
Federal Transit Admin prior/current obligations	\$43
Federal Transit Admin future obligations	\$440
Subtotal Federal	\$500
MTC Bridge Tolls	\$11
BAAQMD Carl Moyer	\$20
Subtotal Regional	\$31
Total	\$1,456

See Next Page for Notes.

Funding Plan Notes:

1. Caltrain Joint Powers Board (JPB) Local Contribution is \$60 million from San Mateo sales tax, \$60 million from VTA sales tax, and \$60 million from San Francisco (\$23 million from sales tax, \$37 million from Regional Transportation Improvement Program (RTIP)/local/other). Each agency's contribution, including Proposition 1A Connectivity funds as outlined in Note 2, is contingent upon the \$60 million each from the other two JPB partners.
2. Prop 1A Connectivity is \$42 million from Caltrain, \$26 million from VTA, and \$38 million from BART (2nd priority for BART after receipt of \$150 million for railcars).
3. Prop 1B Caltrain is \$20 million Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA), \$4 million State-Local Partnership Program (SLPP).
4. FTA Prior/Current Obligations is \$16 million for electrification in prior years, \$27 million for EMUs in FY12.
5. FTA Future Obligations is \$315 million for electric multiple units (EMUs), \$125 million from fixed guideway caps. Funds will be programmed in accordance with MTC Transit Capital Priorities process between approximately FY2012-2013 and FY2022-2023.
6. Bridge Tolls is from Regional Measure 1 (RM1) West Bay Rail Reserve.
7. Bay Area Air Quality Management District (BAAQMD) funds to be confirmed.
8. Assumes that all local sources, Prop 1B PTMISEA, all federal sources, and bridge tolls can be used as match to Prop 1A funds, totaling \$726 million in matching funds for \$706 million in Prop 1A funds.
9. Other potential future funding sources could be substituted if secured, including federal Transportation Investment Generating Economic Recovery (TIGER) funds (such as current Caltrain application for \$44 million), State Interregional Transportation Improvement Program (ITIP) funds, and private financing.

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
DECEMBER 31, 2012 AND SUPPLEMENTAL INFORMATION**

ACTION

Staff Proposes the Board of Directors accept and enter into the record the Statement of Revenue and Expense for the month of December 2012 and supplemental information.

SIGNIFICANCE

Revenue: For December of Fiscal Year 2013, *Total Operating Revenue* (line 7) is \$4,417,036 or 12.9 percent **better** than budget. Within total operating revenue, *Farebox Revenue* (line 1) is \$4,490,332 or 15.1 percent **better** than budget. Compared to the prior year, *Total Operating Revenue* (line 7) is \$5,190,708 or 15.5 percent **higher**.

Expense: *Grand Total Expenses* (line 47) show a favorable variance of \$1,695,809 or 3.1 percent. *Total Operating Expense* (line 33) is \$1,249,445 or 2.6 percent **better** than budget. *Total Administrative Expense* (line 43) is \$446,364 or 6.4 percent **better** than budget.

Compared to prior year, *Grand Total Expenses* (line 47) are \$4,080,462 or 8.2 percent **higher**. The increase in expense is mainly due to *Contract Operating & Maintenance* (line 22) which is \$1,710,690 or 5.7 percent **higher**.

BUDGET IMPACT

There are no budget revisions for the month of December 2012.

Prepared By: Jeannie Chen, Senior Accountant 650.508.6259
Sheila Tioyao, Manager, General Ledger 650.508.7752

PENINSULA CORRIDOR JOINT POWERS BOARD
STATEMENT OF REVENUE AND EXPENSE
Fiscal Year 2013
December 2012

	% OF YEAR ELAPSED 50.0%								
	MONTH	YEAR TO DATE				ANNUAL			
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET	
(AS PROJECTED)									
REVENUE									
OPERATIONS:									
1	Farebox Revenue	4,835,232	29,024,939	34,179,935	29,689,603	115.1%	60,293,443	60,293,443	56.7%
2	Parking Revenue	217,171	1,600,970	1,522,924	1,649,795	92.3%	3,299,590	3,299,590	46.2%
3	Shuttles	98,331	428,517	583,060	692,115	84.2%	1,384,230	1,384,230	42.1%
4	Rental Income	151,782	885,853	908,215	934,380	97.2%	1,868,760	1,868,760	48.6%
5	Other Income	261,351	1,524,042	1,460,895	1,272,100	114.8%	2,527,430	2,527,430	57.8%
6									
7	TOTAL OPERATING REVENUE	5,563,867	33,464,321	38,655,029	34,237,993	112.9%	69,373,453	69,373,453	55.7%
8									
CONTRIBUTIONS:									
10	AB434 & TA Shuttle Funding	132,396	492,868	934,727	957,157	97.7%	2,184,271	2,184,271	42.8%
11	Operating Grants	442,581	2,244,014	2,655,491	3,388,897	78.4%	6,310,982	6,310,982	42.1%
12	JPB Member Agencies	2,791,667	12,668,625	16,750,000	16,750,000	100.0%	33,500,000	33,500,000	50.0%
13									
14	TOTAL CONTRIBUTED REVENUE	3,366,644	15,405,507	20,340,217	21,096,054	96.4%	41,995,253	41,995,253	48.4%
15									
16	GRAND TOTAL REVENUE	8,930,511	48,869,829	58,995,246	55,334,047	106.6%	111,368,706	111,368,706	53.0%
17									
18									
EXPENSE									
OPERATING EXPENSE:									
22	Contract Operating and Maintenance	5,328,583	29,953,343	31,664,033	32,517,057	97.4%	63,820,184	63,910,639	49.5%
23	Operator Contract Transition Costs	-	442,049	-	-	0.0%	-	-	0.0%
24	Rail Operator Service - Other	-	-	285,000	313,320	91.0%	1,150,000	1,150,000	24.8%
25	Shuttles (incl Peninsula Pass)	305,831	1,372,750	1,881,438	1,905,250	98.8%	4,410,504	4,410,504	42.7%
26	Fuel	1,341,816	7,926,912	7,964,407	8,099,261	98.3%	17,198,522	17,198,522	46.3%
27	Timetables and Tickets	12,574	53,179	70,545	73,600	95.8%	147,200	147,200	47.9%
28	Insurance	425,428	2,434,498	2,496,088	2,624,582	95.1%	5,100,500	5,100,500	48.9%
29	Facilities and Equipment Maint	159,531	516,719	776,125	777,315	99.8%	1,534,560	1,534,560	50.6%
30	Utilities	162,372	699,512	793,702	848,220	93.6%	1,696,870	1,696,870	46.8%
31	Services	133,327	503,507	624,898	647,075	96.6%	1,286,880	1,286,880	48.6%
32									
33	TOTAL OPERATING EXPENSE	7,869,461	43,902,468	46,556,235	47,805,680	97.4%	96,345,220	96,435,675	48.3%
34									
ADMINISTRATIVE EXPENSE									
36	Wages and Benefits	384,708	2,278,309	2,520,692	2,731,459	92.3%	5,623,527	5,404,812	46.6%
37	Managing Agency Admin OH Cost	273,479	408,683	1,848,231	2,053,409	90.0%	3,540,298	4,148,129	44.6%
38	Board of Directors	882	4,363	4,160	4,985	83.5%	12,800	12,800	32.5%
39	Professional Services	239,806	1,449,977	1,352,440	1,370,705	98.7%	2,673,479	2,769,238	48.8%
40	Communications and Marketing	13,084	31,146	64,443	69,000	93.4%	138,000	138,000	46.7%
41	Office Expense and Other	120,717	931,392	740,599	747,371	99.1%	1,932,507	1,357,176	54.6%
42									
43	TOTAL ADMINISTRATIVE EXPENSE	1,032,676	5,103,871	6,530,565	6,976,929	93.6%	13,920,611	13,830,155	47.2%
44									
45	Long Term Debt Expense	91,906	551,438	551,438	551,438	100.0%	1,102,875	1,102,875	50.0%
46									
47	GRAND TOTAL EXPENSE	8,994,044	49,557,776	53,638,238	55,334,047	96.9%	111,368,706	111,368,705	48.2%

"% 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.



Board of Directors 2012

Adrienne Tissier, Chair
 Ken Yeager, Vice Chair
 José Cisneros
 Malia Cohen
 Jerry Deal
 Ash Kalra
 Liz Kniss
 Arthur L. Lloyd
 Tom Nolan

Michael J. Scanlon
 Executive Director

PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF DECEMBER 31, 2012

TYPE OF SECURITY	MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (Restricted)	Liquid Cash	0.326%	2,000,000	2,000,000
Local Agency Investment Fund (Unrestricted)	Liquid Cash	0.326%	31,285,686	31,285,686
County Pool (Unrestricted)	* Liquid Cash	0.850%	20,059,157	20,059,157
Other (Unrestricted)	Liquid Cash	0.000%	2,163,031	2,163,031
			\$ 55,507,874	\$ 55,507,874

Accrued Earnings for December, 2012	\$ 23,948.07
Cumulative Earnings FY2013	\$ 119,386.41

* County Pool average yield for the month ending December 31, 2012 was 0.850%. As of December 2012, the amortized cost of the Total Pool was \$2,978,184,692.82 and the fair market value per San Mateo County Treasurer's Office was \$2,989,261,685.35.

