



AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD

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

August 6, 2009 – Thursday

10:00 a.m.

1. Pledge of Allegiance
2. Call to Order/Roll Call
3. Public Comment
Public comment by each individual speaker shall be limited to two minutes
4. Consent Calendar
Members of the public or Board may request that an item under the Consent Calendar be considered separately
 - a) Approval of Minutes of July 2, 2009
 - b) Information on Statement of Revenues and Expenses for June 30, 2009
 - c) Authorize Entering into a Real Property Transfer Agreement with Santa Clara Valley Transportation Authority
5. Chairperson’s Report
 - a) Appointment of Citizens Advisory Committee Members Representing San Francisco and Santa Clara Counties
6. MTC Liaison Report (Sue Lempert)
7. Report of the Citizens Advisory Committee
8. Report of the Executive Director
 - a) Caltrain Performance Report – June 2009
 - b) Peninsula Rail Program Update
9. Acceptance of the Quarterly Investment Report and Fixed Income Market Review and Outlook for the Quarter Ended June 30, 2009
10. Update on the Execution of the Fuel Hedging Program
11. Legislative Update

RESOLUTION

MOTION

MOTION

INFORMATIONAL

INFORMATIONAL

12. Correspondence

13. Board Member Requests

14. General Counsel Report

15. Date/Time of Next Meeting

Thursday, September 3, 2009, 10 a.m. at San Mateo County Transit District Administrative Building,
Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070

16. 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 JPB 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 6 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
Board of Directors Meeting
1250 San Carlos Avenue, San Carlos CA 94070**

**Minutes
July 2, 2009**

MEMBERS PRESENT: M. Church, J. Cisneros, S. Elsbernd, N. Ford, D. Gage (Chair), J. Hartnett, A. Kalra, A. Lloyd, K. Yeager

MEMBERS ABSENT: None

MTC LIAISON: S. Lempert

STAFF PRESENT: J. Cassman, A. Chan, G. Harrington, C. Harvey, R. Haskin, R. Lake, M. Martinez, N. McKenna, D. Miller, K. Rothschild, M. Scanlon, M. Simon

PUBLIC COMMENT

Jeff Carter, Burlingame, informed the Board that Ernie Hills, a strong advocate for Caltrain, passed away in December. Mr. Carter asked that the SamTrans flyer regarding service changes in the event there is a BART strike also be put on the train.

Shirley Johnson, San Francisco Bicycle Coalition (SFBC), said she was an invited speaker at the Transportation Policy Summit sponsored by the Mineta Institute, the Commonwealth Club and the Federal Transit Administration (FTA). She said consistent 80 bike capacity per train is needed for increasing ridership and revenue to help Caltrain balance the operating budget without cutting service.

Pat Giorni, Burlingame, said shortly after the June 4 JPB meeting a newspaper reported the JPB had received \$150,000 for bike car capacity. She immediately informed the bike community the reporter was in error. Ms. Giorni asked during the capital budget presentation if the member share contributions could be explained.

Director Ash Kalra arrived at 10:09 a.m.

Jacob Park, Peninsula Freight Rail User Group, asked if the issue of freight rail could be an agenda item at the August or September meeting.

CONSENT CALENDAR

The Board approved the following items:

- a) Approval of Minutes of June 4, 2009
- b) Acceptance of the Statement of Revenues and Expenses, May 2009
- c) Authorize the Acceptance of Fiscal Year 2008 Transit Security Grant Program Funding in the Amount of \$338,746 and Execution of Required Documentation to Receive the Funds

- d) Authorize Filing of Applications to the Metropolitan Transportation Commission (MTC) to Program Federal Transit Administration (FTA) Section 5307 and 5309 Fixed Guideway Funds for Caltrain Capital Projects in the Amount of 442,196,343
- e) Authorize Amendment of Resolution 2009-11 Authorizing the Filing of American Recovery and Reinvestment Act of 2009 Federal Transit Administration Applications from \$13,094,228 to \$14,128,064
- f) Authorize Filing a Transportation Fund for Clean Air (TFCA) Regional Discretionary Grant Application in Support of the Caltrain Shuttle Program in the Amount of \$1,000,000
- g) Authorize Execution of Purchase Orders for Fiscal Year 2010 for Information Technology Licenses, Services and Maintenance for a Not-to-Exceed Amount of \$700,000
- h) Authorize Award of Purchase Orders for Fiscal Year 2010 for Technology Related Products and Services to Vendors Under Cooperative Purchasing Programs for an Aggregate Not-to-Exceed Amount of \$300,000
- i) Authorize Approval and Ratification of Fiscal Year 2010 Insurance Program

CHAIRPERSON'S REPORT

Appointment of Citizens Advisory Committee Members Representing San Francisco, San Mateo and Santa Clara Counties

Chair Gage said the Santa Clara representatives are requesting to make their recommendation at the August meeting.

Director Jim Hartnett said the San Mateo County representatives received 23 applications for the vacant seat and are recommending Gerald Graham be reappointed to a three-year term to expire June 30, 2012.

A motion (Hartnett/Lloyd) to reappoint Gerald Graham was approved unanimously.

Director José Cisneros said the San Francisco representatives recommend Mona Tekchandani for appointment to the CAC for a three-year term to expire June 30, 2012.

A motion (Cisneros/Elsbernd) to appoint Mona Tekchandani was approved unanimously.

Director Gage said he met with Sally Lieber to discuss the formation of a task force to deal with the issue of suicides on the tracks. He said it is going to take professionals, schools, churches and the whole community to solve this problem. Chair Gage encourages the group to continue to work with the JPB staff.

Director Nat Ford arrived at 10:13 a.m.

Executive Officer Public Affairs Mark Simon said death on the railroad weighs heavy on the agency. Mr. Simon said in May 2006 the "Don't Shortcut Life" program was started and includes education, engineering and enforcement components.

Under the education component is Operation Lifesaver, a national rail safety program. Director Art Lloyd is one of the leaders and pioneers of this program. Mr. Simon said seven

staff members are trained to give this presentation and more than 200 presentations have been given to more than 13,000 people, including more than 12,000 students in K-12. This presentation focuses on several key messages, not the least of which is the train weighs more than a million pounds and travels at speeds of up to 79 miles an hour. Mr. Simon said every 600 feet there are two signs posted together, a no trespassing sign and the suicide hotline phone number. In the fall staff will be sending notices to all the K-12 schools within a half-mile of the corridor offering to make an Operation Lifesaver presentation.

On the engineering front, 35,000 linear feet of new fence has been installed at a cost of \$2.2 million with another \$1.2 million scheduled to be spent. Mr. Simon said the San Mateo grade crossing project focuses on safety at 25 grade crossings and includes installing pedestrian gates and flashes, tech tile, fencing, medians, signage and striping. Similar work has been done in San Bruno and is scheduled for eight crossings in Santa Clara County.

Mr. Simon said under the enforcement aspect is the High Intensity Safety Enforcement Program, which identifies key locations for high intensity enforcement of the zero tolerance policy for violating the agency's safety regulations. Since this program started in 2006 more than 1,700 citations have been issued, more than 5,500 trespassing and interventions have taken place and more than 40 arrests have been made under 5150 of the Health and Safety Code, which requires a police officer to arrest someone if they seem to be acting in a way that poses a danger to themselves or others. Mr. Simon said Chief of Protective Services Dave Triolo has worked with the San Mateo County Mental Health Services and other law enforcement agencies to create and train a crisis intervention team. This team is instructed on how to recognize critical symptoms and how to deescalate circumstances. Mr. Simon said that during the period when two Gunn High School students tragically took their own lives on the right-of-way, four other persons were prevented from doing so by the transit police.

Mr. Simon said outreach is a community problem and Caltrain is part of the community. From 2006-2008 there was an average of 299 suicides in San Francisco, San Mateo and Santa Clara counties, with an average of nine per year on the Caltrain right-of-way, about 3 percent. Mr. Simon said the problem needs to be addressed and more needs to be done. The JPB needs to play an active role in partnering with the community to address the issue of suicide. Mr. Simon said staff has already committed to this task force and will be an active partner and participant. Discussions will and should include how to enhance Caltrain's own efforts to improve safety on the railroad. He anticipates the task force membership will meet again later this month and the first goal is to organize formally. Mr. Simon said he will report back to the Board within the next quarter to update the progress of this effort and the specific roles.

Public Comment

Victor Ojakian, Palo Alto, said there is a serious amount of interest in this issue. Over the last 10 years at least 10 people have lost their lives on the railroad. The goal is to have a committee to look at everything and anything to reduce the number of deaths on the tracks.

Reverend Amy Zucker Morgenstern, Palo Alto, said she is the pastor of the family of the Gunn student who killed herself on the tracks. She said there is a clergy group forming in the Palo Alto area to discuss this issue. The suicide rate on the tracks is quite high and there is more that can be done as partners working on this issue.

Jeff Carter, Burlingame, applauded Caltrain for everything being done on the issue of preventing suicides. He said it affects a lot more people than the persons who kill themselves. Mr. Carter said he submitted an application for the CAC. He said in the past the Board members have interviewed the applicants and asked why the applicants weren't interviewed this time.

Jordan Eldridge, Cupertino, said his very close friend committed suicide at the Mountain View station on New Year's Eve. He knows there is a cost involved to work on this task force, but there is no cost that can be assigned to a life.

Sally Lieber, Mountain View, distributed to the Board a proposal for a separate rail safety task force formed by Caltrain. She said she is very eager to have a task force for the community on this issue, but there is a need to have a task force within Caltrain to cover the entire rail line. She said there are some policy issues that can be addressed. Ms. Lieber recognized the efforts Caltrain has put into this issue and commended the commitment of Director Lloyd for his rail safety work over the years.

Pat Giorni, Burlingame, said a presentation on this issue should be given to the Peninsula Healthcare System since the system has been restructured to listen to community healthcare concerns.

Director Sean Elsbernd said he is on the Golden Gate Bridge Board and this has been a big issue there. He would be happy to share what worked and what didn't in terms of process beyond the solution.

MTC LIAISON REPORT

MTC Liaison Sue Lempert said the biggest news from MTC is the appointment of Therese McMillan as Deputy Administrator at the FTA. She said this is a tremendous loss for those in the transportation community, but everyone is looking to having an ally in Washington D.C. Ms. Lempert shared the brochure that MTC and the participating agencies put together on High Speed Rail (HSR). She said HSR was approved by MTC for lobbying for funds from the federal government.

REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)

Vice Chair John Hronowski reported at the June meeting:

- The CAC passed a resolution supporting staff's recommendation of the proposed fare and service adjustments.
- Received a presentation on the annual passenger counts.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Michael Scanlon reported the following:

- Congratulated Director Sean Elsbernd on the birth of his son.
- Congratulated the CAC appointees representing San Francisco and San Mateo counties.
- Monthly Performance Statistics – May 2009
 - a. Total Ridership was 1,054,250, a decrease of 5.1 percent.
 - b. Average Weekday Ridership was 40,560, a decrease of 3.3 percent.
 - c. Total Revenue was \$3,695,346, no change from May 2008 at 3.7 percent
 - d. On-time Performance was 94.6 percent, an increase of 2.1 percent.

- e. Caltrain Shuttle Ridership was 5,522, a decrease of 6.6 percent.
- Year-to-date Performance Statistics ending May 2009
 - f. Total Ridership was 11,659,304, an increase of 7.8 percent.
 - g. Average Weekday Ridership was 40,165, an increase of 7.7 percent.
 - h. Total Revenue was \$39,657,230, an increase of 9.6 percent.
 - i. On-time Performance was 95.3 percent, an increase of 2.1 percent.
 - j. Caltrain Shuttle Ridership was 6,119, an increase of 14.2 percent.
- The executive staff of the San Mateo County Transit District has been reorganized: Chief Operating Officer Chuck Harvey and Chief Financial Officer Gigi Harrington were elevated to Deputy CEO; Chief Development Officer Ian McAvoy and Chief Administration Officer George Cameron have left the District; three Executive Officers have been appointed, Rita Haskin for Customer Service and Marketing, Marian Lee for Planning and Development and Mark Simon for Public Affairs; Martha Martinez remains District Secretary and Bob Doty is Director of the Peninsula Rail Program.
- There were four fatalities in May and two in June.
- The bikes on-board conversion for all 27 gallery cab cars is complete and the first four Bombardier cars are complete. There are now 31 cab cars with an additional 248 bike spaces and the additional trains that are scheduled to have two bike cars is now at 97.2 percent of the time. Three more Bombardier cars still need to be completed per the original promise to the bike community and then three additional Bombardier cars will be converted, which is above what was originally promised. This will result in 48 bike slots on every Bombardier consist.
- The Board will be asked to approve the Fiscal Year 2010 operating budget today and staff is ready to implement fee increases on August 1 and the reduction of mid-day service on September 1.
- BART strike contingency plans are in place and all local transit agencies are prepared as well. There is limited capacity on Caltrain in case of a strike. At the Millbrae Intermodal station passengers may have an issue accessing the northbound platform. If this occurs, staff has other plans in place to serve passengers at both Burlingame and San Bruno stations.
- The Fiscal Year 2010 capital budget is very constrained by the limited ability of all three partners to contribute funds. Mr. Scanlon commended Michael Burns of the Valley Transportation Authority (VTA) and Nat Ford of San Francisco MTA who have agreed to proceed with the budget as presented.
- MTC Executive Director Steve Heminger was thanked for his work on the HSR Investment Strategy document and using this document to compete at the state and federal levels for funds.
- Reading file contains the Safety and Security report, the summer Weekend Edition, routine and bike correspondence and a summary of comments received on service adjustments.

