

**Peninsula Corridor Joint Powers Board  
Board of Directors Meeting  
1250 San Carlos Avenue, San Carlos CA 94070**

**MINUTES OF JUNE 7, 2018**

**MEMBERS PRESENT:** G. Gillett (Vice Chair), C. Brinkman, C. Chavez, D. Davis, J. Gee, D. Pine, C. Stone, M. Zmuda

**MEMBERS ABSENT:** J. Bruins

**STAFF PRESENT:** J. Hartnett, C. Mau, J. Cassman, T. Bartholomew, A. Chan, D. Couch, M. Bouchard, C. Fromson, J. Funghi, B. Grizard, C. Gumpal, D. Hansel, L. Larano, L. Millard, S. Murphy, J. Navarro, S. Petty, E. Scanlon, S. van Hoften

Legal Counsel Cassman reported that the Board of Directors held a Special Meeting- (Closed Session-Litigation) regarding a condemnation issue; San Mateo County Transit District v. Bohannon Development Company, San Mateo Superior Court, Case No. 17CIV01116. No action was taken.

**CALL TO ORDER / PLEDGE OF ALLEGIANCE**

Vice Chair Gillett called the meeting to order at 10:04 a.m. Director Gee led the Pledge of Allegiance.

**ROLL CALL**

Acting District Secretary Gumpal called the roll. A quorum was present.

**PUBLIC COMMENT**

Roland Lebrun, San Jose, referred to his correspondence to the Board of Directors. He discussed the need to repair the former Metrolink railcars, now owned by Caltrain.

Shirley Johnson, San Francisco, discussed train capacity and bikes in the new electric multiple unit train car order.

Jeff Carter, Millbrae, inquired about the 2018 annual passenger counts.

Andy Chow, San Francisco, discussed the BART extension in the east bay.

Christina Turner, City Manager of City of Morgan Hill, discussed the potential of train expansion.

Aleta Dupree, Oakland, commented on the new mobile app, installation of the electrification poles and the new speaker timer.

Adina Levin, Friends of Caltrain, discussed Regional Measure 3, discussed Senate Bill 1 and the Metropolitan Transportation Commission's means-based fare program.

Carolyn Crow, League of Women Voters, Burlingame, discussed opportunities for affordable housing.

## **CONSENT CALENDAR**

- a. Approval of Minutes of May 3, 2018

### Public Comment

Roland Lebrun, San Jose, noted improvements to the Minutes.

- b. Acceptance of Statement of Revenues and Expenditures for April 2018
- c. Receive Key Caltrain Performance Statistics – June 2018
- d. Receive State and Federal Legislative Update
- e. Receive Capital Projects Quarterly Report – 3<sup>rd</sup> Quarter Fiscal Year 2018

### Public Comment

Roland Lebrun, San Jose, inquired why the capital budget did not include funding for the 25<sup>th</sup> Avenue grade separation project.

- f. Proclamation Declaring June 21, 2018 as National Dump the Pump Day
- g. Authorize Award of contracts for On-Call Market Research and Survey Services
- h. Authorize Amendment to Funding Agreement with the California Department of Transportation to Receive Additional Funding for the Redwood City Grade Crossing Improvement Project
- i. Receive Update on Blended System Planning with California High Speed Rail

### Public Comment

Roland Lebrun, San Jose, stated a robust discussion was needed on LPMG.

Motion/Second: Gee/Pine

Ayes: Brinkman, Chavez, Davis, Gillett, Gee, Pine, Stone, Zmuda

Absent: Bruins

## **CHAIRPERSON'S REPORT**

Vice Chair Gillett stated expressed delight with the Passage of Regional Measure 3.

## **REPORT OF THE CITIZENS ADVISORY COMMITTEE**

Brian Shaw, Chair of the Caltrain Citizens Advisory Committee, provided highlights of the Citizens Advisory Committee meeting held recently. He reported the next meeting would be held on June 20.

### Public Comment

Roland Lebrun, San Jose, offered several corrections to the Advisory Committee minutes.

## **REPORT OF THE EXECUTIVE DIRECTOR**

Jim Hartnett, Executive Director, reported the following: passenger counts will be reported on at the August meeting; was pleased with the passage of Regional Measure 3 that contains funding for several rail projects; and finally, the Metropolitan Transportation Commission recently approved framework on its means-based fares.

a. Peninsula Corridor Electrification Project Monthly Report for April 2018

John Funghi, Chief Officer-CalMod, provided a brief update on the electrification project and status of the delivery of electric multiple units (EMU). Regarding the electrification project, design and traction power are progressing, the overhead catenary system pole installation continues in both South San Francisco and San Bruno, with 59 poles installed to date and foundations being installed along the Peninsula. The final design on all major components for the EMU's has taken place, with exception of the software systems. The first cab will receive a stress test soon in Salt Lake City, Utah.

b. Update on Financial Dashboard

Derek Hansel, Chief Financial Officer, provided a monthly update on Caltrain's finances and grant status for March 2018. Mr. Hansel answered questions of board members.

c. Monthly Report on Positive Train Control System

Michelle Bouchard, Chief Operating Officer, Rail, commented on the merger between GE's transportation unit and Wabtec, noting it would not affect Caltrain's positive train control project. She noted her attendance at three upcoming Federal Rail Administration train control symposiums in July and August noting the application and competition of two positive train control federal grants.