** 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
STAFF REPORT

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **AUTHORIZE AMENDMENT OF FISCAL YEAR 2013 OPERATING BUDGET**

ACTION

Staff Coordinating Council (SCC) recommends the Board adopt a resolution authorizing the amendment of the Fiscal Year (FY) 2013 Operating Budget to increase Total Revenues by \$3,212,518 and Total Expenses by \$797,184, as presented in Attachment A. This would increase the FY2013 Operating Budget to \$112,165,890, which includes the following:

REVENUES:

- Farebox revenue: Increase of \$4,490,333 due to fare revenues coming in higher than originally estimated over the first six months (July through December) of the fiscal year.
- Parking revenue: Decrease of \$297,892 after a 113-day lockout of the National Hockey League (NHL), and the loss of citation revenue due to the vacant Transit Police position of Community Service Officer during the first quarter.
- Shuttles: Increase of \$153,649 primarily due to the addition of Pacifica Weekend service and the transfer of Menlo Park shuttles fund from Transportation Fund for Clean Air (AB 434) and TA Funding to employer contributions.
- AB 434 & TA Shuttle Funding: Decrease of \$133,571 due to the fund transfer of Menlo Park shuttles to employer contribution (from line 9 to line 3).
- Operating Grants: Decrease of \$1,000,000 of Preventive Maintenance Funds, which was previously recognized in FY2012.

EXPENSES:

- Security Services: Increase of \$516,077 due primarily to additional services provided by the Transit Police during the baseball post-season games, and changes in service agreements with the Transit Police and security guard service.

- Shuttles: Increase of \$35,196 in expense due to the addition of Pacifica Weekend service.
- Facilities and Equipment Maintenance: Increase of \$245,911 due to higher than originally estimated monthly Clipper operator expenses.

SIGNIFICANCE

Farebox Revenue: Increase of \$4.5 million from \$60.3 million to \$64.8 million.

This increase is due to fare revenues coming in higher than originally estimated over the first six months (July through December) of the fiscal year. The higher receipts are due primarily to higher ridership figures.

Parking Revenue: Decrease of \$297,892 from \$3.3 million to \$3 million.

This decrease is due to:

- a) The recent NHL lockout (from September 15, 2012 to January 6, 2013), and
- b) The unfilled position of Community Service Officer, which resulted in a citation revenue loss during the first quarter of this fiscal year.

Shuttles Revenue: Increase of \$153,649 from \$1.4 million to \$1.5 million.

This increase is due to the following:

- a) The addition of Pacifica Weekend service with a revenue increase of \$35,196,
- b) Fund transfer of Menlo Park shuttles from AB 434 & TA Funding (line 9) to employer contribution (line 3) in the amount of \$133,571, and
- c) Revenue adjustments of \$15,120 to match approved expense reduction.

AB 434 & TA Shuttle Funding: Decrease of \$133,571 from \$2.2 million to \$2.1 million.

This decrease is due to the transfer of Menlo Park shuttles fund from AB 434 & TA Funding to employer contribution.

Security Services: Increase of \$516,077 from \$3.8 million to \$4.3 million.

The cost increases are primarily due to the following:

- a) Additional support from Transit Police for the 2012 Major League Baseball (MLB) playoff and World Series games and the return of Holiday Train after a two-year hiatus,
- b) An increase in costs under the final Transit Police contract previously approved by the Board,
- c) Additional security guard services per board-approved contract with G4S, starting in January 2013, and
- d) Additional support necessary to maintain the existing closed circuit television security camera surveillance system.

Shuttle Expenses: Increase of \$35,196.

The cost increase is due to the addition of Pacifica Weekend service, which corresponds to the above-referenced increase in shuttle revenue.

Facilities and Equipment Maintenance: Increase of \$245,911 from \$1.5 million to \$1.8 million.

This cost increase is due to higher-than-expected Clipper operator expenses. The increase results from a combination of steadily rising ridership, along with a previously agreed-upon 3 percent price escalation of Clipper Operator charges. The adopted budget assumed a monthly Clipper operating cost of \$34,175; for this year to date, Clipper-related costs are trending at \$54,669 per month.

BUDGET IMPACT

The above changes would increase the authorized FY2013 Operating Budget from \$111,368,706 to \$112,165,890, or an increase of \$797,184. No additional JPB member contributions would be required for FY2013.

BACKGROUND

The JPB approved the FY2013 Operating Budget on June 7, 2012 under Resolution 2012-27. The Board authorized a total budget in the amount of \$111,368,706. The JPB annually adopts an Operating Budget which outlines the expected funding sources and uses that represent the JPB's year-long commitment to transportation projects and services.

Prepared By:	Ladi Bhuller, Manager, Budgets	650.508.7755
	Aandy Ly, Senior Financial Analyst	650.508.6376

PENINSULA CORRIDOR JOINT POWERS BOARD
STATEMENT OF REVENUE AND EXPENSE
PROPOSED REVISED BUDGET
FY2013

	FY2011 <u>ACTUAL</u> A	FY2012 <u>REVISED</u> B	FY2013 <u>ADOPTED</u> C	FY2013 <u>REVISED</u> D	INC(DEC) FY13 ADOPTED to FY13 REVISE E = D - C	% INC(DEC) FY13 ADOPTED to FY13 REVISED F = E / C		
REVENUE								
OPERATIONS:								
1	Farebox Revenue	49,025,572	54,019,757	60,293,443	64,783,776	4,490,333	7.4%	1
2	Parking Revenue	2,501,190	2,987,854	3,299,590	3,001,698	(297,892)	(9.0%)	2
3	Shuttles	1,075,016	1,148,579	1,384,230	1,537,879	153,649	11.1%	3
4	Rental Income	1,733,170	1,737,240	1,868,760	1,868,760	0	0.0%	4
5	Other Income	2,814,080	2,913,060	2,527,430	2,527,430	0	0.0%	5
6	TOTAL OPERATING REVENUE	57,149,028	62,806,490	69,373,453	73,719,542	4,346,089	6.3%	6
7								7
8	CONTRIBUTIONS:							
9	AB434 & TA Shuttle Funding	1,000,000	1,000,000	2,184,271	2,050,700	(133,571)	(6.1%)	9
10	Operating Grants	7,314,877	9,271,706	6,310,982	5,310,982	(1,000,000)	(15.8%)	10
11	JPB Member Agencies	35,090,130	25,337,256	33,500,000	33,500,000	0	0.0%	11
12	Other Sources		9,000,000	0	0	0	-	12
13	TOTAL CONTRIBUTED REVENUE	43,405,007	44,608,962	41,995,253	40,861,682	(1,133,571)	-2.7%	13
14								14
15	GRAND TOTAL REVENUE	100,554,035	107,415,452	111,368,706	114,581,224	3,212,518	2.9%	15
16								16
17	EXPENSE							
18								18
19	OPERATING EXPENSE:							
20	Rail Operator Service	55,102,497	58,661,660	59,497,650	59,497,650	0	0.0%	20
21	Possible Additional Service/Other			1,525,000	1,525,000	0	100.0%	21
22	Security Services	3,628,623	4,177,411	3,837,534	4,353,611	516,077	13.4%	22
23	Rail Operator Extra Work	133,204	130,000	110,000	110,000	0	0.0%	23
24	Contract Operating & Maintenance	58,864,324	62,969,071	64,970,184	65,486,261	516,077	0.8%	24
25	Operator Contract Transition Costs	80,027	4,700,000	0	0	0	0.0%	25
26	Shuttle Service	2,885,841	2,984,550	4,410,504	4,445,700	35,196	0.8%	26
27	Fuel	12,931,549	15,160,380	17,198,522	17,198,522	0	0.0%	27
28	Timetables and Tickets	181,605	161,000	147,200	147,200	0	0.0%	28
29	Insurance	7,310,271	4,870,000	5,100,500	5,100,500	0	0.0%	29
30	Facilities and Equipment Maint	1,201,921	1,037,260	1,534,560	1,780,471	245,911	16.0%	30
31	Utilities	1,496,075	1,596,835	1,696,870	1,696,870	0	0.0%	31
32	Maint & Services-Bldg & Other	1,114,011	1,171,760	1,286,880	1,286,880	0	0.0%	32
33	TOTAL OPERATING EXPENSE	86,065,625	94,650,856	96,345,220	97,142,404	797,184	0.8%	33
34								34
35	ADMINISTRATIVE EXPENSE							
36	Wages & Benefits	5,071,480	5,218,497	5,623,527	5,623,527	0	0.0%	36
37	Managing Agency Admin OH Cost	954,521	1,122,193	3,540,298	3,540,298	0	0.0%	37
38	Board of Directors	12,289	10,800	12,800	12,800	0	0.0%	38
39	Professional Services	2,082,086	2,192,798	2,673,479	2,673,479	0	0.0%	39
40	Communications and Marketing	147,157	171,000	138,000	138,000	0	0.0%	40
41	Other Expenses and Services	1,274,068	1,885,270	1,932,507	1,932,507	0	0.0%	41
42	TOTAL ADMINISTRATIVE EXPENSE	9,541,601	10,600,558	13,920,611	13,920,611	0	0.0%	42
43								43
44	Long-term Debt Expense	1,102,875	1,102,875	1,102,875	1,102,875	0	0.0%	44
45								45
46	GRAND TOTAL EXPENSE	96,710,101	106,354,289	111,368,706	112,165,890	797,184	0.7%	46
47								47
48	REVENUE OVER/UNDER	3,843,933	1,061,163	0	2,415,334	2,415,334	-	48

RESOLUTION NO. 2013 –

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

* * *

AUTHORIZE AMENDING THE FISCAL YEAR 2013 OPERATING BUDGET TO
THE TOTAL OF \$112,165,890

WHEREAS, the JPB's Joint Powers Agreement requires approval of an operating budget each year; and

WHEREAS, pursuant to Resolution No. 2012-27, enacted on June 7, 2012, the Board adopted the Fiscal Year (FY) 2013 Operating Budget in the amount of \$111,368,706 reflecting the then-projected revenues and expenses; and

WHEREAS, since the adoption of the FY2013 Operating Budget, staff has learned that additional revenue totaling \$3,212,518 has become available, including an increase of \$4,490,333 in farebox revenue; a decrease of \$297,892 in parking revenue; a decrease of \$1 million in preventive maintenance funds and a net increase of \$20,078 in shuttle revenue adjustments; and

WHEREAS, since the adoption of the amended FY2013 Operating Budget, total expenses are projected to increase by \$797,184, largely attributable to projected increases in security services, shuttle service, and Clipper operator expenses, all as more particularly described in the staff report accompanying this action item; and

WHEREAS, the Executive Director recommends that the Board approve an amendment to the FY2013 Operating Budget to implement the following changes:

increase total revenues from \$111,368,706 to \$114,581,224 and total expenses from \$111,368,706 to \$112,165,890.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the Peninsula Corridor Joint Powers Board hereby approves an amendment to the Fiscal Year 2013 Operating Budget to implement the following changes: increase total revenues from \$111,368,706 to \$114,581,224 and total expenses from \$111,368,706 to \$112,165,890.

