



AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD

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

August 7, 2008 - 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 one minute
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 June 5, 2008
 - b) Acceptance of the Statement of Revenue and Expenses, May 2008
 - c) Information on the Statement of Revenue and Expenses, June 2008
 - d) Approval and Ratification of the FY 2009 Insurance Program
 - e) Authorize to File 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
 - f) Authorize Amendment to the Use, Operating, and Maintenance (UOM) Agreement with Bay Area Rapid Transit District for the Millbrae Intermodal Station
 - g) Authorize Second Amendment to the Bylaws of the Caltrain Centralized Equipment Maintenance and Operations Facility (CEMOF) Monitoring Committee
 - h) Award of Contracts to Ross Financial-Robert Kuo Consulting, LLC and PFM Group to Provide On-call Financial Advisory Services for an Aggregate Not-to-Exceed Cost of \$500,000 for a Three-year Term
 - i) Award of Contracts to Ross Financial-Robert Kuo Consulting, LLC, the PFM Group and AECOM Consult, Inc. to Provide On-call Financial Analysis Services for an Aggregate Not-to-Exceed Cost of \$250,000 for a Three-year Term

RESOLUTIONS

- j) Award of a Purchase Order to Safetran Systems for the Purchase of DTX Consoles and Associated Equipment in the Not-to-Exceed Amount of \$70,000
 - k) Authorize Issuance of Information Technology Related Purchase Orders to Vendors Under Cooperative Purchasing Agreements for FY 2009 for an Aggregate Not-to-Exceed Amount of \$900,000
 - l) Authorize Execution of Purchase Orders of Over \$50,000 for Payment of Recurring Information Technology Maintenance and License Renewals for FY 2009 for an Aggregate Not-to-Exceed Amount of \$700,000
5. Chairperson's Report
6. MTC Liaison Report (Sue Lempert)
7. Report of the Citizens Advisory Committee
8. Report of the Executive Director
- a) Caltrain Performance Report – May and June 2008
9. Update on Bicycle Master Plan INFORMATIONAL
10. Caltrain Electrification/2015 Update INFORMATIONAL
11. Call for a Public Hearing on September 4, 2008 for Consideration of a Fare Increase to Help Offset Higher Fuel Costs MOTION
12. Approval of FY 2009 Capital Budget of \$150,774,900 RESOLUTION
13. Adoption of Farebox Recovery Goal for FY 2009 of 38 to 50 Percent RESOLUTION
14. Award of Contract for Replacement of Six Caterpillar 3412 Locomotive Separate Head-end (SEP-HEP) Power Units, One Spare Unit, One Year of Product Support and Spare Parts to Transportation Technology, Inc. for a Total Cost of \$795,277 RESOLUTION
15. Procurement, Shipping and Unloading and Stockpiling of Ballast RESOLUTIONS
- a) Award of Contract for the Procurement of Ballast to Vulcan Materials Company and Affiliates Table Mountain Quarry for an Estimated Amount of \$552,000
 - b) Award of Contract for a Non-Competitive Procurement for Shipping Ballast to Union Pacific Railroad for a Not-to-Exceed Amount of \$650,304
 - c) Award of Contract for the Unloading and Stockpiling of Ballast to Frank C. Alegre Trucking, Inc. for an Estimated Amount of \$354,000

16. Correspondence

17. Board Member Requests

18. Date/Time of Next Meeting

Thursday, September 4, 2008, 10 a.m. at San Mateo County Transit District Administrative Building,
Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070

19. Report of Legal Counsel

a) Closed Session: Anticipated Litigation Significant Exposure to Litigation Pursuant to Subdivision
(c) of Section 54956.9 (One Potential Case)

20. 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 one minute 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
June 5, 2008**

MEMBERS PRESENT: S. Elsbernd, J. Hartnett (Chair), J. Hill, D. Gage, A. Lloyd,
F. Williams

MEMBERS ABSENT: J. Cisneros, N. Ford, K. Yeager

MTC LIAISON ABSENT: S. Lempert

STAFF PRESENT: G. Cameron, J. Cassman, C. Cavitt, A. Chan, V. Harrington,
C. Harvey, R. Haskin, R. Lake, J. Lawson, C. Marshall,
M. Martinez, N. McKenna, D. Miller, M. Scanlon, M. Simon,
D. Triolo

Chair Jim Hartnett called the meeting to order at 10:04 a.m. and Vice-Chair Don Gage led the Pledge of Allegiance.