Electrification Update

Mr. Scanlon said the reality of state funds and the dwindling tax revenues for all the three partners is problematic for electrification. The FTA is still reviewing the Environmental Impact Report (EIR), but the three partners have agreed to revise the amount of partner participation downward to \$60 million each and seek an increased amount from the American Recovery and Reinvestment Act (ARRA) funds at the federal level. Mr. Scanlon said the numbers in the HSR Investment Strategy report are consistent with this new agreement. He has personally spoken to the regional FTA Administrator to tell him staff will be resubmitting a section of Chapter 2, which deals specifically with the financial portion of the EIR. Mr. Scanlon said while this gives

Caltrain a great opportunity to leverage and create synergy and economy of scale with HSR, it will have the effect of slowing this project somewhat. Mr. Scanlon said staff can proceed on some portions of electrification such as the wayside facilities associated with conducting the electricity.

MTC Commissioner Lempert said MTC has really raised the value of electrification to one of the highest priorities, but is very concerned about the inability of the locals not being able to contribute more.

ADOPTION OF SERVICE SUSPENSIONS AND/OR FARE CHANGES

Deputy CEO Chuck Harvey said Staff Coordinating Council recommends Board approval of three actions consistent with items that were discussed in a JPB public hearing on June 4 that included extensive public comments on a range of service suspensions and reductions and fare increases that were designed to close a budget gap. The three actions are: reduce mid-day service to one-hour headways; increase the GO Pass pricing to \$140 per employee and maintain the existing minimum purchase requirement of 70 passes; and increase parking fees to \$3 per day and \$30 per month. These three actions will result in a savings to the annual operating budget of approximately \$2.6 million and result in a balanced budget for FY2010. Mr. Harvey said these items are exempt under the California Environmental Quality Act (CEQA). Nonetheless, staff conducted an environmental impact study and also performed a Title VI review to determine if the proposals would have a disproportionate impact on protected populations. Both studies showed the proposals meet environmental and fairness standards.

Public Comment

Jeff Carter, Burlingame, said hopefully service can be returned as soon as economically possible.

A motion (Ford/Cisneros) to adopt the recommended service suspensions and/or fare changes was approved unanimously by roll call.

ADOPTION OF FISCAL YEAR 2010 OPERATING BUDGET

Deputy CEO Gigi Harrington said staff is recommending the Board approve the Fiscal Year 2010 operating budget with the changes in service and fares just approved. The fuel budget has been reduced to reflect a fuel hedging program.

A motion (Church/Cisneros) to adopt the Fiscal Year 2010 operating budget was approved unanimously by roll call.

AUTHORIZE APPROVAL OF BID DOCUMENTS AND EXECUTE A CONTRACT FOR FUEL HEDGING

Ms. Harrington said this item is for a one-year fuel hedging program. If the Board approves this transaction staff will go to the SamTrans board next week and then do a bid process the following week. Ms. Harrington said staff is proposing a cap, whereby a premium is paid at the beginning of the year and a cap would be placed on the price for fuel for the fiscal year. Half the Caltrain fuel would be purchased through this program and the other half would be purchased at market price. The budget number is \$3.50 per gallon for the fuel that is uncapped and \$2.62 per gallon for capped fuel. At today's rate there is enough room to pay for the cost of

the transaction and to pay for the cap price of the fuel which is about \$2 per gallon, depending on the market when staff goes to bid.

A motion (Lloyd/Ford) to authorize approval of bid documents and execute a contract for fuel hedging was approved unanimously by roll call.

ADOPTION OF FISCAL YEAR 2010 CAPITAL BUDGET

Director of Capital Support Programs April Chan made the following points:

- Total FY2010 capital budget is \$82.3 million and does not include electrification, positive train control and the North Terminal improvements.
- State of good repair funding includes the last increment of funding needed for the San Jose Diridon station for additional tracks and platforms, to continue the design efforts for two bridges in San Francisco County and two in Santa Clara County, to replace and upgrade signal and communication equipment and begin procurement and installation for the now-obsolete train control and network traffic management system and to rehabilitate track and related structures and rehabilitate components of the current fleet of passenger cars and locomotives to ensure vehicles will operate reliably to the end of their duty cycles.
- Legal mandates and infrastructure enhancements require the procurement of radio equipment to meet Federal Communications Commission (FCC) standards.
- Majority of the funding for the FY2010 capital budget will come from federal and state grants.
- The member share for FY2010 is \$5.53 million and this funding has been secured from each member.

MTC Commissioner Lempert asked about the work on the San Mateo bridges. Mr. Scanlon said the work has been scaled back because of the uncertainty of HSR.

Chair Gage thanked staff for their work and said this is a three-county partnership and there is a need to make sure each county contributes their share.

Public Comment

Pat Giorni, Burlingame, said there is a line item in FY2009 capital budget for bike racks, but not in the FY2010 capital budget. Ms. Giorni said the FY2010 needs money for bike racks and installation to increase bike capacity onboard the trains. She said at the last City/County Association of Governments of San Mateo County's (C/CAG) Congestion Management and Environmental Quality-Committee (CMEQ) meeting the committee took the action to approve the draft 2009 San Mateo County Congestion Management Program which includes a legislative performance element to evaluate current and future multimodal system performance.

A motion (Hartnett/Lloyd) to adopt the FY2010 capital budget was approved unanimously by roll call.

AUTHORIZE AMENDMENT TO FISCAL YEAR 2009 CAPITAL BUDGET

This item was removed from the agenda since FY2010 capital budget was adopted.

STATE AND FEDERAL LEGISLATIVE UPDATE

Government Relations Officer Kim Rothschild made the following points:

- The Surface Transportation Authorization Act of 2009, which would authorize and fund transportation programs for the next six years, was approved last Wednesday. Currently there are no program funding totals or funding mechanisms, but Congressman Jim Oberstar is working over the next three weeks to finalize.
- The Obama administration is urging Congress to pass a short-term extension for the current transportation model which is the SAFTE-LU instead of a five year reauthorization.
- HR2454, the American Clean Energy and Security Act Climate Bill, passed out of the House by a slim margin. This is very significant legislation to create clean energy jobs, achieve energy independence, reduce global warming pollution and a transition to a clean energy economy.
- As of yesterday afternoon the state deficit is \$26.3 billion, IOUs have been issued, a fiscal emergency has been declared and the governor is not signing any bills nor is the Senate hearing any bills in policy committees.
- The Third District Courts of Appeal upheld a lawsuit by the California Transit Association and barred the state from borrowing local transportation funds to pay for other programs.
- AB153 does not allow imminent domain for HSR Authority, it just clarifies the language.

CORRESPONDENCE

Provided in the reading file.

BOARD MEMBER REQUESTS

Director Cisneros recognized Mr. Hronowski for his service on the CAC.

GENERAL COUNSEL REPORT

No report.

DATE/TIME/PLACE OF NEXT MEETING

Thursday, August 6, 2009, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070

ADJOURNED

Adjourned at 11:23 a.m.

AGENDA ITEM # 4 (b)
AUGUST 6, 2009

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **INFORMATION ON STATEMENT OF REVENUE AND EXPENSE FOR
THE PERIOD ENDING JUNE 30, 2009**

The Finance Division engages in many activities following the end of the June 30 fiscal year both to close out the old fiscal year and set up the new fiscal year. The demands of these activities require a longer time to produce a complete Statement of Revenue and Expense than allowed by the normal board meeting cycle. Consequently, staff will present a Statement of Revenue and Expense for June at the October 1st meeting of the Board of Directors.

Prepared by: Patricia Reavey, Director of Finance

650.508.6434

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Marian Lee
Executive Officer, Planning and Development

**SUBJECT: AUTHORIZATION TO ENTER INTO REAL PROPERTY TRANSFER
AGREEMENT WITH SANTA CLARA VALLEY TRANSPORTATION
AUTHORITY**

ACTION

Staff Coordinating Council (SCC) recommends that the Board authorize the Executive Director, or his designee, to enter into a Real Property Transfer Agreement and other related documents with the Santa Clara Valley Transportation Authority (VTA) for an exchange of property interests required for each agency's transportation projects.

SIGNIFICANCE

Authorization of the property exchange will provide Caltrain with property required for certain future projects in Santa Clara County in exchange for property already used by VTA for its Vasona Project.

BUDGET IMPACT

It is agreed that, due to the mutual benefit of both parties, the property transfer shall occur without monetary consideration to either party.

BACKGROUND

In 2000, Caltrain issued VTA a Right of Entry which gave VTA legal control over Caltrain-owned property to support construction of VTA's Vasona Project. The Right of Entry contemplated the eventual transfer of property rights to VTA within and around the San Jose Diridon Caltrain station including fee, permanent easements and temporary construction easements rights. The property to be transferred to VTA by Caltrain consists of four fee parcels with an aggregate total area of approximately 18,414 square feet, two tunnel easements (of approximately 33,975 sf), two pedestrian easements (1,008 sf), and three public service easements (7,092 sf).

Caltrain requires an approximately 5,752 sf fee parcel in support of its South Terminal Project and an approximately 6,286 sf easement for its Santa Clara Station Platform Project. Additionally, VTA will provide Caltrain a five-year license agreement to use three VTA owned trailers and a lot of approximately 17,500 sf near the Diridon station in support of various agency projects. Lastly, Caltrain requires an approximately 25,000 sf fee parcel located in the VTA owned Newhall Yard for its

Electrification Project. VTA purchased this property for construction of its BART Santa Clara Station Project.

Caltrain and VTA staff and executive management recommend that the property transfers be effectuated at no cost to either agency provided that the property rights transferred are compatible with both agency's operating needs and capital project requirements. However, the design of VTA's BART Santa Clara Station Project has not progressed to the degree sufficient to determine if VTA's project is compatible with the proposed transfer to Caltrain. Therefore, the Newhall Yard property will be transferred to Caltrain at a later date if it is subsequently determined by VTA that it is not required for its SRVT Project or that Caltrain's use is consistent with the SVRT Project. If the parties determine that the Newhall Yard property cannot be transferred, the parties agree to revisit the appropriate compensation due Caltrain.

Since the Diridon Caltrain station properties were purchased using state and federal funds, the transaction also is subject to compliance with applicable grant obligations regarding property transfers.

Prepared by: Brian W. Fitzpatrick, Manager, Real Estate & Property Development 650.508.7781

RESOLUTION NO. 2009 -

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

* * *

**AUTHORIZATION TO ENTER INTO REAL PROPERTY TRANSFER AGREEMENT WITH
SANTA CLARA VALLEY TRANSPORTATION AUTHORITY**

WHEREAS, the Peninsula Corridor Joint Powers Board (“JPB”) are owners of the Caltrain right-of-way and the property surrounding the Diridon Caltrain Station (“Diridon Station Property”); and

WHEREAS, the JPB purchased the right of way, and the Diridon Station Property, with funds provided by the State of California from bonds issued pursuant to Proposition 116 (“State Financing”) and using grants from the Federal Transportation Administration (“Federal Financing”), respectively; and

WHEREAS, in 2000, JPB provided a Right of Entry Permit to the Santa Clara Valley Transportation Authority (“VTA”) which gave them the ability to construct their Vasona Project on JPB-owned property; and

WHEREAS, in 2009, VTA issued a five-year license agreement which granted JPB the right to use VTA-owned property for its South Terminal Project; and

WHEREAS, JPB has requested that VTA convey a platform easement to JPB for its Santa Clara Platform project; and

WHEREAS, JPB has requested that VTA convey a fee parcel to JPB for its Electrification Project at a later date if it is subsequently determined by VTA that it is not required for its SRVT Project or is otherwise compatible with VTA’s uses; and

WHEREAS, JPB and VTA staff and executive management recommend that the above described property transfers be effectuated at no cost to either agency, provided the property rights transfers are compatible with each agency’s operating needs and capital improvement projects; and

WHEREAS, if the parties determine that the Newhall Yard cannot be transferred, the parties will revisit the appropriate compensation due JPB; and

WHEREAS, staff will negotiate the terms and for the transfer of the real property, which will be incorporated in a Real Property Transfer Agreement and which be consistent with all requirements of Federal Financing and State Financing; and

WHEREAS, JPB Legal Counsel will reviewed and approve as to form the proposed Real Property Transfer Agreement; and

WHEREAS, staff recommends that the Board of Directors authorize the Executive Director to execute a Real Property Transfer Agreement with the VTA for the property exchange.

NOW, THEREFORE, BE IT RESOLVED that the Peninsula Corridor Joint Powers Board of Directors hereby authorizes the Executive Director to execute a Real Property Transfer Agreement with VTA pursuant to the terms and conditions set forth above;

BE IT FURTHER RESOLVED THAT the Executive Director is authorized to take such further actions as may be needed to give effect to the foregoing resolutions.