Regularly passed and adopted this 7th day of February, 2013 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

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: **AUTHORIZE INCREASE IN CHANGE ORDER AUTHORITY FOR THE SAN BRUNO GRADE SEPARATION PROJECT CONTRACT**

ACTION

Staff Coordinating Council (SCC) recommends the Board authorize an increase in an amount not to exceed \$6,000,000 in change order authority for the San Bruno Grade Separation Project (10-PCJPB-C-002).

SIGNIFICANCE

Granite Construction Company Inc. is the construction contractor on the San Bruno Grade Separation Project (Project).

1. The scope of the Project is to grade separate three existing at-grade crossings.
2. Construction is ongoing.
3. The original value of the contract was \$77,699,000.
4. The Executive Director's change order authority is 10 percent of the total contract amount, or \$7,769,900.
5. A total of \$4,726,797 in Change Orders have been executed to date.
6. Staff estimates an additional \$9,157,120 in potential change orders, which are attributable to schedule delays, additional contaminated soil removal, design changes, third party utility impacts and projected changes related to the remaining construction work.
7. The combined total for executed and projected additional change orders exceeds the change order authority by \$6 million.
8. An increase of \$6 million in the change order authority will enable the execution of essential change orders.

BUDGET IMPACT

There will be no impact on the Capital Budget as there is sufficient budget authority remaining in the Project to fund the anticipated contract change orders.

BACKGROUND

The total amount forecast for change orders on the San Bruno Grade Separation Project is expected to exceed 10 percent of the original contract amount, primarily due to four factors:

1. Schedule delays resulting from unanticipated conflicts with utility relocations.
2. Excavation, sampling and disposal of additional contaminated soil.
3. A change in the design of the Sylvan Vent BART bypass structure.
4. The addition of the San Bruno Arch to the scope of the contract.

Since the combined total for the original contract amount together with the executed and anticipated change orders exceeds the maximum Board authorized contract amount, an increase in the maximum contract authority by \$6 million to cover anticipated change orders is requested.

Executed Change Orders:	\$ 4,612,780
Estimate of Additional Change Orders:	<u>9,157,120</u>
Total Executed & Additional Change Orders:	13,769,900
Current Change Order Authority:	<u>(7,769,900)</u>
Requested Increase in Change Order Authority	<u>\$ 6,000,000</u>

Prepared by: Rafael Bolon, Project Manager

650.339.0099

RESOLUTION NO. 2013 –

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

* * *

**AUTHORIZE INCREASE IN CHANGE ORDER AUTHORITY FOR THE SAN BRUNO GRADE
SEPARATION PROJECT CONTRACT IN THE AMOUNT OF \$6,000,000**

WHEREAS, on July 1, 2010, pursuant to Resolution No. 2010-40, the Peninsula Corridor Joint Powers Board awarded a contract to Granite Construction Company to perform construction for the San Bruno Grade Separation Project (Project), in an amount not to exceed \$77,699,000; and

WHEREAS, the change order authority is 10 percent of the total contract amount, or \$7,769,900; and

WHEREAS, a total of \$4,726,797 in Project change orders have been executed to date; and

WHEREAS, staff estimates an additional \$9,157,120 in potential change orders will be required for schedule delays, additional contaminated soil removal, design changes, third party utility impacts and projected changes related to the remaining construction work; and

WHEREAS, the combined total for executed and projected additional change orders exceeds the change order authority by \$6,000,000; and

WHEREAS, staff recommends the change order authority be increased in an amount not to exceed \$6,000,000 to enable the execution of projected essential change orders.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorizes an increase in the Executive Director's change order authority in an amount not-to-exceed \$6,000,000.

Regularly passed and adopted this 7th day of February 2013 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

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

SUBJECT: **AUTHORIZE ADDITIONAL CONTRACT AUTHORITY FOR EXISTING
CONSTRUCTION MANAGEMENT SERVICES CONTRACT**

ACTION

Staff Coordinating Council (SCC) recommends the Board:

- Authorize the Executive Director to execute an amendment to the contract with URS Corporation for Construction Management (CM) Services (Contract 10-PCJPB-053) for additional contract authority in an amount not to exceed \$3.4 million.
- Extend the term of the agreement for an additional three years to May 2016.
- Remove the Quint Street Bridge Replacement Project from the scope of the services.

SIGNIFICANCE

Approval of the above action will allow the Peninsula Corridor Joint Powers Board (JPB) to continue with uninterrupted CM Services for the San Bruno Grade Separation Project currently underway and the San Francisco Roadway Bridges Project. This action will increase the aggregate not-to-exceed contract amount from \$11,775,000 to \$15,175,000.

BUDGET IMPACT

This contract amendment is funded by projects through previously approved JPB capital budgets. Project budgets are funded by a mix of Federal, State, regional and local revenues and grants.

BACKGROUND

The existing CM Services contract was awarded at the May 6, 2010 JPB meeting under Board Resolution No. 2010-26, in a contract amount not to exceed \$11,775,000 for a three year term.

The contract provides for oversight of the construction phases of the San Bruno Grade Separation, South San Francisco Parking Lot, San Mateo Bridges Improvement Project Phase I, Jerrold Street Bridge Replacement, San Francisco Roadway Bridges Replacement, and Quint Street Bridge Replacement projects.

The South San Francisco Parking Lot, San Mateo Bridges Improvement Project Phase 1, and Jerrold Street Bridge Replacement projects are complete.

The time frame for the construction phase of the San Bruno Grade Separation Project has been extended as the result of unforeseen conditions encountered during construction including utility relocation, design changes, and construction contractor delays. An additional year of construction oversight is required.

The award of a construction contract for the San Francisco Roadway Bridges Replacement Project has been delayed. Protracted negotiations related to utility relocation agreements have delayed the planned award of this contract from May 2010 to October 2013. In addition, the planned construction phase for the project has been extended by three months.

Agreement on final configuration of the Quint Street Bridge replacement has delayed the completion of final design documents and award of a construction contract. This has delayed the planned award of the construction contract from January 2010 to April 2014. CM services for this project will be removed from the scope of the URS CM Services agreement and included in a future procurement for CM Services.

As a result of the construction schedule changes and associated overall increased duration for construction oversight for the San Bruno Grade Separation Project and the San Francisco Roadway Bridges Project, additional contract authority in the amount of \$3.4 million for these essential CM Services is required.

Prepared By: Alfred Darmousseh, Program Manager Construction Services 650.289.1080

RESOLUTION NO. 2013 –

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

* * *

**AUTHORIZE AMENDMING THE CONSTRUCTION MANAGEMENT SERVICES CONTRACT WITH
URS CORPORATION FOR ADDITIONAL CONTRACT AUTHORITY IN AN
AMOUNT NOT TO EXCEED \$3,400,000**

WHEREAS, on May 6, 2010, pursuant to Resolution No. 2010-26, the Peninsula Corridor Joint Powers Board awarded a contract to URS Corporation to provide Construction Management (CM) Services for the San Bruno Grade Separation, the South San Francisco Parking Lot, San Mateo Bridges Improvement Phase I, the Jerrold Street Bridge Replacement, the San Francisco Roadway Bridges Replacement, and the Quint Street Bridge Replacement projects in an amount not to exceed \$11,775,000; and

WHEREAS, the time frame for the construction phase of the San Bruno Grade Separation Project has been extended by an additional year as a result of unforeseen conditions encountered during construction; and

WHEREAS, the award of a construction contract for the San Francisco Roadway Bridges Replacement Project has been delayed as the result of protracted negotiations related to utility relocation agreements; and

WHEREAS, the changes to the construction schedules and associated overall increased duration of San Bruno Grade Separation Project and the San Francisco Roadway Bridges Project result in the need for additional CM Services; and

WHEREAS, the completion of final design documents and award of a construction contract for the Quint Street Bridge Replacement Project have been delayed due to issues related to the final configuration of the replacement bridge; and

WHEREAS, Staff Coordinating Council recommends that the contract with URS Corporation be amended to increase the contract authority in an amount not to exceed \$3,400,000, in order cover the need for these additional CM Services, extend the term of the agreement for an additional three years to May 6, 2016 and to remove the Quint Street Bridge Replacement Project from the scope of work, with the understanding that these services will be included in a future procurement.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorizes an amendment to the contract with URS Corporation to increase the contract authority in an amount not to exceed \$3,400,000 for the reasons described above, extend the term of the agreement for an additional three years to May 2016, and to remove the Quint Street Bridge Replacement Project from the scope of work; and

BE IT FURTHER RESOLVED that the Board authorizes the Executive Director or his designee to execute the amendment, in a form approved by Legal Counsel.