Public Comment

Aleta Dupree, Oakland, commented on Caltrain's savings account yield and noted that the ongoing electrification construction has been positive.

Shirley Johnson, San Francisco, expressed concern regarding the new car layout for bicycles and potential for theft.

Andy Chow, San Francisco, commented on SamTrans' SFO airport service.

Roland Lebrun, San Jose, discussed the electrification pole erection and costs associated with the installation.

Director Chavez was excused from the remainder of the meeting.

**APPROVE AND RATIFY THE FISCAL YEAR 2019 INSURANCE PROGRAM**

Derek Hansel, Chief Financial Officer, expressed appreciation to Marshall Rush and the insurance team for the hard work this past year. He announced that Caltrain will

receive decreased insurance premiums next fiscal year due to an excellent loss history, good broker work and a reduction in self-insured retention. Questions of board members were answered by Mr. Hansel and included the cost of special events and emergency drill liability costs.

Public Comment

Roland Lebrun, San Jose, commented that insurance premiums can be reduced upon installation of intrusion protection along the right of way.

Approved by Resolution 2018-21

Motion/Second: Pine/Davis

Ayes: Brinkman, Davis, Gillett, Gee, Pine, Stone, Zmuda

Absent: Bruins, Chavez

**ADOPTION OF FISCAL YEAR 2019 OPERATING BUDGET AND FISCAL YEAR 2019 CAPITAL BUDGET AND ESTABLISHMENT OF A REVENUE STABILIZATION FUND**

Derek Hansel, Chief Financial Officer, presented the final Fiscal Year 2019 budgets by highlighting two variances from the draft presented last month: adjustments for lower insurance premiums and the anticipated funding of \$25.4m from partner agencies, acknowledging that their actions have yet to be taken. He announced that a new projected deficit of \$1.2m could be taken from a potential "revenue stabilization" fund. On the capital budget side, Mr. Hansel noted two adjustments related to the Guadalupe River Bridge replacement and drainage rehabilitation on Tunnel 1 and Track 4 projects.

Mr. Hansel discussed an issue regarding the use of \$125m in future Federal Transit Administration funding for the Peninsula Corridor Electrification Project, being used for other projects. He explained it was determined by the Metropolitan Transportation Commission that the funding should be used to support the State of Good Repair for the right of way, including track, signals, etc. He stated the current and past capital budgets have included these funds for the State of Good Repair (FY 2014: \$6.7m; FY 2015 \$7m; FY 2016 \$21m; FY 2017 \$10.5m; FY 2018 \$13.9m).

Mr. Hansel answered questions from board members regarding the filling of vacant rail positions over the next year, formula allocation methodologies for the three agencies, shuttle service subsidies, yield on cash, increase in communications and marketing,

Public Comment

Roland Lebrun, San Jose, thanked the board and Mr. Hansel for excellent budget work. He discussed the State of Good Repair, track relocation in South San Francisco and Measure B.

Adina Levin, Friends of Caltrain, expressed appreciation to the Caltrain funding partners for essentially balancing the budget.

Jeff Carter, Millbrae, reiterated Ms. Levin's comments.

Jim Hartnett, CEO, thanked Mr. Hansel and his staff for the hard work on the budget and expressed appreciation to the member agencies for their collaborative efforts.

Approved by Resolution 2018-22  
Motion/Second: Stone/Brinkman  
Ayes: Brinkman, Davis, Gillett, Gee, Pine, Stone, Zmuda  
Absent: Bruins, Chavez

**AWARD OF CONTRACTS FOR THE PURCHASE AND OVERHAUL OF USED AEM-7AC ELECTRIC LOCOMOTIVES FOR THE PENINSULA CORRIDOR ELECTRIFICATION PROGRAM**

There was no board or staff discussion on the item.

Public Comment

Aleta Dupree, Oakland, discussed electric locomotives and supported the award of contract.

Approved by Resolution 2018-23  
Motion/Second: Gee/Stone  
Ayes: Brinkman, Davis, Gillett, Gee, Pine, Stone, Zmuda  
Absent: Bruins, Chavez

**AWARD OF CONTRACT FOR TUNNEL MODIFICATIONS AND TRACK REHABILITATION PROJECT FOR THE PENINSULA CORRIDOR ELECTRIFICATION PROGRAM**

John Funghi, Chief Officer-CalMod, addressed the board on this unique project in which 100-year old tunnels need modification for the electrification project. He explained that while only one bid received, there is still an opportunity to negotiate the price and despite, he recommended award of contract to Proven Management, Inc., of Oakland, CA, in the total base bid of \$41,837,777. Mr. Funghi stated that there is a small window of opportunity in order to move forward and keep the project schedule intact. Board members discussed the issues surrounding the single bid, rebidding and the cost of the base bid.