Regularly passed and adopted this 6th day of August 2009 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: KEY CALTRAIN PERFORMANCE STATISTICS JUNE 2009
(Table A, Graph A)

For June 2009, Caltrain average weekday ridership (AWR) decreased 11.7 percent when compared to June 2008. AWR based on ticket sales was 38,979 for June 2009, a decrease of 5,159 compared to June 2008. The total number of passengers for the month of June 2009 was 1,032,309. This is a 9.9 percent decrease from last year's June total of 1,146,194. The decrease in ridership is apparently due to the declining economy

In June 2009, on-time performance was 93.06 percent, as compared to 87.75 percent in June 2008. This still falls short of the JPB goal of 95 percent on-time. This level of OTP is remarkable given that there were three incidents of trains striking trespassers on the tracks, two of which resulted in fatalities.

Average weekday shuttle ridership was 5,807; down 11.2 percent compared to the same month last year. For the station shuttles, the Millbrae-Broadway shuttle averaged 86 daily riders. The Tamien-San Jose shuttle averaged 54 riders per Saturday/Sunday. The Belmont-Hillsdale shuttle averaged 69 daily riders.

Table A shows performance indicators for June 2009. Graph A shows AWR for the past 13 months as compared to the rolling average.

Caltrain Promotions – June 2009

Spring Ridership Campaign – Caltrain launched a promotion to inform commuters about the advantages of riding Caltrain instead of driving with a secondary message to increase awareness of the various transit benefit programs available to commuters. The campaign included drive-time radio ads, on board take ones and Web postings on SF Gate, Yahoo and the *San Jose Mercury* and *San Mateo Times* sites. To date, nearly 900 visitors have viewed the benefits page on the Caltrain Web site.

Summer Train Fun – During the month of June, Caltrain provided service to a number of fun summer events including: the Sunset Celebration Weekend in Menlo Park, the San Mateo Wine Walk, and San Francisco’s Pride Parade. Caltrain regular service to these events was promoted with print ads, onboard flyers and advertising partnerships with the event organizers.

Giants Baseball - Caltrain continued to be the vehicle of choice for Peninsula Giants fans headed to baseball games at AT&T Park, and the Marketing Department highlighted Caltrain’s service in a number of ways. A brochure and news release detailed the combination of regular trains and special service that is offered. TV spots aired Comcast throughout May and will continue throughout the season. Caltrain ads promoting the service appeared on sfgate.com, and the Giants reminded fans about Caltrain via five scoreboard messages. Through June, baseball ridership is up 5 percent from 2008. This is despite slightly lower overall attendance at AT&T Park.

Dump the Pump - Caltrain once again participated in the American Public Transportation Association’s annual National Dump the Pump Day. It is the fourth year of the program, with the goals of encouraging people to get out of their cars and ride public transportation and raising awareness of the financial benefits of transit. Ads were placed in local papers and featured a photo of a Caltrain train and SamTrans bus side by side. The text carried a “green” message to readers, noting that they can make a difference and that riding public transit means cleaner air.

Prepared by: Patrick Boland, Marketing Manager
Anthony E. Waller, Service Planner

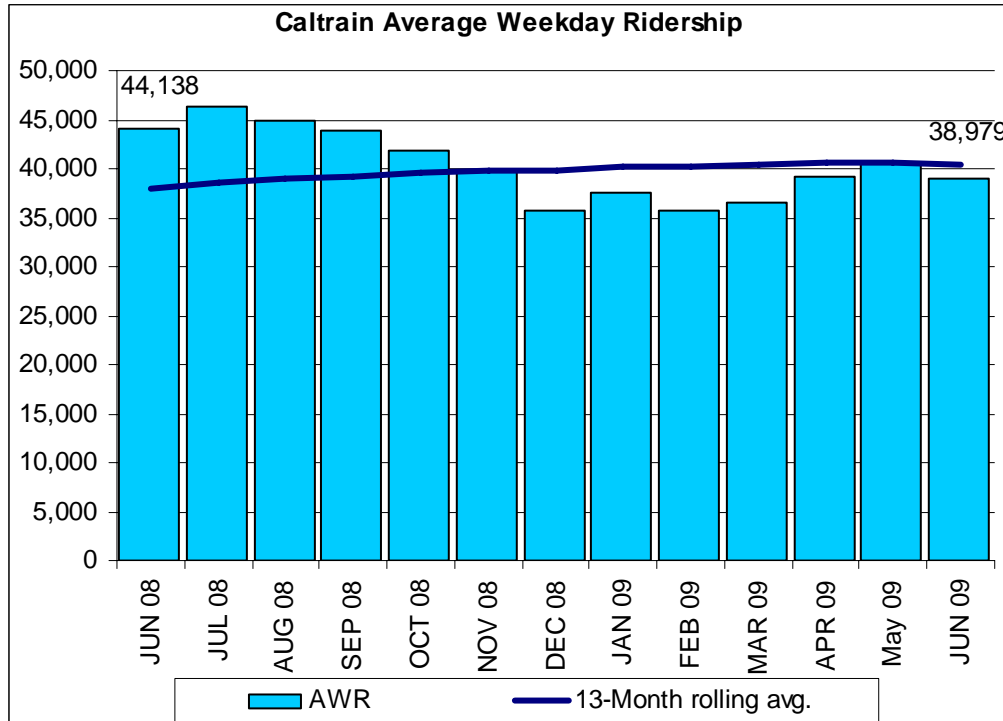
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Table A

	Jun-09		
	FY 08	FY 09	%Change
Total Ridership	1,146,194	1,032,309	-9.9%
Average Weekday Ridership	44,138	38,979	-11.7%
Total Revenue	\$3,928,321	\$3,694,926	-5.9%
On-time Performance	87.8%	93.1%	6.1%
Caltrain Shuttle Ridership	6,537	5,807	-11.2%

	Year to Date		
	FY 08	FY 09	%Change
Total Ridership	11,961,717	12,691,612	6.1%
Average Weekday Ridership	37,867	40,066	5.8%
Total Revenue	\$40,112,604	\$43,352,156	8.1%
On-time Performance	92.9%	95.1%	2.4%
Caltrain Shuttle Ridership	5,457	6,093	11.7%

Graph A



**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director / CEO

FROM: Gigi Harrington
Deputy CEO

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

ACTION

Staff Coordinating Council (SCC) recommends that the Board accept and enter into the record the Quarterly Investment Report and Fixed Income Market Review and Outlook for the quarter ended June 30, 2009.

SIGNIFICANCE

The Joint Powers Board's (JPB) Investment Policy contains a requirement for a quarterly report to be transmitted to the Board within 30 days of the end of the quarter. This staff report was forwarded to the Board of Directors under separate cover on July 14, 2009 in order to meet the 30 day requirement.

BUDGET IMPACT

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

BACKGROUND

The treasurer or chief financial officer is required by state law to submit quarterly reports within 30 days of the end of the quarter covered by the report. The report is required to include the following information:

1. Type of investment, issuer, date of maturity, par and dollar amount invested in all securities, investments and money held by the local agency;
2. Description of any of the local agency's funds, investments or programs that are under the management of contracted parties, including lending programs;
3. For all securities held by the local agency or under management by any outside party that is not a local agency or the State of California Local Agency Investment Fund (LAIF), a current market value as of the date of the report and the source of this information;

4. Statement that the portfolio complies with the Investment Policy or the manner in which the portfolio is not in compliance; and,
5. Statement that the local agency has the ability to meet its pool's expenditure requirements (cash flow) for the next six months or provide an explanation as to why sufficient money shall or may not be available.

A schedule, which addresses the requirements of 1, 2, and 3 above, is included in this report on page 7. The schedule separates the investments into three groups: The Investment Portfolio which is managed by Tamalpais Wealth Advisors (TWA); Liquidity funds which are managed by JPB staff; and Trust funds which are managed by third party trustees. The Investment Policy governs the management and reporting of the Investment Portfolio and Liquidity funds while the bond covenants govern the management and reporting of the Trust funds.

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

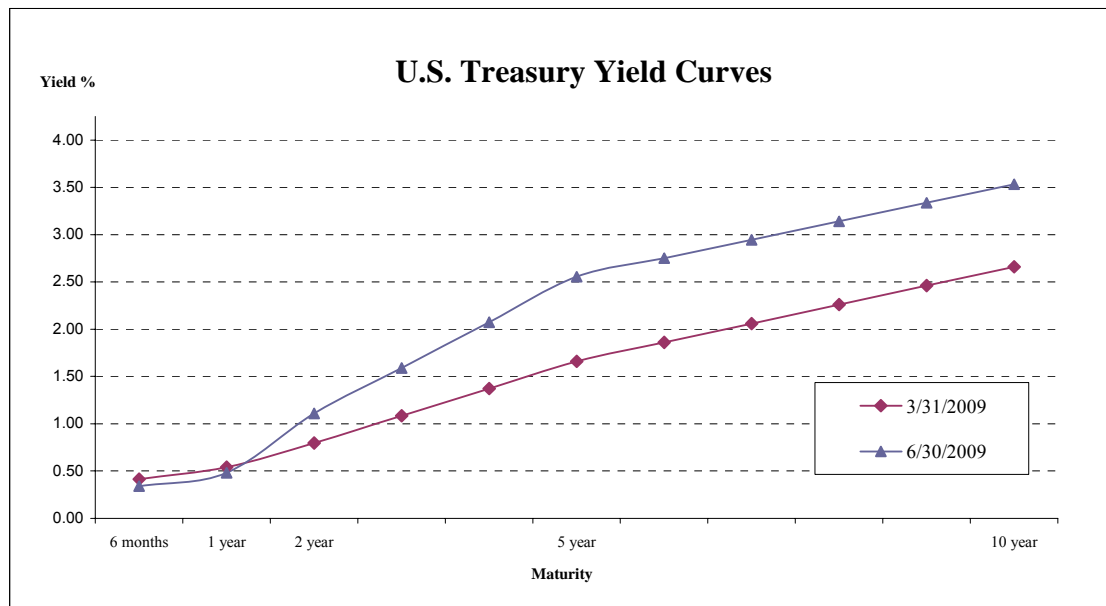
Due to the nature of securities which are bought and sold in a principal market, such as fixed income securities, multiple market values may exist for a given security at any given time. TWA has chosen IDC as an unbiased estimator of these prices based on their leading role as a provider of end of the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

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

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

DISCUSSION

Market Review and Outlook



Data Source: Bloomberg

Interest rates on U.S. Government notes and bonds increased in the second quarter as global financial fears were replaced with hopes for a modest recovery in economic growth by the second half of the year. In contrast, interest rates on other types of bonds, such as corporates and mortgages, ended the quarter lower than where they started. The combination of higher government bond yields and lower corporate and mortgage bond yields is a clear indication that the worst of the economic crisis is behind us.

Looking forward, TWA believes that the investing environment will be more volatile than in previous periods. TWA expects this volatility to persist until global economies sort out the numerous changes ahead of them. Among the more daunting challenges are the re-regulation of financial markets, global warming, declining energy capacity, access to capital, under-saving, geopolitical instability and the need for emerging economies to become less reliant on export driven growth.

In this quarter's outlook TWA focuses on one of the more important long-term challenges for the economy and financial markets, America's dysfunctional relationship with its money. TWA believes it would be foolish to think the economy is likely to return to business as usual.

The financial market crisis that threatened the very existence of our financial system, as well as the stability of the global economy, is rapidly becoming a thing of the past. Having stabilized the patient, we are now moving on to the critical task of restoring health. As the economy starts to grow again, TWA believes there will be some important changes in the behavior of consumers and policymakers. There is no guarantee these changes will succeed, or even prevent us from relapsing into another economic contraction. What is more certain is that these changes

will have a profound impact on investment opportunities across the globe. One of the more critical changes that must take place to avoid reliving our most recent past is for Americans to rethink their approach to money management.

The vast majority of us do not plan on working for the entirety of our lives. This necessitates some level of savings so we may be able to spend throughout our lifetimes. Up until the mid 1980's, the savings rate in this country hovered in the vicinity of 8-10% before steadily declining to zero in the middle of last year.

Somewhere along the way we seem to have lost our understanding of the importance of putting actual money away today to get us through our retirement – or we assumed that the ever-rising value of our homes or portfolios would replace needed savings. We also lost our understanding that if saving is a positive, borrowing to spend is a negative. Easy access to credit and a culture that prized consumption above frugality made it all too easy for both individuals and businesses to spend today in exchange for future work. This allowed too many to dig themselves into a hole that became increasingly difficult, if not impossible, to get out of.

It is not just individuals and businesses that have developed a dysfunctional relationship with money – it is governments as well. Perhaps nothing typifies this better than our twin Federal Trade and Budget Deficits. Our politicians have failed to make the distinction between borrowing to fund an investment and borrowing to fund an entitlement that is currently not being supported by taxes or other revenues. The former has the potential to improve our lives while the latter is simply shifting a burden into the future, i.e. trading current consumption for future work. The trade deficit is even more straightforward. It represents the excess of what we consume over what we make.