Regularly passed and adopted this 7th day of February 2013 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Marian Lee
Executive Officer, Caltrain Modernization Program

SUBJECT: **PRELIMINARY CALTRAIN TRANSIT SUSTAINABILITY PROJECT (TSP) STRATEGIC PLAN**

ACTION

This is an informational item. Staff will present the Board a preliminary Caltrain Transit Sustainability Project (TSP) Strategic Plan on February 7, 2013, with the final plan to be approved at the March 7, 2013 meeting.

SIGNIFICANCE

The Metropolitan Transportation Commission (MTC) adopted the TSP final recommendations on May 23, 2012, which established TSP performance measures and targets for the seven large San Francisco Bay Area transit operators. The seven large operators include Peninsula Corridor Joint Powers Board (JPB), San Mateo County Transit District (District), Alameda-Contra Costa Transit District (AC Transit), Bay Area Rapid Transit District (BART), Golden Gate Bridge, Highway, Transportation District (GGBHTD), San Francisco Municipal Transportation Agency (SFMTA), and Santa Clara Valley Transportation Authority (VTA).

As part of the TSP final recommendations, MTC requires the seven large operators to each achieve a 5 percent real reduction in at least one of the following performance measures by Fiscal Year (FY) 2017 and no growth beyond Consumer Price Index (CPI) thereafter: a) cost per service hour; b) cost per passenger; or c) cost per passenger mile. The 5 percent real reduction is measured against the highest reported costs between FY2008 and FY2011 for one of the three performance measures listed above.

The seven operators are to adopt strategic plans by March 31, 2013 to establish strategies and a monitoring program on how to achieve the 5 percent real reduction. On an annual basis, the agencies are to submit data on the progress of achieving their targets. MTC will analyze the agencies' progress in meeting these targets in FY2018. By FY2019, MTC will link existing and new operating and capital funds administered by MTC to the progress that operators have made towards achieving the targets in their strategic plans.

BUDGET IMPACT

This informational item has no impact to the budget.

BACKGROUND

The MTC created the TSP in January 2010 to address operating and capital shortfalls experienced by various transit operators in the nine-county San Francisco Bay Area. The purpose of the TSP is to help improve transit performance and to attract more customers to the transit systems. The TSP focused on financial, service performance and institutional frameworks of the transit agencies. The JPB was one of the participants in the TSP project.

Prepared by: Melanie Choy, Manager Planning,
Caltrain Modernization Program

650.508.6382

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
General Manager/CEO

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

SUBJECT: **UPDATE ON CALTRAIN TITLE VI REQUIREMENTS**

ACTION

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

SIGNIFICANCE

Requirements for compliance with Title VI of the Civil Rights Act of 1964 were recently updated by the Federal Transit Administration (FTA), and now require each large public transportation provider's governing board to approve five standards and policies:

- Major Service Change Policy
- Disparate Impact Policy
- Disproportionate Burden Policy
- Systemwide Service Standards
- Systemwide Service Policies

The first policy defines "major service change" as a threshold for when an agency will conduct a thorough analysis of the potential effects of service changes on protected populations. The next two policies define thresholds for when a fare change or major service change could result in a "disparate impact" on a minority population or a "disproportionate burden" on a low-income population. The final two policies define standards and policies to be used when determining whether service and facilities are distributed equitably to minority and non-minority stations. The new FTA requirements also necessitate transit agencies to seek public input before Board action on the first three policies. Staff will be seeking public input through four community meetings in the Caltrain service area. Comments also can be made through the mail, telephone and the dedicated e-mail address of TitleVI@caltrain.com until March 29.

The community meetings will be held:

- **Tuesday, February 19, 6:30 p.m. to 8:00 p.m.**
Gilroy Senior Center, Meeting Room
7371 Hanna Street, Gilroy

- **Thursday, February 21, 10:45 a.m. to 11:30 a.m.**
San Mateo County Transit District Administrative Headquarters
Second Floor Auditorium
1250 San Carlos Avenue, San Carlos
- **Tuesday, February 26, 5:00 p.m. to 6:30 p.m.**
Bayview Opera House
4705 Third Street, San Francisco
- **Wednesday, February 27, 6:30 p.m. to 8:00 p.m.**
Mountain View City Hall
Plaza Conference Room
500 Castro Street, Mountain View

At the recommendation of JPB Directors, staff is coordinating additional outreach with community-based organizations in San Francisco and Santa Clara County. Following the conclusion of the public process, staff will revise the draft policies, as appropriate, and submit the final policies to the Board for approval at its April 4 meeting.

The draft standards and policies are attached to this staff report.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

Caltrain, as a recipient of FTA grant assistance, is required to comply with the Civil Rights Act of 1964 and implementing regulations. Title VI of the Civil Rights Act prohibits recipients of Federal assistance from discriminating based on race, color, or national origin. Certain compliance requirements apply specifically to public transit providers operating 50 or more vehicles in urbanized areas with populations of 200,000 or more; Caltrain meets this threshold.

Prepared by: Ted Yurek, Senior Planner

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MAJOR SERVICE CHANGE POLICY

SERVICE CHANGES

All major increases or decreases in transit service are subject to a Title VI Equity Analysis prior to Board approval of the service change. A Title VI Equity Analysis completed for a major service change must be presented to the Joint Powers Board (JPB) of Directors for its consideration and included in the Caltrain Title VI Program with a record of the action taken by the Board.

Caltrain defines a major service change as any service change meeting at least one or both of the following criteria:

- A. An adjustment of service that equates to a reduction of or addition of 25 percent or more in total revenue train miles per day for the service day of the week (weekday, Saturday or Sunday) for which the change is made.
- B. A greater than 50 percent reduction or increase in the number of stops at a station per day for the service day of the week (weekday, Saturday or Sunday) for which the change is made.

Note: Any change that is a temporary or interim change due to construction or maintenance projects is exempted from the definition and is not considered a “major service change.”

DISPARATE IMPACT POLICY

This policy establishes a threshold for determining whether a given action has a disparate impact on minority populations versus non-minority populations. Per FTA Circular 4702.1B:

Disparate impact refers to a facially neutral policy or practice that disproportionately affects members of a group identified by race, color, or national origin, where the recipient's policy or practice lacks a substantial legitimate justification and where there exists one or more alternatives that would serve the same legitimate objectives but with less disproportionate effect on the basis of race, color, or national origin.

The policy shall establish a threshold for determining when adverse effects of [fare/] service changes are borne disproportionately by minority populations. The disparate impact threshold defines statistically significant disparity and may be presented as a statistical percentage of impacts borne by minority populations compared to impacts borne by non-minority populations. The disparate impact threshold must be applied uniformly and cannot be altered until the next Title VI Program submission.

In the course of performing a Title VI Equity Analysis, Caltrain must analyze how the proposed action would impact minority as compared to non-minority. In the event the proposed action has a negative impact that affects minorities beyond the adopted Disparate Impact Threshold or has benefits that affect non-minorities beyond the adopted Disparate Impact Threshold, Caltrain must evaluate whether there is an alternative that has a more equitable impact. Otherwise, Caltrain must take measures to mitigate the impact of the proposed action on the affected minority population and demonstrate that a legitimate business purpose cannot otherwise be accomplished and that the proposed change is the least discriminatory alternative.

The Caltrain Disparate Impact Threshold to determine if the adverse impacts of a major service change (as defined in the first part of this document) or a fare adjustment is established at 10 percent. This threshold applies to the difference of the impacts borne by minority populations compared to the same impacts borne by non-minority populations.

DISPROPORTIONATE BURDEN POLICY

This policy establishes a threshold for determining whether a given action has a disproportionate burden on low-income populations versus non-low-income populations. The Disproportionate Burden Policy applies only to low-income populations that are not also minority populations. Per FTA Circular 4702.1B:

The policy shall establish a threshold for determining when adverse effects of [fare/]service changes are borne disproportionately by low-income populations. The disproportionate burden threshold defines statistically significant disparity and may be presented as a statistical percentage of impacts borne by low-income populations as compared to impacts borne by non-low-income populations. The disproportionate burden threshold must be applied uniformly and cannot be altered until the next Title VI program submission. At the conclusion of the analysis, if the transit provider finds that low-income populations will bear a disproportionate burden of the proposed fare/service change, the transit provider should take steps to avoid, minimize or mitigate impacts where practicable. The transit provider should describe alternatives available to low-income populations affected by the fare/service changes.

The Caltrain Disproportionate Burden Threshold to determine if the adverse impacts of a major service change (as defined in the first part of this document) or a fare adjustment is established at 10 percent. This threshold applies to the difference of the impacts borne by low-income populations compared to the same impacts borne by non-low-income populations.

SYSTEMWIDE SERVICE STANDARDS

Pursuant to requirements set forth in Federal Transit Administration (FTA) Circular 4702.1B Caltrain must establish and monitor its performance under quantifiable Service Standards and qualitative Service Policies. The Service Standards contained herein are used to develop and maintain efficient and effective commuter rail service. In some cases, these standards differ from standards used by Caltrain for other purposes.