PUBLIC COMMENT

Jeff Carter, Burlingame, spoke about special events and Caltrain being unable to handle the large Bay to Breakers crowds. Mr. Carter asked why Caltrain doesn't run longer trains and depart earlier for people who want to get to the race in a more timely fashion. Mr. Carter also stated that there was some crowding during the KFOG KaBoom event.

Mia Marlowe, San Jose, spoke about complaints regarding Caltrain and Caltrain conductors. She was harassed by conductors and given a ticket for not having a validated 10-ride ticket because the validator was out of order in San Jose. Ms. Marlowe said that conductors should be given customer service training. She awaits a response from staff.

Randy Hees, San Mateo, spoke about special event service to the Giants game. Mr. Hees said he had the worst transit experience of his life on a Caltrain baseball train experiencing very drunk and violent passengers. Staff has communicated extensively with Mr. Hees in response to his concerns.

Bert Rifas, Millbrae, thanked the Board and staff for their interest in preventing deaths on the rails. Mr. Rifas spoke about a recent news article from Sweden where a company that invented airbags for cars has developed an airbag for cars that lifts the victim to a soft landing on the hood of the car. Mr. Rifas urged staff to contact this Swedish company through the American Public Transportation Association (APTA) Safety Committee.

Pat Giorni, Burlingame, would like to see electric signs at stations that show the train number and number of bike cars. Ms. Giorni asked with the loss of the 14 cars will Caltrain get some money back for loss of service.

CONSENT CALENDAR

The Board approved the items under the Consent Calendar as follows:

- a) Approval of Minutes of May 1, 2008
- b) Acceptance of the Statement of Revenues and Expenses, April 2008
- c) Award of Contracts to KPMG, LLP of Sacramento, CA and Ross Financial-Robert Kuo Consulting, LLC of San Francisco, CA to Provide On-call Auditor and Technical Analysis Services for an Aggregate Sum of \$250,000 for a Three-year Term

CHAIRPERSON'S REPORT

Chair Harnett said there are two appointments to the JPB Citizens Advisory Committee (CAC).

Vice-Chair Gage said more than 20 applications were received for the Santa Clara representative and the recommendation is to reappoint current Chair Bruce Jenkins to a three-year term to expire on June 30, 2011.

A motion (Williams/Hill) to reappoint Bruce Jenkins was approved.

Chair Hartnett said a total of 15 applications were received for the San Mateo County representative and the recommendation is to reappoint Paul Bendix to a three-year term to expire on June 30, 2011.

A motion (Gage/Lloyd) to reappoint Paul Bendix to the JPB CAC was approved.

MTC LIAISON REPORT

Michael Scanlon, Executive Director, said that Sue Lempert extends her regrets for not being at the meeting today. She is in Portland, Oregon, with the Metropolitan Transportation Commission (MTC) Planning Committee looking at some exemplary Transit Oriented Development (TOD) projects. MTC just completed its annual workshop retreat where the members were asked to prioritize transit and road needs versus efficiencies, new responses to global warming and reducing emissions, investments in new highways and new transit. Ms. Lempert continues to work diligently on 2035 where both Caltrain electrification and the Dumbarton Rail project are paramount items of discussion at the present time.

REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)

Bruce Jenkins, CAC Chair, reported that at the last meeting Deputy Director of Rail Michelle Bouchard gave an excellent in-depth review of the annual ridership counts and statistics for April. Assistant Superintendent of Commuter Operations for Amtrak Mark Collins was in attendance and he and Ms. Bouchard gave details of the consolidation of the transit police of San Mateo County and Amtrak police and what their efforts are for safety and security on the trains and at Giants games. Mr. Jenkins attended the Transbay Joint Powers Board meeting where they awarded the engineering contract for the Transbay Terminal. The next CAC meeting is June 18 at 6 p.m.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Scanlon reported the following:

- Congratulated Bruce Jenkins and Paul Bendix on their reappointment to the CAC.
- Staff is working with KaBoom and Bay to Breakers on the ridership issue.
- Apologized to Mia Marlowe and promised to resolve the issue.

- In regards to Pat Giorni's inquiry about the cars, Chief Operating Officer Chuck Harvey will be giving an update, but staff can not discuss what relief might be sought because of possible litigation, which will be discussed in closed session.
- Performance Statistics for April 2008 compared to April 2007:
 - a. Total Ridership was 1,058,315, an increase of 15.8 percent.
 - b. Average Weekday Ridership was 39,936, an increase of 13.5 percent.
 - c. Total Revenue was \$3,564,346, an increase of 17.5 percent.
 - d. On-time Performance was 95.1 percent, an increase of 0.4 percent.
 - e. Caltrain Shuttle Ridership was 6,201, an increase of 14.4 percent.
- Year-to-Date Statistics:
 - a. Total Ridership was 9,705,149, an increase of 8.2 percent.
 - b. Average Weekday Ridership was 36,822, an increase of 7.3 percent.
 - c. Total Revenue was \$32,390,694, an increase of 16.0 percent.
 - d. On-time Performance was 93.4 percent, a decrease of 2.3 percent.
 - e. Caltrain Shuttle Ridership was 5,303, an increase of 7.1 percent.
- The skyrocketing price of gasoline is a major factor for people riding transit.

Rail Car Program

Mr. Harvey gave a presentation on the rail car situation and the actions that have been taken.

- Mr. Harvey said that safety is the highest priority.
- A ride quality complaint was received from an engineer, which led to the inspection.
- Each car has two truck assemblies and 93 gallery cars were inspected within a 24-hour period.
- Cracks were found on additional bolsters, all installed on the 1998 series cars.
- The problem appears to be isolated to the 1998 model cars, of which there are 20.
- A total of 18 of the 40 bolsters on the fleet were found to have some degree of structural cracking.
- In the interest of safety, the JPB ordered a total of 14 cars removed from service.
- It is very difficult to see underneath the cars and very hard to find the cracks. The Caltrain Equipment Maintenance Operations Facility (CEMOF) facility has been making it possible to do this work quickly.
- Staff immediately informed the local Amtrak employees via their Union leadership of the issue; the Board was notified via e-mail; a press release went out to the media and a seat drop was done to notify passengers.
- Consists were shortened from five to four cars in length to meet the number of consists needed to operate the 98 train schedule.
- The 1998 series cars are also the units that have the in-car wheelchair lifts so reconfiguration had to be done with cars to meet ADA accessibility requirements and conductors are also using the in-station portable lifts.
- Staff is in the process of locating multiple external sources that can provide the specialized welding that is needed for the repairs.
- One removed bolster will be shipped to the truck casting supplier for a detailed failure analysis and this will determine if the welding fix is the final repair or if an additional retrofit upgrade of the bolster assembly might be necessary at a later date.
- Staff has been working with other rail service providers in an attempt to lease additional rail cars to help offset the loss of the cars and provide some added flexibility as repairs are done.
- Staff is cautiously optimistic that the repairs can be completed and returned to service over the summer months.

- The JPB places safety and transparency of the processes first. The JPB immediately notified the Federal Railroad Administration (FRA) and the California Public Utilities Commission (CPUC) to advise them of the findings and the plan going forward. The JPB will provide continual updates to both as the repair process proceeds.

Vice-Chair Gage said that trucking companies have certified welders that are able to do this type of work and offered his assistance in locating people in the South Bay.