At the very heart of our current crisis lies an excessive use of credit. Whether it was buying something we hadn't worked for yet, funding an entitlement program with insufficient taxes, importing more than we exported and in the process borrowing the difference, or using cheap credit to fund speculative investments, too much current consumption was exchanged for the promise of future work. If we ever hope to avoid repeating the mistakes of our past we must develop a new relationship with our money. A relationship that values savings as a necessary means to defer consumption and views credit as a promise of future work.

The process of building this new relationship has already begun. In the private sector consumption has declined, savings has increased, our trade deficit has been cut in half and financial leverage has been greatly reduced. In the past, these types of changes have proved temporary and their unwinding led to quick rebounds in economic growth. Most likely, this time will be different. Given the recent record declines in household net worth, increased sensitivity to credit and more restrictive lending standards, it suggests that higher savings rates, reduced levels of consumption and less financial leverage will persist for some time.

Important changes have been witnessed in the public sector as well. The Federal Government has implemented spending and investment programs of unprecedented size. Granted, much of this was designed to break the economy out of a downward spiral and keep the financial system intact. Nevertheless, the legacy of this policy is higher deficits and ultimately higher taxes. State

and local governments, who for the most part cannot run public sector deficits, are being forced to dramatically cut spending and/or raise taxes.

Some critical implications of the changes discussed above on our longer term outlook for the economy are as follows:

- America's new found frugality will result in a slower pace of corporate revenue growth, a subdued improvement in the employment situation and pervasive excess capacity.
- The export driven model of economic growth relied on by such economies as China, Japan and Germany needs to be rethought.
- Restricted access to capital will make it harder to finance innovation.
- Federal budget deficits are raising inflationary concerns, threatening the stability of the dollar and pushing up interest rates.
- State and local government budget cuts are threatening to undo much of the federal stimulus already in the pipeline.
- Taxes at both the federal and state and local government level are destined to rise.

When added up, these issues represent a set of economic headwinds against which our economy must fight to grow. These issues also have the potential to directly affect the financial markets. In particular, the challenges we face will ultimately result in a lower pace of corporate earnings growth, low and stable short-term interest rates, rising long-term interest rates and increased volatility.

For now, TWA believes the economy has begun to return to a modest pace of growth which will result in modestly higher rates by year's end. Despite this, TWA does not feel the Fed will begin to raise rates again for at least several quarters. This will keep the yield curve steep and presents opportunities to own securities that benefit from such a scenario. Longer term, TWA expects the inflationary impact of the recent stimulus efforts to surface. Accordingly, TWA feels it is prudent to limit the interest rate sensitivity of our portfolios by keeping maturities inside five years and the portfolio quality high.

Strategy

TWA's outlook continues to adjust as market conditions and the factors impacting the economy resolve themselves. U.S. Treasury rates, although off their lows, have fallen to extremely low levels with very little room to move lower. The low rate environment leaves the bond market without much of a yield cushion to avoid negative rates of returns should interest rates begin to rise. Although TWA believes the bond market will remain in an extremely low rate environment for a while, TWA will allow the portfolio's average maturity and related sensitivity to interest rates to diminish over time.

As of the end of the quarter, the JPB's portfolio consisted of approximately 10.1 percent Corporate Bonds, 67.4 percent Agency Securities, 22.5 percent US Treasury securities and 0 percent Cash Equivalents; see Exhibit 5.

Budget Impact

The portfolio's performance is reported on a total economic return basis. This method includes the coupon interest, amortization of discounts and premiums, capital gains and losses and price changes (i.e., unrealized gains and losses). For the quarter ending June 30, the portfolio returned **0.80** percent. This compares to the benchmark return of **0.02** percent. The Performance graph in Exhibit 3 shows the relative performance of the JPB's portfolio since inception. The Growth of a Thousand Dollars graph in Exhibit 4 shows the cumulative performance over this same time frame for the portfolio.

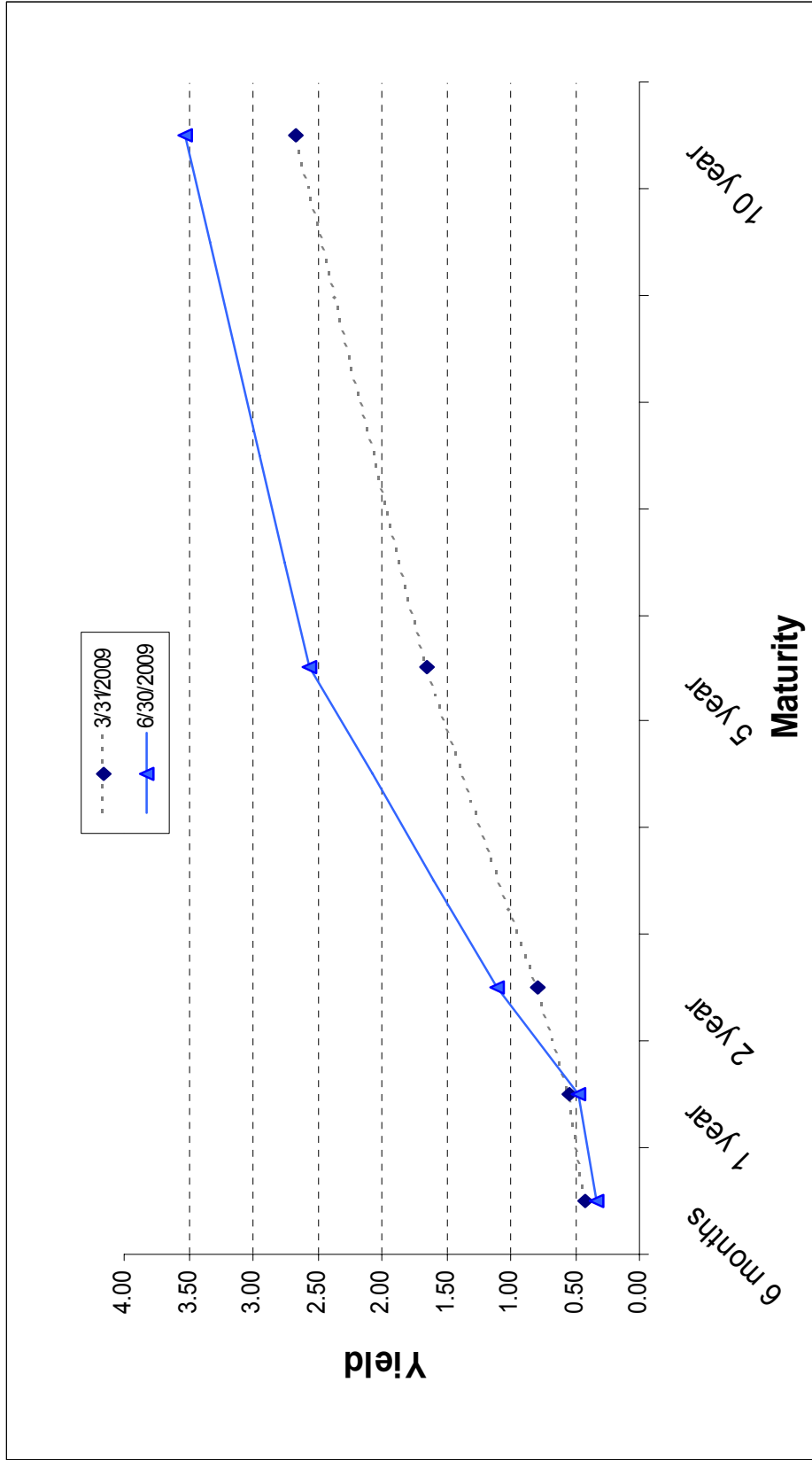
The portfolio's yield to maturity, the return the portfolio will earn in the future if all securities are held to maturity is also reported. This calculation is based on the current market value of the portfolio including unrealized gains and losses. For the quarter ending June 30, the portfolio's yield to maturity was 0.727 percent. The benchmark's yield to maturity was 0.669 percent.

Another method of measuring the portfolio's yield to maturity is the yield of the portfolio at cost. This calculation is based on the value of the portfolio at cost and does not include any unrealized gains or losses as part of its computation. As of the end of the quarter the portfolio's rate of return on investments, at cost, was 2.06 percent.

**PENINSULA CORRIDOR JOINT POWERS BOARD
REPORT OF INVESTMENTS
FOR QUARTER ENDED JUNE 30, 2009**

TYPE	DATE OF MATURITY	PAR VALUE	CARRYING AMOUNT	MARKET VALUE	ACCRUED INTEREST	MARKET VALUE +ACCR. INT.
<u>FUNDS MANAGED BY TAMALPAIS WEALTH ADVISORS:</u>						
<u>INVESTMENT PORTFOLIO:</u>						
CORPORATE BONDS						
JP Morgan Chase & Co.	12-01-10	500,000	507,000	512,130	1,057	513,187
Bank of America Corp.	12-23-10	500,000	500,000	505,778	165	505,943
GOVERNMENT BONDS						
FMC - Discount Note	07-13-09	2,000,000	1,995,333	2,000,000	0	2,000,000
FHLMC - Discount Note	08-17-09	500,000	498,491	499,950	0	499,950
FHLB	07-16-10	2,000,000	2,065,360	2,050,625	31,889	2,082,514
FNMA	11-15-11	2,000,000	2,131,400	2,180,625	13,438	2,194,063
TREASURY INFLATION PROTECTED SECURITIES						
US Inflation Indexed	04-15-10	2,251,020	2,133,507	2,251,020	4,090	2,255,110
TOTAL FUNDS MANAGED BY TAMALPAIS WEALTH ADVISORS		<u>9,751,020</u>	<u>9,831,091</u>	<u>10,000,128</u>	<u>50,639</u>	<u>10,050,767</u>
<u>LIQUIDITY FUNDS MANAGED BY DISTRICT STAFF:</u>						
BANK OF AMERICA CHECKING LAIF			6,490,891	6,490,891	0	6,490,891
SAN MATEO COUNTY POOL			726,960	726,960	10,260	737,220
BANK OF AMERICA CD	07-20-09		0	0	0	0
			3,957,049	3,957,049	165	3,957,213
TOTAL FUNDS MANAGED BY DISTRICT STAFF			<u>11,174,900</u>	<u>11,174,900</u>	<u>10,425</u>	<u>11,185,324</u>
<u>TRUST FUNDS MANAGED BY THIRD PARTY TRUSTEE:</u>						
First American Treas. Oblig. Cl D Corp Tr			1,661,428	1,661,428	0	1,661,428
TOTAL FUNDS MANAGED BY THIRD PARTY TRUSTEE		<u>0</u>	<u>1,661,428</u>	<u>1,661,428</u>	<u>0</u>	<u>1,661,428</u>
TOTAL AS OF JUNE 30, 2009		<u>9,751,020</u>	<u>22,667,419</u>	<u>22,836,456</u>	<u>61,064</u>	<u>22,897,519</u>

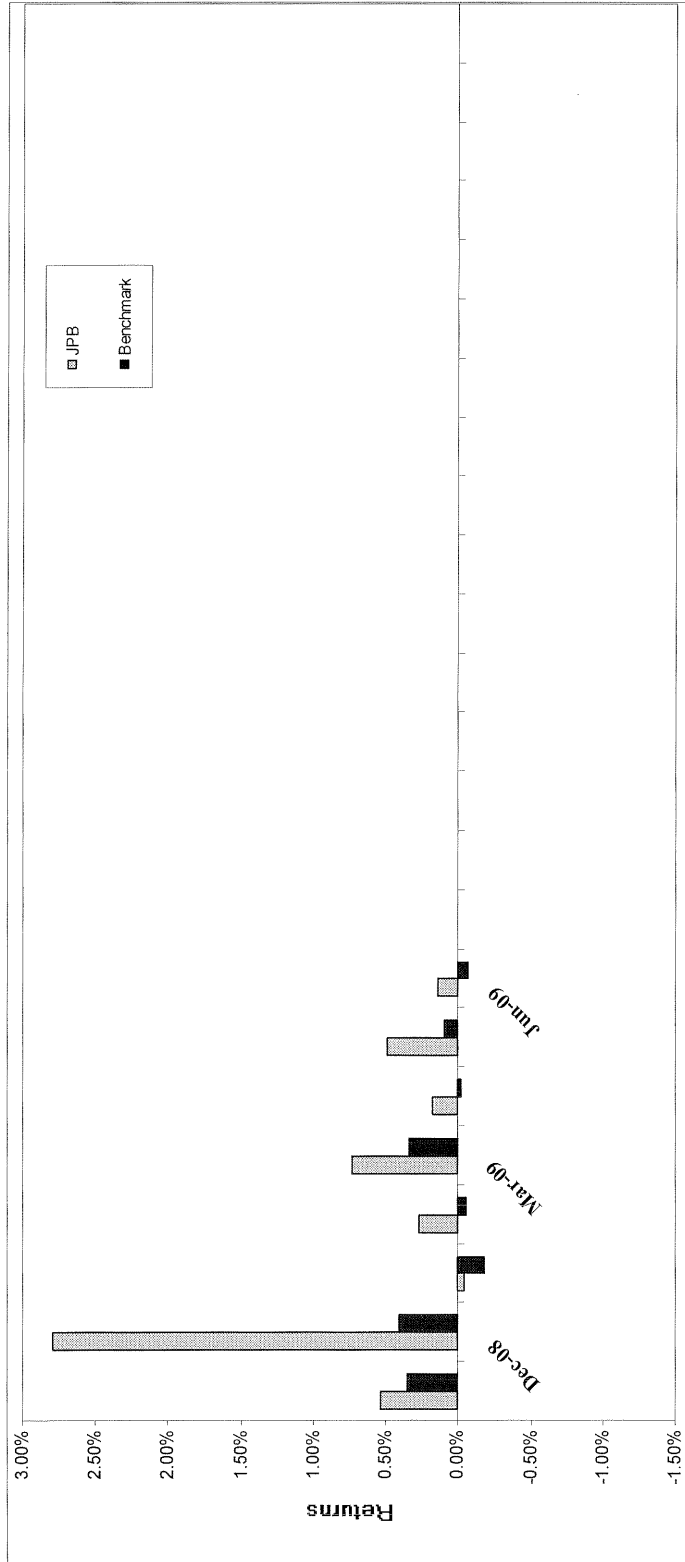
Peninsula Corridor Joint Powers Board Historical Yield Curve