The FTA requires all fixed route transit providers of public transportation to develop quantitative standards for the following indicators. Individual public transportation providers set these standards; therefore, these standards will apply to each individual agency rather than across the entire transit industry:

- A. Vehicle Load
- B. Vehicle Headways
- C. On-time Performance
- D. Service Availability

STATION HIERARCHY

For purposes of determining service and facility levels at stations, a hierarchy has been established that classifies each station into one of five types. The hierarchy is related to the level of ridership at the station. The following chart shows the station type names and general service description:

Station Type	Service Description
Major	Baby Bullet, limited and local
Intermediate	Limited and local
Minor	Local
Gilroy	Peak direction service only
Special	Limited use station

A. VEHICLE LOAD

Vehicle load factor is described by the October 2012 FTA Circular 4702.1B:

Vehicle load can be expressed as the ratio of passengers to the total number of seats on a

vehicle. For example, on a 40-seat bus, a vehicle load of 1.3 means all seats are filled and there are approximately 12 standees. A vehicle load standard is generally expressed in terms of peak and off-peak times. Transit providers that operate multiple modes of transit must describe the specific vehicle load standards for peak and off-peak times for each mode of fixed route transit service (i.e., bus, express bus, bus rapid transit, light rail, heavy rail, commuter rail, passenger ferry, etc., as applicable), as the standard may differ by mode.

Providing sufficient seating capacity to meet demand is a priority for Caltrain. However, during the peak of the peak because of high passenger loads and limited capacity, it is not always possible to provide a seat for each passenger. During non-peak hours, the Caltrain standard is not to exceed one passenger per seat, but in the peak the standard is not to exceed one standee per five seats.

Staff monitors vehicle loads from train crew reports, passenger comments, passenger counts of special event trains and from an annual passenger count performed on every train. Whenever feasible, resources will be reallocated to meet passenger demand.

Service Standards

<u>Service Type</u>	<u>Peak Load Factor</u>	<u>Off-Peak Load Factor</u>
All	1.2	1.0

B. VEHICLE HEADWAY

Vehicle headway is described by the October 2012 FTA Circular 4702.1B:

Vehicle headway is the amount of time between two vehicles traveling in the same direction on a given line or combination of lines. A shorter headway corresponds to more frequent service. Vehicle headways are measured in minutes (e.g., every 15 minutes); service frequency is measured in vehicles per hour (e.g., 4 buses per hour). Headways and frequency of service are general indications of the level of service provided along a route. Vehicle headway is one component of the amount of travel time expended by a passenger to reach his/her destination. A vehicle headway standard is generally expressed for peak and off-peak service as an increment of time (e.g., peak: every 15 minutes; and off peak: every 30 minutes). Transit providers may set different vehicle headway standards for different modes of transit service. A vehicle headway standard might establish a minimum frequency of service by area based on population density. For example, service at 15-minute peak headways and 30-minute off-peak headways might be the standard for routes serving the most densely populated portions of the service area,

whereas 30-minute peak headways and 45-minute off-peak headways might be the standard in less densely populated areas. Headway standards are also typically related to vehicle load. For example, a service standard might state that vehicle headways will be improved first on routes that exceed the load factor standard or on routes that have the highest load factors.

During peak and surrounding (shoulder) times, Caltrain serves stations largely based on demand. Midday, evenings and weekends are largely hourly service. Supplemental service is often provided for special events based on estimated ridership demand.

Service Standards Minimum Average Headways (in minutes)

<u>Station Type</u>	<u>Peak</u>	<u>Reverse-Peak</u>	<u>Midday</u>	<u>Evenings & Weekends</u>
Major	20	20	60	60
Intermediate	30	30	60	60
Minor	60	60	60	60
Gilroy	6 trips daily in the peak only			
Special	-----Provided as needed-----			

C. ON-TIME PERFORMANCE

On-time performance is described by the October 2012 FTA Circular 4702.1B:

On-time performance is a measure of runs completed as scheduled. This criterion first must define what is considered to be “on time.” For example, a transit provider may consider it acceptable if a vehicle completes a scheduled run between zero and five minutes late in comparison to the established schedule. On-time performance can be measured against route origins and destinations only, or against origins and destinations as well as specified time points along the route. Some transit providers set an on-time performance standard that prohibits vehicles from running early (i.e., ahead of schedule) while others allow vehicles to run early within a specified window of time (e.g., up to five minutes ahead of schedule). An acceptable level of performance must be defined (expressed as a percentage). The percentage of runs completed system-wide or on a particular route or line within the standard must be calculated and measured against the level of performance for the system. For example, a transit provider might define on-time performance as 95 percent of all runs system-wide or on a particular route or line completed within the allowed “on-time” window.

On-time Performance Service Standard

A train is determined to be on-time if it reaches its final destination within five minutes of the published schedule time. Caltrain does not permit its trains to depart early. It is Caltrain’s goal

to have 95 percent of trains meet this on-time criteria. Monthly on-time performance is tracked and published as part of a monthly performance report to the JPB Board.

D. SERVICE AVAILABILITY

Service availability is described by the October 2012 FTA Circular 4702.1B:

Service availability is a general measure of the distribution of routes within a transit provider's service area...A standard might also indicate the maximum distance between stops or stations...Commuter rail service or passenger ferry service availability standards might include a threshold of residents within a certain driving distance as well as within walking distance of the stations or access to the terminal.

Caltrain station spacing is mostly based on locations inherited from the previous owner (the Southern Pacific Railroad) before the Peninsula Joint Powers Board took over the system in 1992. The 48-mile railroad from San Francisco to Tamien has 23 regular stations (not counting Special station types) for an average station spacing of 2.1 miles. The distance between stations one must travel to access service is based on average distance (miles) between adjacent stations (both directions) for types of service stopping at the station.

Service Availability Standards

<u>Station Type</u>	<u>Station Spacing</u>
Major	5 miles
Intermediate	3 miles
Minor	2 miles
Gilroy	6 miles
Special	1 mile

SYSTEMWIDE SERVICE POLICIES

FTA requires fixed-route transit providers to develop a policy for each of the following service indicators. Transit providers also may opt to set policies for additional indicators as appropriate. The following system-wide policies differ from service standards in that they are not necessary based on meeting quantitative thresholds; but rather qualitative evaluation results:

- A. Vehicle Assignment
- B. Transit Amenities

A. VEHICLE ASSIGNMENT

According to the October 2012 FTA Circular 4702.1B:

Vehicle assignment refers to the process by which transit vehicles are placed into service in depots and on routes throughout the transit provider's system. Policies for vehicle assignment may be based on the age of the vehicle, where age would be a proxy for condition. For example, a transit provider could set a policy to assign vehicles to depots so that the age of the vehicles at each depot does not exceed the system-wide average. The policy could also be based on the type of vehicle. For example, a transit provider may set a policy to assign vehicles with more capacity to routes with higher ridership and/or during peak periods. The policy could also be based on the type of service offered. For example, a transit provider may set a policy to assign specific types of vehicles to express or commuter service. Transit providers deploying vehicles equipped with technology designed to reduce emissions could choose to set a policy for how these vehicles will be deployed throughout the service area.

The Caltrain revenue fleet consists of 118 passenger cars (25 Bombardier and 93 Nippon Sharyo/Gallery cars) and 29 diesel locomotives. All trains are comprised of one locomotive and five passenger cars. All Gallery car trains include at least one Americans with Disabilities Act (ADA) accessible rail car, one car with a luggage rack and two cars that together accommodate up to 80 bikes. All Bombardier cars are ADA accessible and Bombardier trains all have two bike cars that accommodate up to 48 bikes.

Caltrain consists (i.e., locomotives, cab cars and passenger cars) are rotated on a daily basis to serve different scheduled trains. Several trains a day are specified to be equipped with Gallery consists to utilize the higher bike capacity of 80 (versus 48 for a Bombardier equipped train) for trains that have very high bike demand. Another group of trains are specified to be equipped with Bombardier consists in order to take advantage of its additional 10 seats and four doors per car for trains that have very high passenger loads. The use of Gallery versus Bombardier equipment is not matched to any particular service type or station, except Gilroy service that is always provided utilizing Gallery consists.

B. TRANSIT AMENITIES

According to the October 2012 FTA Circular 4702.1B:

Transit amenities refer to items of comfort, convenience, and safety that are available to the general riding public. Fixed route transit providers must set a policy to ensure equitable distribution of transit amenities across the system. Transit providers may have different policies for the different modes of service that they provide. Policies in this area address how these amenities are distributed within a transit system, and the manner of their distribution determines whether transit users have equal access to these amenities. This subparagraph is not intended to impact funding decisions for transit amenities. Rather, this subparagraph applies after a transit provider has decided to fund an amenity.

Caltrain provides a variety of amenities at stations to attract and retain customers. Station amenities are distributed based on ridership activity of stations and conditions that were adopted by the JPB when it took over the railroad. Stations are divided into three groups (Level 1- 3). These levels correspond roughly with the station hierarchy designations listed in the introduction to the system-wide service standards.

The “Core” set of amenities exist at most stations and include bike lockers, bike racks, shelters/canopies, benches, trash cans, pay phones, smart card fare validation equipment and ticket vending machines (TVMs). It is standard for each station to have a posted system map, schedule, other customer information, variable message signs and public announcement systems (PA). The standard amenities are included in the definition of core amenities.

Only a few stations with unique access situations have elevators or escalators. The placement of elevators is often at the choice and cost of others when a station is constructed or reconstructed.