Public Comment

Roland Lebrun, San Jose, discussed potential opportunities for the downtown extension and supported the tunnel modifications.

Director Gee expressed support of the project and to try and begin as soon as possible due to construction cost escalation.

Director Davis requested that the item be brought back to the board for final action with the contract amount.

Mr. Hartnett stated the change management board has reviewed the proposal and agreed with award of contract. He introduced Luis Zurinaga, chair of the change management board, who discussed the concerns with the contract timing, risk involved and the proposed duration of the project. He stated the change management board was in agreement that the contract be awarded for many reasons.

Approved by Resolution 2018-24  
Motion/Second: Brinckman/Pine  
Ayes: Brinkman, Gillett, Gee, Pine, Stone, Zmuda  
Noes: Davis  
Absent: Bruins, Chavez

**AUTHORIZE THE APPROVAL OF COOPERATIVE AND FUNDING AGREEMENTS FOR PARTICIPATION IN THE PREPARATION OF THE SAN JOSE DIRIDON INTEGRATED STATION CONCEPT PLAN**

Vice Chair Brinkman called attention to the amendments to the funding agreements which were presented to board members prior to the meeting. Elizabeth Scanlon, Director of Planning, introduced the agenda item, noting she had previously provided a presentation on the details and offered to answer questions of the members. Ms. Scanlon mentioned that the amendment to the resolution includes public engagement, suggested by a board member, subject to City of San Jose approval.

Public Comment

Nicole Soutanov, SPUR, expressed appreciation for the cooperative and funding agreement for the Diridon station and supports guiding principles.

Roland Lebrun, San Jose, recommended including BART and Google representatives in the process.

Adina Levin, Friends of Caltrain, expressed support of the comments expressed by previous speakers. She hoped to see work towards creating a seamless customer experience and thanked the board for including a community outreach process.

Approved by Resolution 2018-25  
Motion/Second: Stone/Davis  
Ayes: Brinkman, Davis, Gillett, Gee, Pine, Stone, Zmuda  
Absent: Bruins, Chavez

**UPDATE ON THE CALTRAIN PLANNING STUDIES AND DEVELOPMENT OF TRANSIT-ORIENTED DEVELOPMENT POLICY**

Elizabeth Scanlon, Director of Planning, discussed the need for creation of three inter-related planning and policy analyses to address station access and transit-oriented development projects. She stated that the policies would create a framework for staff to make better decisions related to Caltrain stations and adjacent properties. She displayed a graphic interface tool illustrating various inputs with the corresponding

outputs which would assist staff in making better decisions. Brian Fitzpatrick, Director of Real Estate, was introduced and discussed the tool. He and Ms. Scanlon responded to questions of board members. She noted that the policy should be ready for Board adoption toward the end of 2018 and would align with the Caltrain Business Plan.

Director Pine was excused from the remainder of the meeting.

#### Public Comment

Leora Ross, Housing Leadership Council of San Mateo County, requested that the toolkit reflect the board's priorities and include an affordable housing element of 20 percent.

Vaughn Wolffe, Sunnyvale, suggested showing all train connections,

Jan Stokely, Executive Director Housing Choices, requested the board commit to a housing policy for all incomes with an affordable housing element of five percent for the extremely low income category.

Adina Levin, Friends of Caltrain, supported the toolkit for successful Transit Oriented Developments, station access and parking.

Owen Cooper, Greenbelt Alliance, requested that the board include a 20 percent inclusionary affordable housing policy.

Jeff Carter, Millbrae, reiterated Mr. Wolffe's comments and also noted that the right of way should be preserved for the potential of adding passing tracks. He inquired about the recipients income where the income from the transit oriented development goes.

Roland Lebrun, San Jose, urged the board to make corridor capacity a top priority.

Mark Rust, Design Earth, discussed a more holistic design approach to corridor projects.

Board members provided commentary on the subject.

#### **CORRESPONDENCE**

Correspondence was included in the Board members' reading files.

#### Public Comment

Roland Lebrun, San Jose, requested to receive a copies of correspondence addressed to the board.

#### **BOARD MEMBER REQUESTS**

None.

#### **GENERAL COUNSEL REPORT**

None.

**DATE/TIME OF NEXT REGULAR MEETING:** Thursday, July 5, 2018 at 10:00 a.m.

**ADJOURN**

The meeting adjourned at approximately 12:33 p.m.

An audio/video recording of this meeting is available online at [www.caltrain.com](http://www.caltrain.com). Questions may be referred to the Board Secretary's office by phone at 650.508.6279 or by email to [board@caltrain.com](mailto:board@caltrain.com).