Data Source: Bloomberg

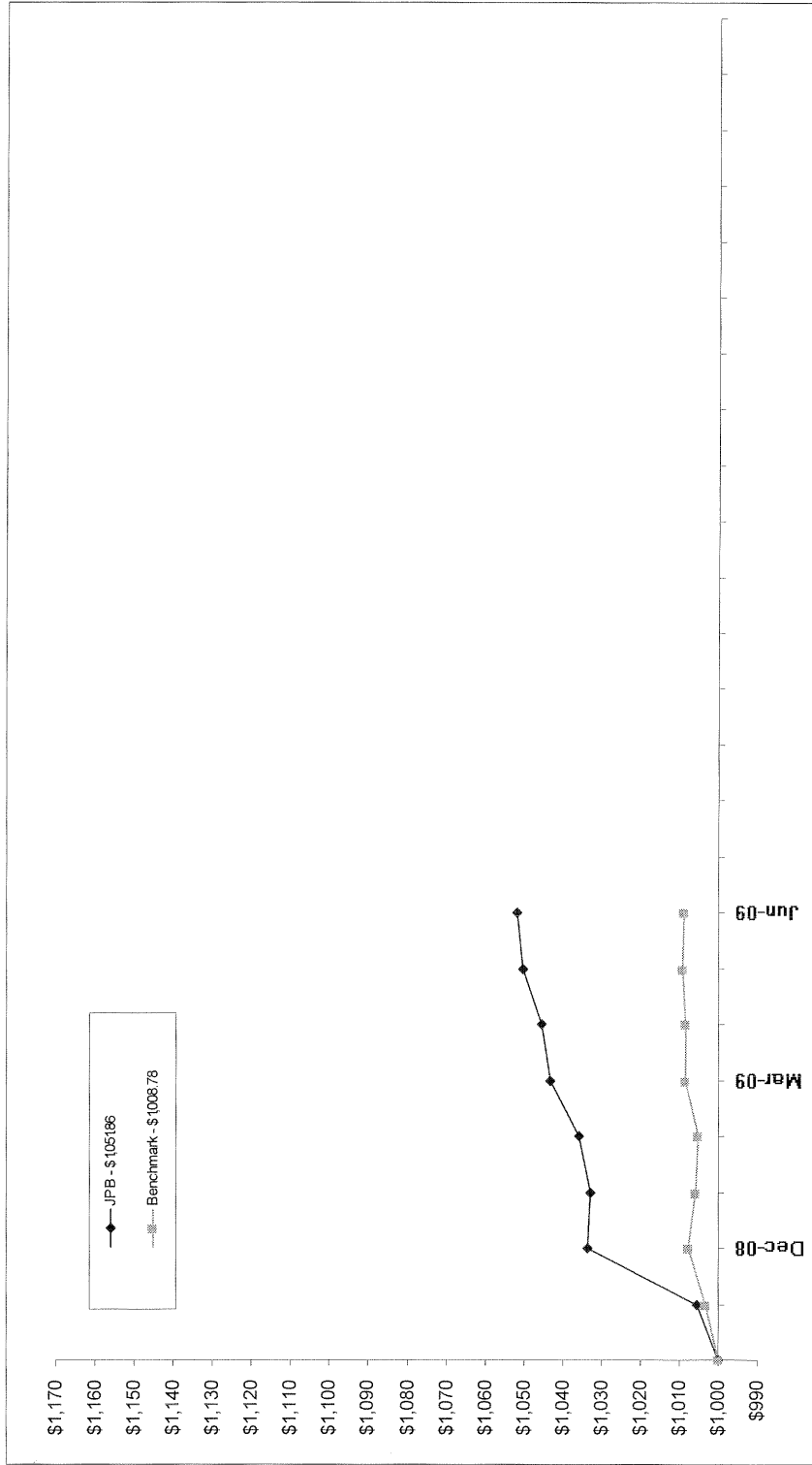
Tamalpais Wealth Advisors

Peninsula Corridor Joint Powers Board
 Monthly Review – Account vs. Benchmark
Rolling 24 Months

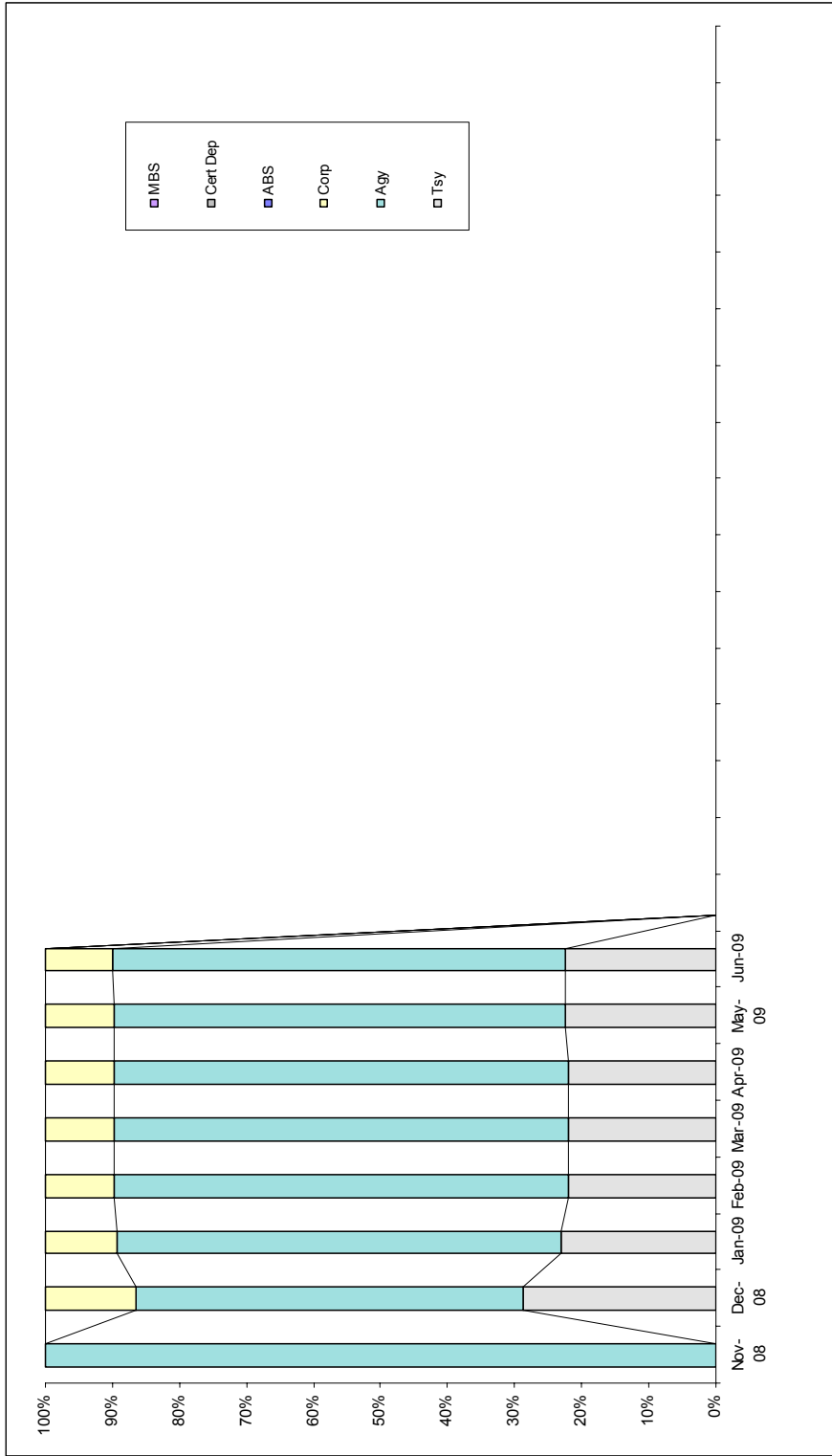


Peninsula Corridor Joint Powers Board Growth of a Thousand Dollars

Rolling 24 Months



Peninsula Corridor Joint Powers Board Percent of Assets Held by Type



**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **UPDATE ON THE EXECUTION OF THE FUEL HEDGING PROGRAM**

ACTION

This item is presented for informational purposes only.

SIGNIFICANCE

On July 2, 2009, the Board approved substantially final diesel fuel price cap purchase agreement documents and authorized the Deputy CEO to execute those documents with the winning financial institution. On July 14, the JPB's financial advisors requested bids from the two firms, Deutsche Bank and Barclays Capital, with which we had developed mutually agreed upon bid documents for a diesel fuel price cap. Based on the bid prices, the JPB selected Deutsche Bank as the winning bidder, with a cap of \$2.00 per gallon and a cap cost of \$0.1455 per gallon on a total of 2,016,663 gallons. The average price per gallon of diesel fuel for the week ending July 9 was \$1.65. The final volume represents 50 percent of projected fuel usage by the JPB for the balance of FY2010. The substantially final documents, on file for the Board on July 2, were executed on July 17. Staff was comfortable with the documents as executed and the price offered by Deutsche Bank.

Staff worked together with the JPB's financial advisors and legal counsel to develop the bid package for financial institutions interested in bidding on the diesel fuel price cap. Included in that package are the ISDA Master Agreement (Agreement), ISDA Schedule to the Master Agreement (Schedule) and Credit Support Annex (CSA). The documents had been reviewed by and considered acceptable to Orrick, Herrington & Sutcliffe, LLP, special counsel to the JPB. In addition to the documents listed above, a Confirmation setting forth the pricing terms was executed.

The Agreement provides the terms and conditions governing the JPB's relationship with the winning bidder. The Agreement is a form document created by International Swaps and Derivatives Association, Inc., and applies to numerous types of hedging transactions, including fuel caps, interest rate swaps and currency transactions. The Agreement standardizes the relationship between contracting parties. The Agreement contains provisions relating to the obligations of each party, representations, events of default and termination, early termination and other matters. The Schedule modifies the Agreement to conform to the terms of the JPB's

transaction. In particular, the Schedule makes clear that the diesel fuel price cap is to be viewed as a stand-alone transaction.

The CSA accompanies the Agreement and Schedule. The CSA provides protection to the JPB in the event that the rating of Deutsche Bank falls to or below A3/A-/A- by Moody's, Standard and Poor's or Fitch, as the case may be. In the event of such a downgrade and if diesel fuel prices rise above the cap price, then Deutsche Bank must post collateral to secure its performance under the diesel fuel price cap. Deutsche Bank is currently rated Aa1/AA/AA- by Moody's, Standard and Poor's and Fitch, respectively.

The primary goal for the fuel hedging program is to reduce volatility and uncertainty in the fuel budget for Fiscal Year 2010. The JPB has hedged 2.0 million gallons, which represents 50 percent of 11 months of estimated fuel consumption. In order to maximize the hedging program's potential for economic efficiency, the JPB partnered with the San Mateo County Transit District (District), which hedged 1.0 million gallons, also representing approximately 50 percent of 11 months of the District's estimated fuel consumption.

Staff will return to the Board next spring with results of the FY2010 fuel hedging program and a recommendation on whether to continue the program in FY2011.

BUDGET IMPACT

The JPB's FY2010 adopted budget for fuel expenses is \$13.8 million which includes an estimated savings from a diesel fuel price cap of \$2.5 million compared with the FY2009 revised budget. The purchase of the price cap from Deutsche Bank capping the JPB's fuel price for half of its fuel at \$2.00 is in line with that savings. The FY2010 fuel budget also allows for the hedging program fees including \$25,000 for financial advisors, \$100,000 for legal counsel and \$300,000 for the cost of the price cap.

BACKGROUND

The JPB currently purchases fuel from Golden Gate Petroleum based on the weekly spot price for ultra-low sulfur diesel (ULSD). This method leaves the JPB open to fluctuation in the market for diesel fuel. Over the past year, the price of ULSD has ranged from a high of \$4.11 per gallon in July 2008 to a low of \$1.14 in February 2009. Implementing a fuel hedging program at this time has allowed the JPB not only to reduce uncertainty in the fuel budget for FY2010 but also to take advantage of the current, relatively low market prices.