Amenities Policy

<u>Station Type</u>	<u>Level</u>	<u>Amenities</u>
Major	Level 1	Core amenities
Intermediate	Level 1	Core amenities
Minor	Level 1	Core amenities
Gilroy	Level 2	Core amenities without bike racks, PA & VMS
Special	Level 3	TVMs only, at stations with scheduled stops

**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: **2013 STATE AND FEDERAL LEGISLATIVE PROGRAM**

ACTION

Staff Coordinating Council (SCC) proposes Board adoption of the attached legislative program to guide Caltrain's advocacy efforts in Sacramento and Washington, D.C. over the course of the 2013 calendar year.

SIGNIFICANCE

The 2013 State and Federal Legislative Program establishes the principles that will guide Caltrain's State and Federal legislative and regulatory advocacy efforts through the first half of the 2013-14 State Legislative session and the 113th Congress. The program is intended to be broad enough to cover the wide variety of issues that are likely to be considered and flexible enough to allow Caltrain, its staff, and its legislative advocates to respond swiftly and effectively to unanticipated developments. Adoption of the program provides our legislative delegation and our transportation partners with a Board-approved statement of Caltrain's priorities.

The 2013 State and Federal Legislative Program is organized to guide Caltrain's actions and positions in support of three primary objectives:

1. Maintain and enhance State and Federal funding opportunities to support Caltrain's programs and services.
2. Seek a regulatory environment that streamlines project delivery and maximizes Caltrain's ability to meet public transportation service demands.
3. Reinforce and expand programs that build and incentivize public transportation ridership.

The Legislative Program is structured to apply these core objectives to a series of issues, resulting in a set of policy strategies for each.

State Issues:

1. State Budget and Transportation Funding Opportunities
2. Transportation Operations and Project Delivery Regulation
3. MAP-21 Implementation

4. Caltrain Modernization and High-Speed Rail

Federal Issues:

1. MAP-21 Implementation
2. Surface Transportation Reauthorization
3. 2014 Appropriations
4. Climate Change and Livability

Should other issues surface that require Caltrain's attention, actions will be guided by the three policy objectives listed above. If needed, potential action on issues that are unrelated to these policy goals will be brought to Caltrain's Board of Directors for consideration.

Caltrain and its State and Federal legislative consultants will employ a variety of advocacy tactics to support the 2013 Legislative Program, including:

1. Direct Advocacy
Caltrain will engage policymakers directly and will sponsor legislation, submit correspondence and provide public testimony that communicates and advances our legislative priorities and positions.
2. Coalition-based Advocacy
Caltrain will work to engage local and regional stakeholders to build awareness about specific issues and foster the creation of local coalitions that will advocate on our behalf. Caltrain will coordinate with local, regional, statewide and national coalitions organized to advance positions that are consistent with the 2013 Legislative Program.
3. Media Advocacy
Caltrain will build public awareness and communicate legislative priorities by issuing press releases, organizing media events, and submitting op-ed pieces. Caltrain will engage the broader public in advocacy efforts through the use of social media and other electronic media that facilitate the public's ability to communicate on Caltrain's behalf.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

Staff actively monitors State and Federal legislative activity and will seek Board positions on selected bills as appropriate to further Caltrain's legislative objectives and to provide support for our advocacy efforts. Staff will supply updated reports summarizing relevant legislative and regulatory activities, allowing the Board to track legislative developments and providing opportunities to take appropriate action on pending legislation.

Prepared by: Seamus Murphy, Government and
Community Affairs Director

650.508.6388

**Peninsula Corridor Joint Powers Board (Caltrain)
2013 State and Federal Legislative Program**

Purpose

State and Federal legislative and regulatory actions have potential to offer dramatic benefits to the Caltrain's programs and services. They also have potential to present serious challenges that threaten Caltrain's ability to help meet the region's most critical public transportation demands.

The 2013 State and Federal Legislative Program establishes the principles that will guide Caltrain's State and Federal legislative and regulatory advocacy efforts through the first half of the 2013-14 State Legislative session and the 113th Congress. The program is intended to be broad enough to cover the wide variety of issues that are likely to be considered during that time and flexible enough to allow Caltrain to respond swiftly and effectively to unanticipated developments.

Federal and State Policy Objectives

The 2013 State and Federal Legislative Program is organized to guide Caltrain's actions and positions in support of three primary objectives:

1. Maintain and enhance State and Federal funding opportunities to support Caltrain's programs and services.
2. Seek a regulatory environment that streamlines project delivery and maximizes Caltrain's ability to meet public transportation service demands.
3. Reinforce and expand programs that build and incentivize public transportation ridership.

Issues

The Legislative Program is structured to apply these core objectives to a series of issues, resulting in a set of policy strategies for each.

State Issues

1. State Budget and Transportation Funding Opportunities
2. Transportation Operations and Project Delivery Regulation
3. MAP-21 Implementation
4. Caltrain Modernization and High-Speed Rail

Federal Issues:

1. MAP-21 Implementation
2. Surface Transportation Reauthorization
3. 2014 Appropriations
4. Climate Change and Livability

**Peninsula Corridor Joint Powers Board (Caltrain)
2013 State and Federal Legislative Program**

Should other issues surface that require Caltrain's attention, actions will be guided by the three policy objectives listed above. If needed, potential action on issues that are unrelated to these policy goals will be brought to Caltrain's Board of Directors for consideration.

Advocacy Tactics

Caltrain and its State and Federal legislative consultants will employ a variety of advocacy tactics to support the 2013 Legislative Program, including:

1. Direct Advocacy
Caltrain will engage policymakers directly and will sponsor legislation, submit correspondence and provide public testimony that communicates and advances our legislative priorities and positions.

2. Coalition-based Advocacy
Caltrain will work to engage local and regional stakeholders to build awareness about specific issues and foster the creation of local coalitions that will advocate on our behalf. Caltrain will coordinate with local, regional, statewide and national coalitions organized to advance positions that are consistent with the 2013 Legislative Program.

3. Media Advocacy
Caltrain will build public awareness and communicate legislative priorities by issuing press releases, organizing media events, and submitting op-ed pieces. Caltrain will engage the broader public in advocacy efforts through the use of social media and other electronic media that facilitate the public's ability to communicate on Caltrain's behalf.

2013 JPB Legislative Program

STATE ISSUES	
<i>Issues and Background</i>	<i>Strategies</i>
<p>1. State Budget and Transportation Funding Opportunities</p> <p><u>State Transit Assistance (STA)</u> After years of diversion to support the State’s General Fund, funding for the STA program has remained stable over the last few budget cycles thanks to successful legal, legislative and political efforts on behalf of the public transportation community. Still, a small increment of STA funding remains vulnerable to diversion under current law.</p> <p><u>Underfunded Infrastructure</u> State investment in transportation infrastructure continues to be underfunded. Infrastructure investments are achieved primarily through the sale of voter-approved bonds and despite recent legislation that covers financing costs, the State’s bond debt service needs will soon outpace available revenues.</p> <p><u>Voter Threshold for Transportation Revenue Measures</u> Despite broad-based majority support for dedicating additional revenue to public transportation services and programs, efforts to raise local funds are often unsuccessful due to the requirement that certain revenue measures receive two-thirds supermajority support from voters.</p>	<p><u>General</u></p> <ul style="list-style-type: none"> • Protect against the elimination or diversion of any State-directed funds that support Caltrain programs and services • Support State funding allocation requests for investments that support Caltrain programs and services • Work with statewide transit coalitions to identify and advance opportunities for new funding that will support Caltrain’s public transportation priorities <p><u>State Transit Assistance (STA)</u></p> <ul style="list-style-type: none"> • Support the full funding of the STA program at levels called for in the 2011 reenactment of the 2010 gas-tax swap legislation <p><u>Underfunded Infrastructure</u></p> <ul style="list-style-type: none"> • Advocate for the regularly scheduled issuance of State infrastructure bonds and the appropriation and equitable allocation of bond revenues to Proposition 1A and Proposition 1B programs that support Caltrain’s transportation services and programs <p><u>Voter Threshold for Transportation Revenue Measures</u></p> <ul style="list-style-type: none"> • Support efforts to eliminate or lower the two-thirds supermajority vote requirement for ballot measures that provide new revenues for transportation services and programs

2013 JPB Legislative Program

STATE ISSUES	
<i>Issues and Background</i>	<i>Strategies</i>
<p><u>Cap-and-Trade Revenues</u> Last year, the State began implementing the cap-and-trade market-based compliance system approved as a part of the Global Warming Solutions Act (AB 32). The state estimates that the system may yield billions of dollars per year in revenues that will be allocated to various emissions-reducing projects and programs throughout the State. Under legislation approved last year, the Administration must submit a three-year expenditure plan to the Legislature as a part of the Governor’s 2014 May Budget Revision. Low carbon public transportation and sustainable transportation infrastructure projects are eligible expenditures.</p> <p><u>Sustainable Communities Strategies</u> In conjunction with AB 32 Implementation, the Sustainable Communities and Climate Protection Act (SB 375) requires regions to develop sustainable communities strategies with integrated housing, land-use and transportation policies that will reduce regional passenger vehicle emissions by specific amounts.</p>	<p><u>Cap-and-Trade Revenues</u></p> <ul style="list-style-type: none"> • Work with Department of Finance and through statewide public transportation coalitions to support the submission of a three-year cap-and-trade expenditure plan that makes a broad array of emissions-reducing transportation projects, programs and services eligible for investment <p><u>Sustainable Communities Strategies</u></p> <ul style="list-style-type: none"> • Advocate for policies that provide adequate funding to support increased regional demand and dependence on public transportation associated with the implementation of AB 375.