Director Jerry Hill thanked Mr. Harvey for a prompt and excellent response to the issue. What was the symptom that led the engineer to realize there was a potential problem? Mr. Harvey said it was a rough ride complaint.

Director Forrest Williams asked if there will be inspections again in the future and what caused this problem. Mr. Harvey said that bolster castings manufactured in the late 1990s have had issues. Colorado Rail has had the same issue as well. All cars were inspected, even those without cracks. Director Williams asked if the new cars arriving in the fall will have these trucks. Mr. Harvey said they will not.

Director Hill asked if a notice was received from the manufacturer regarding this problem possibly occurring. Mr. Harvey said that just because one or two cracked bolsters occurred out of a fleet of thousands of cars it may not have been enough for the FRA to issue a nationwide notification process.

Chair Hartnett thanked staff for their comprehensive report and the engineer who noticed the rough ride and pursued the issue.

Mr. Scanlon said he has spoken to General Counsel and procurement staff and is asking the Board to ratify the declaration of emergency on May 29, 2008 relative to this situation, to declare that the emergency is continuing and to authorize the Executive Director to continue to procure services and to establish a preliminary working budget of \$750,000. Mr. Scanlon said staff will be exploring the possibility of recovering some of the costs.

Vice-Chair Gage agreed about seeking repayment on the cost as well as the rental of any cars.

Legal Counsel David Miller said that the first issue is to get manufacturer input and what the cost will be. It is too early to analyze legal responsibility, but it will be done.

Director Sean Elsbernd asked how the Board and public will be notified of any actions that are taken. Mr. Scanlon said staff will continue to update the Board, at a minimum, at the regular Board meetings, but as is the custom, at any significant points an e-mail will be sent to keep everyone informed.

Chair Hartnett asked if there is anything else that needs to be done besides the motion.

Mr. Miller said the Executive Director has laid the groundwork. It's important for the record to know this motion is predicated upon your determination as a Board, based on the Executive Director's recommendation, that this is an emergency situation within the meaning of applicable law. Staff has concluded, without a doubt, that this is an emergency, as defined in the law, as well as your procurement manual and this motion starts with that determination.

A motion (Gage/Hill) to ratify the declaration of emergency and the allocation of funds in the amount of \$750,000 from reserves was approved by voice vote without opposition.

REPORT OF THE EXECUTIVE DIRECTOR (cont'd)

Director Hill responded to Ms. Marlowe's comments and said that all complaints are taken seriously and the response looks at the root of the problem.

- Lieutenant Dave Triolo of the San Mateo County Sheriff's Office was introduced and spoke about the recent security enhancements that have been made concerning special events trains serving AT&T Park in San Francisco. Efforts to provide sufficient security at the Giants game were complicated by demands on personnel at Bay Meadows Race Track, which was holding its last Friday Night Alive promotional event. Lt. Triolo said that crowd behavior is very unpredictable and the outcome of games can influence people. The Transit Police use their limited resources to make an effort to deter all criminal and nuisance activity at the stations. The safety and security of both the passengers, crew members and all staff are high priorities. Since the Friday night in question, the Transit Police have been able to collaborate with San Francisco police, who will be providing an additional three to six officers in the station on some Friday and Saturday night games, the services of their transport van and the deployment of some undercover officers on some of the inbound trains to improve our understanding of what is occurring,, especially concerning minors onboard with alcohol. This will also allow the Transit Police to deal with difficult people or behavioral problems en route to San Francisco at the station rather than before the end of the evening when they will return to the station and may be even a bigger problem because they are intoxicated. The Transit Police will be working closely with rail operations and communications to identify other potential solutions to the heavy game nights. Lt. Triolo said there is not one single approach, it's a multi-faceted approach and it is a work in progress.

Director Gage asked about intoxicated passengers and if they are stopped before they board the train or are they identified after already being on the train. Lt. Triolo said the idea is to identify potential troublemakers before they board. Often, it is easier to engage someone in an open area, such as in the station, rather than in a confined space onboard a railcar. What bans people from boarding is the behavior they are exhibiting.