Staff evaluated a number of potential fuel hedging mechanisms including price caps, futures contracts, commodity swaps and physical hedging to meet our primary goal of reducing volatility and uncertainty in the fuel budget for FY2010 in addition to saving the JPB money over the FY2009 revised budget. The diesel fuel price cap was determined to be the most appropriate hedging methodology for the JPB. It allows the JPB to limit its exposure when fuel prices rise, while continuing to receive the benefit when prices fall.

Prepared by: Éva Goode, Manager, Financial Analysis and Projects 650.508.7914

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
<p>AB 116 Beall (D)</p> <p>Transportation authorities and districts: contracts.</p>	<p>SENATE THIRD READING 07/01/2009-Read second time. To third reading.</p>	<p>This bill requires that contracts of the Santa Clara Valley Transportation Authority, the Alameda-Contra Costa Transit District, and the Golden Gate Bridge, Highway and Transportation District, under which the expenditure for the purchase of supplies, equipment, and materials exceeds \$100,000, to be let to the lowest responsible bidder or to the responsible bidder who submits a proposal that provides the best value, as defined. The bill would revise the notice requirement to require that notice requesting bids be published at least once in a newspaper of general circulation and on the authority's or district's procurement Internet Web site. The bill also would require the authority or district, to the extent practicable, to obtain a minimum of 3 quotations, either written or oral, that permit prices and terms to be compared, whenever the expected expenditure required for the purchase of supplies, equipment, or materials exceeds \$2,500, but does not exceed \$100,000. This bill contains other related provisions and other existing laws. Last Amended on 04/21/2009</p>	
<p>AB 153 Ma (D)</p> <p>High-Speed Rail Authority.</p>	<p>SENATE T. & H. 07/02/2009- Two Year Bill</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties relating to the development and implementation of an intercity high-speed rail system. Existing law authorizes the authority to prepare a plan for the construction and operation of that system and to enter into contracts, acquire rights-of-way through purchase or eminent domain, and take other actions, subject to specified contingencies. Under existing law, a public entity may not commence an eminent domain proceeding until its governing body has adopted a resolution of necessity that meets certain requirements. Existing law generally prohibits a state agency from employing legal counsel other than the Attorney General unless there is a specific statute authorizing that employment. This bill would eliminate those contingencies to the exercise of the authority's authority and would specify that the authority constitutes a "governing body" for the purpose of adopting a resolution of necessity. The bill would authorize the authority to employ its own legal staff or contract with other state agencies for legal services, or both. This bill contains other related provisions and other existing laws.</p>	
<p>AB 231 Huffman (D)</p> <p>California Global Warming Solutions Act of 2006: Climate Protection Trust Fund.</p>	<p>SENATE E.Q. 06/18/2009-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on EQ.</p>	<p>Requires that revenues collected pursuant to the California Global Warming Solutions Act of 2006 be deposited into a Climate Protection Trust Fund, and establishes parameters by which those funds can be distributed for the reduction of GHG and mitigation of climate change impacts. Last Amended on 06/26/2009</p>	
<p>AB 266 Carter (D)</p> <p>Transportation needs assessment.</p>	<p>SENATE RLS. 06/11/2009-Referred to Com. on RLS.</p>	<p>Requires the California Transportation Commission (CTC) to, on an every-5-year basis, to develop an assessment of the unfunded costs of programmed state projects and federally earmarked projects in the state, , as well as an assessment of available funding for transportation purposes and unmet transportation needs on a statewide basis. Last Amended on 04/20/2009</p>	

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
<p>AB 277 Ammiano (D)</p> <p>Transportation: local retail transaction and use taxes: Bay Area.</p>	<p>ASSEMBLY ENROLLMENT 07/16/2009-In Assembly. To enrollment.</p>	<p>The Bay Area County Traffic and Transportation Funding Act establishes a process for each of the 9 counties in the San Francisco Bay area to impose a retail transactions and use tax for transportation purposes subject to voter approval. Existing law provides for a county transportation expenditure plan to be developed in that regard, with expenditures from tax revenues to be administered by a county transportation authority, or, alternatively, by the Metropolitan Transportation Commission. Existing law requires the membership of a county transportation authority to be specified either in the county transportation expenditure plan or in the retail transactions and use tax ordinance. This bill would delete the option of specifying the membership of the authority in the retail transactions and use tax ordinance. Last Amended on 05/11/2009</p>	
<p>AB 282 Committee on Transportation</p> <p>Transportation.</p>	<p>SENATE APPR. 07/13/2009-Read second time, amended, and re-referred to Com. on APPR.</p>	<p>The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 authorizes the issuance of \$19.925 billion in general obligation bonds for various transportation improvements, of which \$2 billion are to be allocated, upon appropriation by the Legislature, to cities and counties for specified street and road improvements. The act requires a city or county to reimburse the state for funds it receives if it fails to comply with certain conditions applicable to the expenditure of the bond funds. This bill would require any interest or other return earned by a city or county from investment of bond funds received under these provisions to be expended or reimbursed under the same conditions as are applicable to the bond funds themselves. This bill contains other related provisions and other existing laws. Last Amended on 07/13/2009</p>	
<p>AB 289 Galgiani (D)</p> <p>California Environmental Quality Act: exemptions.</p>	<p>SENATE E.Q. 06/04/2009-Referred to Com. on EQ.</p>	<p>Existing law, the California Environmental Quality Act (CEQA), requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment, as defined, or to adopt a negative declaration if it finds that the project will not have that effect, unless the project is exempt from the act. This bill would specifically provide that this exemption includes grade separation projects that are a component of the California high-speed rail system. This bill contains other existing laws. Last Amended on 04/14/2009</p>	
<p>AB 338 Ma (D)</p> <p>Transit village developments: infrastructure financing.</p>	<p>SENATE THIRD READING 07/09/2009-Read second time. To third reading.</p>	<p>Recasts the area included in a transit village plan to include all land within not more than 1/2 mile of the main entrance of a transit station, and eliminates the requirement of voter approval for the formation of an infrastructure financing district, adoption of an infrastructure financing plan, and an issuance of bonds for the purpose of developing and financing a transit facility. Last Amended on 06/25/2009</p>	Support
<p>AB 619 Blumenfield (D)</p> <p>Transportation projects: federal funds: delays.</p>	<p>SENATE T. & H. 06/17/2009-In committee: Set, first hearing. Hearing canceled at the request of author.</p>	<p>Existing law provides that the Department of Transportation has full possession and control of the state highway system. Existing law provides for allocation of federal transportation funds made available to the state. This bill would require the department to notify the Legislature within 30 days of making a determination that a project, including a project designated in the National Corridor Infrastructure Improvement Program, will be delayed beyond its scheduled completion date due to state cashflow or other funding issues, if the delay places at risk federal funds, including funds earmarked for the project.</p>	

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
<p>AB 672 Bass (D)</p> <p>Transportation: bond-funded projects: letter of no prejudice.</p>	<p>SENATE APPR. 07/08/2009-From committee: Do pass, and re-refer to Com. on APPR with recommendation: To Consent Calendar. Re-referred. (Ayes 10. Noes 0.) (July 7).</p>	<p>Existing law, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, authorizes the issuance of \$19.925 billion of general obligation bonds for various transportation purposes. Existing law designates the state agency responsible for programming bond funds under the act as the administrative agency for those purposes. This bill would authorize a regional or local agency that is a lead agency for a project or project component for which bond funding has been programmed or otherwise approved by the administrative agency or is otherwise targeted to be available, as specified , to apply to the administrative agency for a letter of no prejudice that would make the regional or local agency eligible to be subsequently reimbursed from bond funds for expenditures of funds under its control for the project or project component under certain conditions, as specified. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 06/02/2009</p>	
<p>AB 726 Nielsen (R)</p> <p>Transportation capital improvement projects.</p>	<p>SENATE T. & H. 06/16/2009-In committee: Set, first hearing. Hearing canceled at the request of author.</p>	<p>Existing law generally provides for allocation of transportation capital improvement funds pursuant to the State Transportation Improvement Program process. Existing law provides for 75% of funds available for transportation capital improvement projects to be made available for regional projects, and 25% for interregional projects. Existing law describes the types of projects that may be funded with the regional share of funds, and includes local road projects as a category of eligible projects. This bill would state that local road rehabilitation projects are eligible for these funds.</p>	
<p>AB 729 Evans (D)</p> <p>Public contracts: transit design-build contracts.</p>	<p>SENATE THIRD READING 07/15/2009-Read second time. To third reading.</p>	<p>Extends the sunset date for transit operators to enter into design-build contracts to January 1, 2015.</p> <p>Last Amended on 06/30/2009</p>	Support
<p>AB 732 Jeffries (R)</p> <p>Transportation projects: design-sequencing contracts.</p>	<p>SENATE APPR. SUSPENSE FILE 06/29/2009-SEN. APPR. Vote - Placed on Appropriations Suspense file.</p>	<p>Existing law authorizes the Department of Transportation, until January 1, 2010, to conduct phase 2 of a pilot project through the utilization of design-sequencing contracts, as defined, for the design and construction of not more than 12 transportation projects, which are selected by the Director of Transportation taking into consideration specified geographical considerations. This bill would extend the operative date of those provisions until July 1, 2010 , thereby extending the authority of the department to conduct phase 2 of the pilot project. The bill would instead specify that the pilot project consist of not more than 9 transportation projects.</p> <p>Last Amended on 06/16/2009</p>	

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
<p>AB 733 Galgiani (D)</p> <p>High-Speed Rail Authority.</p>	<p>SENATE APPR. 07/08/2009-From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 9. Noes 1.) (July 7).</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties relating to the development and implementation of an intercity high-speed rail system. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, authorizes \$9.95 billion in general obligation bonds for high-speed rail development and other related purposes. This bill would authorize the authority to consider, to the extent permitted by federal and state law, the creation of jobs in California when awarding major contracts or purchasing high-speed trains, as specified.</p>	
<p>AB 798 Nava (D)</p> <p>California Transportation Financing Authority: toll facilities.</p>	<p>SENATE APPR. 07/08/2009-From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 9. Noes 1.)</p>	<p>Creates the California Transportation Financing Authority to issue bonds to fund transportation projects. Creates the California Transportation Financing Authority Fund, which would be continuously appropriated for these purposes.</p> <p>Last Amended on 06/24/2009</p>	
<p>AB 810 Caballero (D)</p> <p>Circulation and transportation element.</p>	<p>SENATE L. GOV. 06/04/2009-Referred to Com. on L. GOV.</p>	<p>Existing law requires a general plan to include a statement of development policies and, among other elements, a circulation element consisting of the general location and extent of existing and proposed major thoroughfares, transportation routes, terminals, and military airports and ports, and other local public utilities and facilities, all correlated with the land use element of the plan. This bill would rename the circulation element the circulation and transportation element and make other technical and conforming changes.</p>	

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
<p>AB 1072 Eng (D)</p> <p>Public Transportation Modernization, Improvement, and Service Enhancement Account.</p>	<p>SENATE APPR. 07/08/2009-From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 10. Noes 0.) (July 7).</p>	<p>Existing law, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, authorizes the issuance of \$19.925 billion of general obligation bonds for transportation purposes, including \$4 billion for allocation to various public transportation purposes. Of this amount, \$3.6 billion is to be deposited in the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) for allocation, upon appropriation, to transit operators and other agencies for transit purposes. Existing law specifies the process for allocating available funds in the PTMISEA for those purposes appropriated in the Budget Act of 2008. Existing law makes these provisions inoperative on July 1, 2009, and repeals them on January 1, 2010. This bill would apply these provisions to funds appropriated for these purposes from the PTMISEA by the Budget Act of 2009 and subsequent fiscal years and would make other conforming changes. The bill would require eligible project sponsors to provide the Department of Transportation with project descriptions for each project they plan to fund with PTMISEA funds yet to be appropriated for the duration of the PTMISEA program , and would require the department to transmit that information to the Department of Finance . The bill would authorize a project sponsor to use an allocation in a subsequent fiscal year in order to complete projects that were approved in a previous fiscal year. The bill would authorize a project sponsor, in a particular fiscal year, to loan its allocation to another project sponsor with an identified eligible project under terms and conditions approved by the department. The bill would delete the inoperative and repeal dates, thereby extending the operation of these provisions indefinitely. This bill contains other related provisions.</p> <p>Last Amended on 06/18/2009</p>	
<p>AB 1158 Hayashi (D)</p> <p>Transit village plan.</p>	<p>SENATE THIRD READING 07/09/2009-Read second time. To third reading.</p>	<p>Existing law authorizes a city or county to create a transit village plan for a transit village development district. Existing law authorizes a city or county to prepare a transit village plan for a transit village development district that addresses specified characteristics. This bill would add the characteristic of other land uses, including educational facilities, that provide direct linkages for people traveling to and from primary and secondary education schools, community colleges, and universities, to the list of specified characteristics that a transit village plan may address. This bill contains other related provisions.</p> <p>Last Amended on 06/25/2009</p>	