2013 JPB Legislative Program

STATE ISSUES	
<i>Issues and Background</i>	<i>Strategies</i>
<p>2. Transportation Operations and Project Delivery Regulation</p> <p><u>Cap-and-Trade Utility Rebates</u> Current law exempts certain utility ratepayers from electricity cost increases associated with the implantation of AB 32, the State’s landmark greenhouse gas reduction legislation. Transit operations, however, are not exempt from these costs, which are estimated to increase by 30-50 percent.</p> <p><u>California Environmental Quality Act (CEQA)</u> Several regional and statewide public transportation advocates will be working to modernize CEQA and minimize unnecessary delays during the environmental review process.</p>	<p><u>General</u></p> <ul style="list-style-type: none"> • Work with statewide public transportation partners and advocates to identify and advance opportunities to remove barriers to efficient project and service delivery and promote innovative contracting and project delivery alternatives <p><u>Cap-and-Trade Utility Rebates</u></p> <ul style="list-style-type: none"> • Work with our public transportation partners and broader coalitions to pursue legislation that exempts public transit agencies from utility rate increases associated with implementation of the State’s Cap-and-Trade emissions reduction strategy <p><u>California Environmental Quality Act (CEQA)</u></p> <ul style="list-style-type: none"> • Closely monitor efforts to modernize CEQA and support proposals that integrate a project’s long-term environmental benefits into the review process and expedite overall project review without compromising CEQA’s effectiveness as an environmental protection policy

2013 JPB Legislative Program

STATE ISSUES	
<i>Issues and Background</i>	<i>Strategies</i>
<p>3. Moving Ahead for Progress in the 21st Century (MAP-21) Implementation</p> <p>The two-year surface transportation authorization bill approved last year makes significant changes to the Federal transportation program funding structure. The Metropolitan Transportation Commission (MTC) and other Metropolitan Planning Organizations continue to meet with State transportation officials to develop a framework for the distribution of Federal transportation funds under MAP-21.</p>	<ul style="list-style-type: none"> • Work with the MTC to support legislation that maximizes the region’s access to Federal funds that will support Caltrain’s programs and services.
<p>4. Caltrain Modernization and High-speed Rail</p> <p>In 2012, the State Legislature appropriated \$705 million in Proposition 1A high-speed rail funds to modernize the Caltrain corridor in preparation for eventual high-speed rail service. Under a multi-party regional funding agreement, this investment will be used to match a variety of local, regional, state and federal funding sources to electrify the corridor, install an advanced signaling system and replace Caltrain’s aging diesel trains with electric trains that will dramatically improve service between San Francisco and San Jose.</p> <p>In addition to planning these improvements, Caltrain is working to identify what additional infrastructure will be needed to support modernized Caltrain service and the addition of high-speed operations to the corridor as part of a Blended System that requires Caltrain and high-speed rail to primarily share the corridor’s existing infrastructure.</p>	<ul style="list-style-type: none"> • Advocate for the allocation of Proposition 1A connectivity funding requested from the California Transportation Commission to support the implementation of the corridor’s advanced signal system • Support legislation that reauthorizes the Carl Moyer Memorial Air Quality Standards Attainment Program to support eventual regional allocation of funds to support the Caltrain Modernization Program • Work with local and regional stakeholders to identify and secure additional funding to support Blended System improvements

2013 JPB Legislative Program

FEDERAL ISSUES	
<i>Issues and Background</i>	<i>Strategies</i>
<p>1. MAP-21 Implementation</p> <p>MAP-21 Authorizes Federal surface transportation programs through September 2014 and essentially maintains existing funding levels over that time. MAP-21 simplifies the Federal transportation funding structure by consolidating several programs and includes several policy changes including eligibility expansion, the conversion of some discretionary programs to formula-based programs and policies designed to expedite project delivery.</p> <p>Implementation of these changes will require significant guidance and rulemaking by the Federal Highway Administration and the Federal Transit Administration.</p>	<ul style="list-style-type: none"> • Monitor and review guidance and rulemaking proposals dealing with MAP-21 implementation • Collaborate with local, regional, state and national transportation advocacy groups to submit comments and advocate for implementation that maximizes benefits for public transportation programs and services
<p>2. Surface Transportation, Rail and Rail Safety Authorization</p> <p>While MAP-21 includes significant benefits for transportation agencies, it does not address several critical issues including the long-term solvency of the Highway Trust Fund, the reauthorization of Federal rail and rail safety programs, the permanent extension of transit-related tax benefits and the passage of a longer-term authorization that guarantees reliable funding for local programs.</p>	<ul style="list-style-type: none"> • Advocate for a dedicated source of revenue that maintains the long-term solvency of the Highway Trust fund, allows for the expansion of Federal transportation funding and supports long-term surface transportation authorization • Support the reauthorization of Federal rail and rail safety programs that promote the efficient delivery of Caltrain service and include significant funding eligible to support improvements associated with the modernization of the Caltrain system and the addition of blended high-speed rail service • Support the permanent extension of pre-tax transit commute benefits that are equal to or greater than parking benefits. Support additional tax incentives that benefit public transportation programs and riders

2013 JPB Legislative Program

STATE ISSUES	
<i>Issues and Background</i>	<i>Strategies</i>
<p>3. 2014 Federal Appropriations</p> <p>Every year, Congress adopts at least 12 separate appropriations bills, including one for transportation. These measures provide the authority for federal agencies to spend money during the upcoming fiscal year for the programs they administer. 2014 will mark the first appropriations process under MAP-21. In recent years, Congress has essentially maintained existing funding levels, However, under MAP-21, authorized funding has been increased slightly over prior years.</p>	<ul style="list-style-type: none"> • Partner with local, regional, state and national coalitions to advocate appropriation of the maximum authorized amount for programs that benefit Caltrain services and needs • Work with local and regional coalitions to support Caltrain’s requests for funding from discretionary programs
<p>4. Climate Change and Livability</p> <p>Despite several recent efforts, Congress has been unable to pass legislation that would address climate change by reducing greenhouse gas emissions. Previous versions of the legislation have included a cap and trade system with emissions allowances that would be traded in a market based system. A portion of the revenues generated through the sale of these allowances could be used to fund clean transportation projects. The transportation sector produces approximately one-third of the greenhouse gas emissions in this country, primarily in the form of carbon dioxide (CO2) emissions generated by automobiles.</p> <p>States continue to enact transportation and land-use planning policies that encourage mixed-use, higher density, walkable development near transit. In addition, federal agencies have announced new partnerships intended to reduce VMT by promoting these goals on a national scale.</p>	<ul style="list-style-type: none"> • Advocate that climate change legislation includes a funding strategy that reflects the opportunity for greenhouse gas reduction through new investment in clean transportation alternatives • Support dedicated formula funding that promotes energy efficiency in transit operations • Support funding for planning and capital investment related to the promotion of transit oriented development opportunities and sustainable land use strategies that would result in VMT reduction • Advocate for the inclusion of funding that furthers coordinated integration of programs that support housing, transportation and land use planning and investment

**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

Legislation

Among the bills introduced in advance of the February 22 introduction deadline, several would potentially impact Caltrain programs or services, including:

SB 1 (Steinberg) – Allows cities, counties or special districts to establish Sustainable Community Investment Authorities, which would essentially take on the powers formerly held by local redevelopment agencies, except that the new entities will have authority over Sustainable Community Investment Areas. Projects that qualify as Sustainable Community Investment Areas include public transit priority project areas and public transit vehicles.

SCA 4 and SCA 8 (Liu and Corbett) – Reduces the voter threshold required for special taxes that fund local transportation projects from two-thirds to 55 percent.

AB 8 and SB 11 (Perea and Pavley) – Extends until 2024 the vehicle registration and smog abatement fees that support the Air Quality Improvement Fund and in the Alternative and Renewable Fuel and Vehicle Technology Fund. Reauthorizes the Carl Moyer Memorial Air Quality Standards Attainment Program until 2024.

AB 160 (Alejo) – Exempts public transportation workers from the 2012 Public Employees Pension Reform Act.

FEDERAL ISSUES

Secretary LaHood Retirement

After serving four years, United States Secretary of Transportation Ray LaHood announced that he will be stepping down. Secretary LaHood will however remain in office until a successor has been named.