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
<p>AB 1203 Ma (D)</p> <p>Transportation bond funds: transit system safety.</p>	<p>SENATE APPR. 07/08/2009-From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 10. Noes 0.)</p>	<p>Requires the California Emergency Management Agency (Cal EMA) to annually provide the Controller with a list of projects and the sponsoring agencies eligible to receive an allocation from the Transit System Safety, Security, and Disaster Response Account.</p>	
<p>AB 1364 Evans (D)</p> <p>Public contracts: state bonds: grant agreements.</p>	<p>SENATE APPR. 07/08/2009-From committee: Do pass, and re-refer to Com. on APPR with recommendation: To Consent Calendar. Re-referred. (Ayes 11. Noes 0.)</p>	<p>Existing law permits the modification of contracts by state agencies in specified instances. This bill would provide that, notwithstanding any other provision of law, any state agency that has entered into a grant agreement for the expenditure of state bond funds where the state agency or grant recipient has or may be unable to comply with the terms of that agreement because of the suspension of programs by the Pooled Money Investment Board as described in California Department of Finance Budget Letter 08-33 shall , with the consent of the grant recipient, have the authority to either renegotiate the deadlines and timetables for and deliverables within the grant agreement that may not be met because of that suspension in order to preserve the validity of the agreement or to invalidate the grant agreement . This bill contains other related provisions. Last Amended on 04/29/2009</p>	
<p>AB 1404 De Leon (D)</p> <p>California Global Warming Solutions Act of 2006: offsets.</p>	<p>SENATE APPR. 07/07/2009-From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 5. Noes 2.)</p>	<p>The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions. The act authorizes the state board to adopt by regulation, after a public workshop, a schedule of fees to be paid by the sources of greenhouse gas emissions regulated pursuant to the act. The fee revenues are deposited into the Air Pollution Control Fund and are available, upon appropriation by the Legislature, for purposes of carrying out the act. The state board is authorized to adopt market-based compliance mechanisms, as defined, meeting specified requirements to be used for compliance with those regulations. The state board is required, before including any market-based compliance mechanism, to maximize additional environmental and economic benefits for California, as appropriate. This bill would require the state board, if the state board allows the use of market-based compliance mechanisms, to limit the use of compliance offsets, as defined, that meet specific criteria, to no more than 10% of the greenhouse gas emission reductions expected from market mechanisms during the compliance period. The bill would require the state board to apply the limit as a percentage of each regulated party's reported emissions in a compliance period. The bill would require the state board to impose a fee pursuant to the fee authority described above for deposit into the fund to pay for expenses related to state board administration of the compliance offset program, upon appropriation by the Legislature. Last Amended on 06/30/2009</p>	

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
<p><u>AB 1405</u> <u>De Leon</u> (D)</p> <p>California Global Warming Solutions Act of 2006: Community Benefits Fund.</p>	<p>SENATE SECOND READING 07/16/2009-From committee: Amend, do pass as amended, and re-refer to Com. on APPR. (Ayes 5. Noes 2.) (July 13).</p>	<p>The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to adopt regulations to require the reporting and verification of emissions of greenhouse gases and to monitor and enforce compliance with the reporting and verification program, and requires the state board to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020. The act requires the state board to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions. The act authorizes the state board to include the use of market-based compliance mechanisms. The act authorizes the state board to adopt a schedule of fees to be paid by the sources of greenhouse gas emissions regulated pursuant to the act, and requires the revenues collected pursuant to that fee to be deposited into the Air Pollution Control Fund and be available, upon appropriation by the Legislature, for purposes of carrying out the act. This bill would establish the Community Benefits Fund, and would require a minimum of 30% of revenues generated pursuant to the act, including the fee discussed above, to be deposited into that fund. The moneys in the fund would be used, upon appropriation by the Legislature, in the most impacted and disadvantaged communities in California to accelerate greenhouse gas emission reductions or mitigate direct health impacts of climate change in those communities. The state board would be required to develop a methodology to identify the most impacted and disadvantaged communities. The state board, the State Energy Resources Conservation and Development Commission, and the State Department of Public Health would be required to jointly develop and recommend biennial plans for the use of funds.</p> <p>Last Amended on 06/23/2009</p>	
<p><u>ACA 9</u> <u>Huffman</u> (D)</p> <p>Local government bonds: special taxes: voter approval.</p>	<p>ASSEMBLY APPR. SUSPENSE FILE 07/08/2009-In committee: Set, first hearing. Referred to APPR. suspense file.</p>	<p>Creates an additional exemption to the 1% limit on the tax rate on real property for a rate imposed by a city, county, or city and county to service bonded indebtedness, incurred to fund specified public improvements, facilities, and housing, and related costs that is approved by 55% of the voters of the city, county, or city and county.</p> <p>Last Amended on 06/26/2009</p>	
<p><u>ACR 14</u> <u>Niello</u> (R)</p> <p>California Global Warming Solutions Act of 2006.</p>	<p>ASSEMBLY NAT. RES. 04/27/2009-Be adopted and be re-referred to the Committee on Appropriations.(AYES 3. NOES 6.) (FAIL)</p>	<p>This measure would call upon the State Air Resources Board, prior to any regulatory action being taken consistent with the scoping plan for the implementation of the California Global Warming Solutions Act of 2006, to perform an economic analysis that will give the State of California a more complete and accurate picture of the costs and benefits of the act's implementation. The measure would also call upon the Governor to use the authority granted by the act to adjust any applicable deadlines for regulations.</p> <p>Last Amended on 03/27/2009</p>	

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
<p>ABX 3 10 Evans (D)</p> <p>AB 180/ SB 62 Budget</p>		<p>Budget Bill Language</p> <p><i>SEC. 91. Item 2665-004-6043 of Section 2.00 of the Budget Act of 2009 is amended to read:</i> 2665-004-6043--For support of High-Speed Rail Authority, payable in accordance with and from the proceeds of the Safe, Reliable High-Speed Train Bond Act for the 21st Century, payable from the High-Speed Passenger Train Bond Fund..... 139,180,00 Passenger Train Bond Fund..... 1,795,000</p> <p><i>Provisions:</i></p> <p>2. <i>Of the funds appropriated in this item, \$139,180,000 is appropriated to the High-Speed Rail Authority for the following purposes: project-level design and environmental review, program management services, financial planning, and public-private partnership program. As part of the project-level design and environmental review activities, the authority shall analyze alternative alignments to that identified as the preferred alignment in the certified program Environmental Impact Report (EIR) for the San Francisco-San Jose corridor.</i></p>	<p>Oppose language unless amended</p>

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
<p>SB 93 Kehoe (D)</p> <p>Redevelopment: payment for land or buildings.</p>	<p>ASSEMBLY THIRD READING 07/15/2009-Read second time. To third reading.</p>	<p>The Community Redevelopment Law authorizes a redevelopment agency, with the consent of the legislative body, to pay all or a part of the value of the land for, and the cost of the installation and construction of, any building, facility, structure, or other improvement that is publicly owned either within or without the project area if the legislative body makes specified determinations. These determinations by the agency and the local legislative body are final and conclusive. Existing law requires the agency, with respect to the financing, acquisition, or construction of a transportation, collection, and distribution system and related peripheral parking facilities, in a county with a population of 4 million persons or more, to enter into an agreement with the rapid transit district that includes the county, or a portion thereof, under which the rapid transit district is required to be given specified responsibilities. This bill would instead authorize a redevelopment agency, with the consent of the legislative body, to pay all or a part of the value of the land for, and the cost of the installation and construction of, any building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to, as defined, the project area if the legislative body makes specified determinations. The bill would delete the requirement that the agency, with respect to the financing, acquisition, or construction of a transportation, collection, and distribution system and related peripheral parking facilities, in a county with a population of 4 million persons or more, enter into an agreement with the rapid transit district that includes the county, or a portion thereof, under which the rapid transit district is required to be given specified responsibilities. The bill would authorize an agency to pay for all or part of the value of the land for, and the cost of the installation and construction of, any building, facility, structure, or other improvement that is publicly owned and is partially located in the project area, but extends beyond the project area's boundaries, if the legislative body makes specified determinations. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 07/14/2009</p>	
<p>SB 99 Committee on Local Government</p> <p>Joint exercise of powers: reporting and disclosures.</p>	<p>ASSEMBLY APPR. 07/01/2009-From committee: Do pass, but first be re-referred to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 7. Noes 0.) Re-referred to Com. on APPR. (Heard in committee on July 1.)</p>	<p>Under the Marks-Roos Local Bond Pooling Act of 1985, a joint exercise of powers authority may issue or purchase bonds to assist local agencies in financing public capital improvements, working capital, liability, or other insurance needs, or projects whenever there are significant public benefits for taking that action. Under the Ralph M. Brown Act, all meetings of the legislative body of a local agency must, subject to designated exceptions, be open and public. That act requires the legislative body to hold regular meetings, and permits the legislative body to hold special and emergency meetings, requiring certain notices and agendas. This bill would require additional reporting and public disclosures by specified public entities that issue certain revenue bonds, including conduit revenue bonds, as defined. This bill would require entities formed under the Joint Exercise of Powers Act, and related officers, that fail or refuse to make required reports to forfeit specified amounts to the state, and would authorize, under certain conditions, the Attorney General to prosecute an action for these forfeitures. This bill would require that a resolution issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985 relating to bonds, as specified, be adopted by the local agency during a regular meeting.</p> <p>Last Amended on 05/12/2009</p>	

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
<p>SB 205 Hancock (D)</p> <p>Traffic congestion: motor vehicle registration fees.</p>	<p>ASSEMBLY APPR. 07/13/2009-Read second time. Amended. Re-referred to Com. on APPR.</p>	<p>Existing law provides for the imposition by certain districts and local agencies of fees on the registration of motor vehicles in certain areas of the state that are in addition to the basic vehicle registration fee collected by the Department of Motor Vehicles for specific limited purposes. The bill would authorize a countywide transportation planning agency, by a majority vote of the agency's board, to impose an annual fee of up to \$10 on motor vehicles registered within the county for programs and projects for certain purposes. The bill would require voter approval of the measure. The bill would require the department, if requested, to collect the additional fee and distribute the net revenues to the agency, after deduction of specified costs, and would limit the agency's administrative costs to not more than 5% of the distributed fees. The bill would require that the fees collected may only be used to pay for programs and projects bearing a relationship or benefit to the owners of motor vehicles paying the fee and are consistent with a regional transportation plan, and would require the agency's board to make a specified finding of fact in that regard. The bill would require the governing board of the countywide transportation planning agency to adopt a specified expenditure plan.</p> <p>Last Amended on 07/13/2009</p>	
<p>SB 391 Liu (D)</p> <p>California Transportation Plan.</p>	<p>ASSEMBLY APPR. SUSPENSE FILE 07/08/2009-Set, first hearing. Referred to APPR. suspense file.</p>	<p>Existing law requires various transportation planning activities by state and regional agencies, including preparation of sustainable communities strategies by metropolitan planning organizations. Existing law provides for the Department of Transportation to prepare the California Transportation Plan for submission to the Governor by December 1, 1993, as a long-range planning document that incorporates various elements and is consistent with specified expressions of legislative intent. This bill would require the department to update the California Transportation Plan by December 31, 2015, and every 5 years thereafter. The bill would require the plan to address how the state will achieve maximum feasible emissions reductions in order to attain a statewide reduction of greenhouse gas emissions to 1990 levels by 2020 and 80% below 1990 levels by 2050. The bill would require the plan to identify the statewide integrated multimodal transportation system needed to achieve these results. The bill would require the department, by December 31, 2012, to submit to the California Transportation Commission and specified legislative committee chairs an interim report providing specified information regarding sustainable communities strategies and alternative planning strategies, including an assessment of how their implementation will influence the configuration of the statewide integrated multimodal transportation system. The bill would also specify certain subject areas to be considered in the plan for the movement of people and freight. The bill would require the department to consult with and coordinate its planning activities with specified entities and to provide an opportunity for public input. The bill would make additional legislative findings and declarations and require the plan to be consistent with that statement of legislative intent.</p> <p>Last Amended on 05/04/2009</p>	

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
<p>SB 425 Simitian (D)</p> <p>Personal and corporate income taxes: deductions: parking: credits: ridesharing expenses.</p>	<p>SENATE APPR. 07/15/2009-Set for hearing July 20.</p>	<p>The Personal Income Tax Law and the Corporation Tax Law allow various deductions in computing the income that is subject to the taxes imposed by those laws. Existing law allows an employer to deduct its expenses in carrying out a parking subsidy and a parking cash-out program, as defined, for employees. This bill would disallow a deduction for expenses of specified employers for parking subsidies unless all employees provided with a parking subsidy are offered a parking cash-out program in accordance with a specified statute. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 07/15/2009</p>	
<p>SB 455 Lowenthal (D)</p> <p>High-speed rail.</p>	<p>ASSEMBLY THIRD READING 07/16/2009-Read second time. To third reading.</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties relative to development and implementation of a high-speed train system. The authority is composed of 9 members, including 5 members appointed by the Governor. This bill would provide that the members of the authority appointed by the Governor are subject to appointment with the advice and consent of the Senate. The bill would require the members of the authority, at a scheduled board meeting, to cause to be prepared an overall project schedule with project delivery milestones on a quarterly basis, and to approve a quarterly contract status report, beginning at the first board meeting after March 1, 2010. The bill would also require the members of the authority to approve all contract amendments at a scheduled board meeting. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 04/16/2009</p>	
<p>SB 476 Correa (D)</p> <p>Environment: California Environmental Quality Act: noncompliance allegations: public comment.</p>	<p>ASSEMBLY NAT. RES. 07/07/2009-Hearing postponed by committee. (Refers to 6/22/2009 hearing)</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA provides for a public review period for the public to review a draft EIR, proposed negative declaration, or proposed mitigated negative declaration. CEQA requires a lead agency to evaluate and respond to comments on a draft EIR, proposed negative declaration, or proposed mitigated negative declaration made during the public review period and authorizes a lead agency to evaluate and respond to comments made on a draft EIR when the comments are submitted after the public review period. CEQA requires an action or proceeding alleging noncompliance with its requirements to be based on grounds that were presented to the public agency orally or in writing by any person, and prohibits a person from maintaining an action or proceeding unless the person objected to the approval of the project orally or in writing, during the public comment period provided under CEQA or prior to the close of the public hearing on the project before the issuance of the notice of determination. This bill instead would prohibit these actions or proceedings unless the oral or written presentation or objection occurs during the public comment period provided under CEQA or prior to the close of the public hearing on the project before the filing, rather than issuance, of the notice of determination.</p> <p>Last Amended on 04/30/2009</p>	

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
SB 527 Kehoe (D) Bicycles.	ASSEMBLY THIRD READING 06/24/2009-Read second time. To third reading.	Existing law prohibits a person from operating a bicycle on a highway if that person is riding other than upon or astride a permanent and regular seat attached to the bicycle. This bill would prohibit a person from operating a bicycle on a highway if that person is riding other than upon or astride a permanent and regular seat attached to the bicycle, unless the bicycle was designed by the manufacturer to be ridden without a seat. Last Amended on 05/06/2009	
SB 535 Yee (D) Vehicles: high-occupancy vehicle lanes.	ASSEMBLY APPR. 07/15/2009-Set, first hearing. Hearing canceled at the request of author.	Existing law authorizes the Department of Transportation to designate certain lanes for the exclusive use of high-occupancy vehicles (HOVs), which lanes may also be used, until January 1, 2011, or until the Secretary of State receives a specified notice, by certain low-emission, hybrid, or alternative fuel vehicles not carrying the requisite number of passengers otherwise required for the use of an HOV lane, if the vehicle displays a valid identifier. A violation of provisions relating to HOV lane use by vehicles with those identifiers is a crime. This bill would revise that provision to provide that it shall remain in effect only until the Secretary of State receives that specified notice , with respect to a vehicle that meets California's super ultra-low exhaust emission standard and the federal inherently low-emission evaporative emission (ILEV) standard and a vehicle produced during the 2004 model-year or earlier that meets the California ultra-low emission vehicle standard and the ILEV standard. With respect to all other vehicles described above , this provision shall be operative only until January 1, 2011, or only until the Secretary of State receives that specified notice, whichever occurs first. This bill contains other related provisions and other existing laws. Last Amended on 07/06/2009	
SB 545 Cedillo (D) Freeway construction.	ASSEMBLY APPR. 07/07/2009-From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 10. Noes 0.) Re-referred to Com. on APPR. (Hearing date: July 6.)	Existing law requires the Department of Transportation to enter into an agreement prior to any closure of a city street or county highway due to construction of a freeway with a city council or board of supervisors having jurisdiction. Existing law provides an exception to those provisions for a freeway segment within the jurisdiction of the Los Angeles County Metropolitan Transportation Authority, if specified requirements have been met, including that an agreement with one or more counties and cities is not possible because an impasse has existed for 10 or more years after an initial route was adopted. This bill would limit this exception to construction of a segment of a freeway that consists solely of a subsurface transportation facility, as specified. The bill would also require, as a condition for the exception to apply, that an agreement with one or more counties and cities is not possible because an impasse has existed for 20 or more years after an initial route was adopted. This bill contains other related provisions and other existing laws. Last Amended on 06/30/2009	

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

Bill ID/Topic	Location	Summary	Position
<p>SB 555 Kehoe (D)</p> <p>Eminent Domain Law: conservation easement.</p>	<p>ASSEMBLY APPR. 07/13/2009-From committee with author's amendments. Read second time. Amended. Re-referred to Com. on APPR.</p>	<p>Existing law authorizes various agencies to acquire land for purposes related to conservation. Existing law provides for a conservation easement to retain land predominantly in its natural, scenic, historical, agricultural, forested, or open-space condition. Existing law establishes procedures for the independent appraisal review of land to be acquired for conservation and establishes a conservation easement registry. Existing law prohibits, with a specified exception, the sale of conservation lands to another owner or the transfer of possession and control of conservation lands to another agency, unless specified actions occur. This bill would revise the Eminent Domain Law to establish requirements for acquisition of property subject to a conservation easement. The bill would require the person seeking to acquire the property to give the holder of the conservation easement a notice containing specified information and an opportunity to comment on the acquisition. The bill would require the holder of a conservation easement to provide notice, under certain circumstances and as specified, of the proposed acquisition to each public entity that helped fund the purchase of the conservation easement or that imposed conditions on approval or permitting of a project that were satisfied, in whole or in part, by the conservation easement, and other information, as specified. The bill would require a person seeking to acquire the property subject to a conservation easement to respond to any comments in writing and provide by first-class mail the response to each easement holder or public entity that filed comments. The bill would require the notice of the hearing on the resolution of necessity to be sent to any holder of a conservation easement and public entity, as specified, and to contain information regarding the effect of failing to file a written request to appear and be heard. The bill would require that a resolution of necessity to acquire property subject to a conservation easement refer to specific authority for the acquisition of the property. The bill would specify that the holder of a conservation easement is entitled to compensation under the Eminent Domain Law, as specified. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 07/13/2009</p>	
<p>SB 686 DeSaulnier (D)</p> <p>Environment: CEQA exemption: addition and deletion.</p>	<p>ASSEMBLY NAT. RES. 05/11/2009-To Com. on NAT. RES.</p>	<p>The California Environmental Quality Act requires the Office of Planning and Research to adopt guidelines that include criteria for public agencies to follow in determining whether or not a proposed project may have a significant effect on the environment and a list of classes of projects that are exempted from the act's requirements. The act establishes procedures for the certification and adoption of the guidelines. The act authorizes a public agency to request, in writing, the addition or deletion of a class of projects to the list. The office is required to review each request and, as soon as possible, submit its recommendation to the Secretary of Natural Resources Agency. This bill would make technical, nonsubstantive changes to the provision regarding the addition or deletion of a class of projects.</p>	

**Peninsula Corridor Joint Powers Board
Bill Matrix as of 07/20/2009**

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<p>SB 716 Wolk (D)</p> <p>Local transportation funds.</p>	<p>ASSEMBLY THIRD READING 07/15/2009-Read second time. To third reading.</p>	<p>Existing law requires that 1/4% of the local sales and use tax be transferred to the local transportation fund of the county for allocation, as directed by the transportation planning agency, to various transportation purposes. Existing law specifies the allowable uses for local transportation funds, and generally requires these funds to be used for transit purposes in urban counties, while in counties with a population under 500,000 as of the 1970 census and certain other counties, these funds may also be used for local streets and roads, if the transportation planning agency finds that there are no unmet transit needs or no unmet transit needs that are reasonable to meet, and for other specified purposes. This bill , for counties that had a population of less than 500,000 as of the 1970 decennial census, but that have a population of 500,000 or more as of the 2000 decennial census or at a subsequent census, would require the local transportation funds apportioned to the urbanized areas of those counties to generally be allocated for public transit purposes and not for street and road purposes, while funds apportioned to the nonurbanized areas in those counties would remain available for allocation to street and road purposes and for other specified purposes. The bill would delay, until July 1, 2013, the application of these new provisions to certain counties. The bill, in counties and areas of counties where local transportation funds may be allocated to local streets and roads, would also authorize allocation of those funds for specified farmworker vanpool purposes upon a finding by the transportation planning agency that there are no unmet transit needs or no unmet transit needs that are reasonable to meet and after all of the capital and operating funds necessary to meet unmet transit needs that are reasonable to meet are allocated. The bill would make other related changes.</p> <p>Last Amended on 07/14/2009</p>	
<p>SB 722 Steinberg (D)</p> <p>Greenhouse gas credits.</p>	<p>ASSEMBLY THIRD READING 07/01/2009-Read second time. To third reading.</p>	<p>Under existing law, a person or entity that represents that a consumer good that it manufactures or distributes is not harmful to, or is beneficial to, the natural environment, through the use of specified environmental terms, is required to maintain in written form in its records information and documentation supporting the validity of the representation, as specified. Existing law provides that it is unlawful for a person to make any untruthful, deceptive, or misleading environmental marketing claim, whether explicit or implied. A violation of these requirements is a misdemeanor. This bill would make it unlawful for a person, as defined, to represent in an advertisement or in any other sales or promotional materials made available to the public for the sale of a greenhouse gas credit or emission reduction, that the credit or reduction reduces greenhouse gas emissions unless certain requirements are met. The bill would also require a person that represents in an advertisement or in any sales or promotional materials made available to the public for the sale of a greenhouse gas credit or emission reduction, that the credit or emission reduction results in a reduction of greenhouse gases to maintain in written form and make available to any member of the public who requests it certain information and documentation supporting the validity of that representation. A violation of these provisions would be punishable by a specified civil penalty and would create a civil cause of action. Reasonable attorney fees and costs would be available for any such action brought. These requirements would become operative on January 1, 2011, and would become inoperative if the Federal Trade Commission adopts binding and enforceable trade rules or regulations for claims or representations for greenhouse gas emission reduction credits or reductions to protect consumers.</p> <p>Last Amended on 06/25/2009</p>	

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<p>SB 728 Lowenthal (D)</p> <p>Air pollution: parking cash-out program.</p>	<p>ASSEMBLY THIRD READING 07/01/2009-Read second time. To third reading.</p>	<p>Existing law requires an employer of 50 persons or more who provides a parking subsidy to employees and who is in an air basin that is designated as a nonattainment area in terms of air quality to offer a parking cash-out program, defined as an employer-funded program under which an employer offers to provide a cash allowance to an employee equivalent to the parking subsidy that the employer would otherwise pay to provide the employee with a parking space. This bill would authorize the State Air Resources Board to impose a civil penalty for a violation of this requirement. The bill would also authorize a city, county, and air pollution control district or air quality management district to adopt a penalty or other mechanism to ensure compliance. The bill would authorize the imposition of a penalty by the state board or the local agency, but not both. Last Amended on 04/27/2009</p>	
<p>SB 734 Lowenthal (D)</p> <p>Transportation.</p>	<p>ASSEMBLY THIRD READING 07/16/2009-From Consent Calendar to third reading.</p>	<p>The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 authorizes the issuance of \$19.925 billion in general obligation bonds for various transportation improvements, of which \$2 billion are to be allocated, upon appropriation by the Legislature, to cities and counties for specified street and road improvements. The act requires a city or county to reimburse the state for funds it receives if it fails to comply with certain conditions applicable to the expenditure of the bond funds. This bill would require any interest or other return earned by a city or county from investment of bond funds received under these provisions to be expended or reimbursed under the same conditions as are applicable to the bond funds themselves. This bill contains other related provisions and other existing laws. Last Amended on 06/22/2009</p>	
<p>SB 783 Ashburn (R)</p> <p>High-speed rail.</p>	<p>ASSEMBLY CONSENT CALENDAR 07/16/2009-Read second time. To Consent Calendar.</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties relating to the development and implementation of an intercity high-speed rail system. Existing law requires the authority to prepare and to submit to the Legislature a revised business plan containing specified elements by September 1, 2008. This bill would require the authority to prepare, publish, adopt, and submit to the Legislature a business plan addressing specified elements no later than January 1, 2012, and every 2 years thereafter, with a draft of the business plan to be available at least 60 days in advance for public review and comment, followed by a public hearing. Last Amended on 07/02/2009</p>	
<p>SCA 15 Calderon (D)</p> <p>State budget.</p>	<p>SENATE B. & F. 04/13/2009-From committee with author's amendments. Read second time. Amended. Re-referred to Com. on B. & F.R.</p>	<p>The California Constitution requires the Governor to submit to the Legislature by January 10 of each year a budget for the ensuing fiscal year, accompanied by a Budget Bill itemizing recommended expenditures. The Constitution requires specified bills, including a bill making a change in state taxes for the purpose of raising revenue, a bill containing an urgency clause, and a bill, including the Budget Bill, that makes certain appropriations from the General Fund, to be passed in each house of the Legislature by a 2/3 vote. This measure would exempt General Fund appropriations in the Budget Bill for the ensuing fiscal year from the 2/3 -vote requirement if the total amount of General Fund revenues estimated by the Legislative Analyst, on or after May 15, for the current fiscal year is at least 5% below the estimate of General Fund revenues set forth in the Budget Bill enacted for the current fiscal year . This bill contains other related provisions and other existing laws. Last Amended on 04/13/2009</p>	