House Transportation and Infrastructure Committee

The House Transportation and Infrastructure announced subcommittee chairmanships and released its 2013 oversight plan. Congressman Tom Petri (R-WI) will chair the Highways and Transit Subcommittee and Congressman Jeff Denham (R-CA) will chair the Pipelines, Railroads and Hazardous Materials Subcommittee. The focus areas identified in the committee's work plan include:

- MAP-21 Implementation
- Solvency of the Highway Trust Fund
- Reauthorization of the 2008 Rail Safety Improvement Act
- Reauthorization of Federal Rail Administration Programs

Prepared By: Seamus Murphy, Government and Community
Affairs Director

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**Peninsula Corridor Joint Powers Board
State Legislative Matrix as of 1-29-13**

Bill ID/Topic	Location	Summary	Position
<p>AB 8 Perea D</p> <p>Alternative fuel and vehicle technologies: funding programs.</p>	<p>ASSEMBLY TRANS.</p>	<p>Existing law establishes the Alternative and Renewable Fuel and Vehicle Technology Program, administered by the State Energy Resources Conservation and Development Commission (commission), to provide to specified entities, upon appropriation by the Legislature, grants, loans, loan guarantees, revolving loans, or other appropriate measures, for the development and deployment of innovative technologies that would transform California's fuel and vehicle types to help attain the state's climate change goals. Existing law specifies that only certain projects or programs are eligible for funding, including block grants administered by public entities or not-for-profit technology entities for multiple projects, education and program promotion within California, and development of alternative and renewable fuel and vehicle technology centers. Existing law requires the commission to develop and adopt an investment plan to determine priorities and opportunities for the program.</p> <p>This bill would provide that the State Air Resources Board (state board), until January 1, 2024, has no authority to enforce any element of its existing clean fuels outlet regulation or other regulation that requires or has the effect of requiring any person to construct, operate, or provide funding for the construction or operation of any publicly available hydrogen fueling station. The bill would require the state board to aggregate and make available to the public, no later than January 1, 2014, and every two years thereafter, the number of vehicles that automobile manufacturers project to be sold or leased, as reported to the state board. The bill would require the commission to allocate \$20 million each fiscal year, and up to \$20 million each fiscal year thereafter, for purposes of achieving a hydrogen fueling network sufficient to provide convenient fueling to vehicle owners, and expand that network as necessary to support a growing market for vehicles requiring hydrogen fuel, until there are at least 100 publicly available hydrogen fueling stations. The bill, on or before December 31, 2015, and annually thereafter, would require the commission and the state board to jointly review and report on the progress toward establishing a hydrogen fueling network that provides the coverage and capacity to fuel vehicles requiring hydrogen fuel that are being placed into operation in the state. The bill would authorize the commission to design grants, loan incentive programs, revolving loan programs, and other forms of financial assistance, for purposes of assisting in the implementation of these provisions. The bill, no later than July 1, 2013, would require the state board and air districts to jointly convene working groups to evaluate the specified policies and goals of specified programs.</p>	

**Peninsula Corridor Joint Powers Board
State Legislative Matrix as of 1-29-13**

Bill ID/Topic	Location	Summary	Position
<p>AB 160 Alejo D</p> <p>California Public Employees' Pension Reform Act of 2013: exceptions.</p>	<p>ASSEMBLY PRINT</p>	<p>The California Public Employees' Pension Reform Act of 2013 (PEPRA), on and after January 1, 2013, requires a public retirement system, as defined, to modify its plan or plans to comply with the act. Among other things, PEPRA prohibits a public employer from offering a defined benefit pension plan exceeding specified retirement formulas, requires new members of public retirement systems to contribute at least a specified amount of the normal cost for their defined benefit plans, and prohibits an enhancement of a public employee's retirement formula or benefit adopted after January 1, 2013, from applying to service performed prior to the operative date of the enhancement.</p> <p>This bill would except from PEPRA, by excepting from the definition of public retirement system, certain multiemployer plans authorized under federal law and retirement plans for public employees whose collective bargaining rights are protected by a specified provision of federal law.</p>	
<p>SB 1 Steinberg D</p> <p>Sustainable Communities Investment Authority.</p>	<p>SENATE G.&F.</p>	<p>The Community Redevelopment Law authorizes the establishment of redevelopment agencies in communities to address the effects of blight. Existing law dissolved redevelopment agencies and community development agencies, as of February 1, 2012, and provides for the designation of successor agencies.</p> <p>This bill would authorize certain public entities of a Sustainable Communities Investment Area to form a Sustainable Communities Investment Authority (authority) to carry out the Community Redevelopment Law in a specified manner. The bill would require the authority to adopt a Sustainable Communities Investment Plan for a Sustainable Communities Investment Area and authorize the authority to include in that plan a provision for the receipt of tax increment funds provided that certain economic development and planning requirements are met. The bill would authorize the legislative body of a city or county forming an authority to dedicate any portion of its net available revenue to the authority through its Sustainable Communities Investment Plan.</p>	

**Peninsula Corridor Joint Powers Board
State Legislative Matrix as of 1-29-13**

Bill ID/Topic	Location	Summary	Position
<p>SB 11 Pavley D</p> <p>Alternative fuel and vehicle technologies: funding programs.</p>	<p>SENATE T.&H.</p>	<p>Existing law establishes the Alternative and Renewable Fuel and Vehicle Technology Program, administered by the State Energy Resources Conservation and Development Commission (commission), to provide to specified entities, upon appropriation by the Legislature, grants, loans, loan guarantees, revolving loans, or other appropriate measures, for the development and deployment of innovative technologies that would transform California's fuel and vehicle types to help attain the state's climate change goals. Existing law specifies that only certain projects or programs are eligible for funding, including block grants administered by public entities or not-for-profit technology entities for multiple projects, education and program promotion within California, and development of alternative and renewable fuel and vehicle technology centers. Existing law requires the commission to develop and adopt an investment plan to determine priorities and opportunities for the program.</p> <p>This bill would provide that the State Air Resources Board (state board), until January 1, 2024, has no authority to enforce any element of its existing clean fuels outlet regulation or other regulation that requires or has the effect of requiring any person to construct, operate, or provide funding for the construction or operation of any publicly available hydrogen fueling station. The bill would require the state board to aggregate and make available to the public, no later than January 1, 2014, and every two years thereafter, the number of vehicles that automobile manufacturers project to be sold or leased, as reported to the state board. The bill would require the commission to allocate \$20 million each fiscal year and up to \$20 million each fiscal year thereafter, for purposes of achieving a hydrogen fueling network sufficient to provide convenient fueling to vehicle owners, and expand that network as necessary to support a growing market for vehicles requiring hydrogen fuel, until there are at least 100 publicly available hydrogen fueling stations. The bill, on or before December 31, 2015, and annually thereafter, would require the commission and the state board to jointly review and report on the progress toward establishing a hydrogen fueling network that provides the coverage and capacity to fuel vehicles requiring hydrogen fuel that are being placed into operation in the state. The bill would authorize the commission to design grants, loan incentive programs, revolving loan programs, and other forms of financial assistance for purposes of assisting in the implementation of these provisions. The bill, no later than July 1, 2013, would require the state board and air districts to jointly convene working groups to evaluate the specified policies and goals of specified programs.</p>	
<p>SCA 4 Liu D</p> <p>Local government transportation projects: special taxes: voter approval.</p>	<p>SENATE PRINT</p>	<p>The California Constitution conditions the imposition of a special tax by a city, county, or special district upon the approval of 2/3 of the voters of the city, county, or special district voting on that tax, except that certain school entities may levy an ad valorem property tax for specified purposes with the approval of 55% of the voters within the jurisdiction of these entities.</p> <p>This measure would provide that the imposition, extension, or increase of a special tax by a local government for the purpose of providing funding for local transportation projects requires the approval of 55% of its voters voting on the proposition. The measure would also make conforming and technical, non-substantive changes.</p>	

**Peninsula Corridor Joint Powers Board
State Legislative Matrix as of 1-29-13**

Bill ID/Topic	Location	Summary	Position
SCA 8 Corbett D Transportation projects: special taxes: voter approval.	SENATE PRINT	<p>The California Constitution conditions the imposition of a special tax by a city, county, or special district upon the approval of 2/3 of the voters of the city, county, or special district voting on that tax, except that certain school entities may levy an ad valorem property tax for specified purposes with the approval of 55% of the voters within the jurisdiction of these entities.</p> <p>This measure would provide that the imposition, extension, or increase of a special tax by a local government for the purpose of providing funding for transportation projects requires the approval of 55% of its voters voting on the proposition. The measure would also make conforming and technical, non-substantive changes.</p>	
SCA 11 Hancock D Local government: special taxes: voter approval.	SENATE PRINT	<p>The California Constitution conditions the imposition of a special tax by a local government upon the approval of 2/3 of the voters of the local government voting on that tax, and prohibits a local government from imposing an ad valorem tax on real property or a transactions tax or sales tax on the sale of real property.</p> <p>This measure would instead condition the imposition, extension, or increase of a special tax by a local government upon the approval of 55% of the voters voting on the proposition. The measure would also make conforming and technical, non-substantive changes.</p>	

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR
ENDING JUNE 30, 2012**

ACTION

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

SIGNIFICANCE

Maze and Associates conducted the annual audit of the financial statements for the year ended June 30, 2012 and determined that the financial statements fairly represent the financial position of the Peninsula Corridor Joint Powers Board for the period of July 1, 2011 to June 30, 2012.

The Comprehensive Annual Financial Report has four sections, the introductory, financial, statistical and single audit section. The financial section includes:

- 1) Independent Auditor's Report – this report was prepared by the independent auditors, who rendered an unqualified opinion, which is the most favorable opinion an agency can receive in an audit. An unqualified opinion means that the financial statements are presented fairly and in accordance with generally accepted accounting principals in the United States.
- 2) Management's Discussion and Analysis – this section provides management's overview of the financial activities.
- 3) Basic Financial Statements – the basic financial statements include a statement of net assets, statement of revenues, expenses and changes in net assets, statement of cash flow, and notes to the financial statements which are essential to a full understanding of the data provided.
- 4) Required Supplementary Information – this includes the budgetary basis comparison for the Revenue and Expenses and the notes to the supplementary schedule which are essential to a full understanding of the data provided.

Annually, the JPB submits the Comprehensive Annual Financial Report to the Government Finance Officers Association (GFOA) for the Certificate of Achievement

for Excellence in Financial Reporting. The JPB has received an award for every year that the report was submitted.

The Fiscal Year 2012 Comprehensive Annual Financial Report is available online at:
http://www.caltrain.com/about/statsandreports/Comprehensive_Annual_Financial_Reports.html

BUDGET IMPACT

There is no impact on the Budget.

Prepared by: Jeannie Chen, Senior Accountant

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