Mr. Scanlon thanked Lt. Triolo and the Transit Police for their fine work.

Chief Communications Officer Rita Haskin spoke about the Rail Safety Relay in May, based on the theme of an Olympics torch relay. The team started in San Jose with Conductor Bruce Shelton, who passed a crossbuck to Transit Police Detective Victor Lopez in Mountain View, who passed it to Yvonne Olcomendy, principal at St. Robert's School, and Giants Mascot Lou Seal in San Bruno. Each participant received a gold medal from Chair Harnett at the finish line in San Francisco. Ms. Haskin said that as the participants and staff were riding the train they distributed the new rail safety brochure.

Chair Harnett said that it was a great event at which Ms. Olcomendy told a story of one of her students witnessing adults crossing when they shouldn't, while the only people observing proper safety procedures were the kids who had received the Operation Lifesaver presentation. Chair Harnett said the story showed the effectiveness and importance of the training.

- David Olmeda, Director of Maintenance, was in Sacramento yesterday to attend the 19th Annual Tranny awards recognizing excellence in transporation. Mr. Scanlon said the CEMOF project was awarded the “Transit Project of the Year”. Mr. Olmeda presented Chair Harnett with the plaque.
- The reading file contains an invitation to the Burlingame station ribbon cutting on June 12, Wait for the Gate flyers to be distributed at Burlingame High School, the new rail safety brochure, a Take One soliciting public comment on the Bicycle Master Plan and announcing meetings that will be held in each of three counties over the next two weeks and the monthly Safety and Security Report.
- Commended VTA for their Progress Report.
- Acknowledged San Francisco Municipal Transit Agency for hosting the APTA Rail Transit Conference.
- Forty-eight weeks into the fiscal year and fuel prices are 9.2 percent over the amended budget of \$2.65 per gallon. The actual fuel cost now is \$2.89 per gallon. Ten months into the fiscal year, fuel went from a low last August of \$2.25 per gallon to a high of \$4.25 per gallon in May.
- Embedded in the FY09 budget is the assumption of a base fare increase of 25 cents that would take effect January 2009. Nobody wants to raise fares, but the world is going to call on public transportation to do an ever-expanding job as fuel prices go up.

PublicComment

Ed DeLanoy, San Carlos, said that five years ago he recommended that trains be shorter as it cuts down on waste and fuel. He was very excited to see shorter trains, not knowing the reason why.

Pat Gironi, Burlingame, said she is glad to see that staff is seeking public input on the Master Bike Plan and looking at additional bike capacity.

APPROVAL OF FY 2009 OPERATING BUDGET

Gigi Harrington, Chief Financial Officer, reported on the final FY09 budget:

- The budget assumes service levels remain unchanged with 98 trains and that there will be a fare increase in January.
- Fare revenue is 45 percent of the revenues in the FY08 budget at about \$41.7 million. Fare revenue for FY09 is expected to be about \$40 million.
- Parking revenue is expected to increase 15 percent due to the increase in ridership.
- Member agency contribution is increased by 3 percent
- The largest expense is the operating contract with Amtrak which is 58 percent of expenses or \$55.4 million. This figure does include the wage increases that the Amtrak unions negotiated or received this year.
- Fuel is budgeted at \$14 million or \$3.00 per gallon.

Director Elsbernd asked what the \$3.3 million dollar revenue increase on the fare side translates into expected percentage of ridership increase. Ms. Harrington said staff has projected a 2.5 percent ridership increase over FY08 levels.

Director Williams asked about the Bombardier cars being received sooner and how this will affect the budget. Ms. Harrington said the Bombardier cars will be put into service and there will be some longer trains. She didn't assume any increased capacity, but thinks the fleet will be able to be used more efficiently.

Vice-Chair Gage would like to get a snapshot of what the capacity is coming from Gilroy all the way up through the system and, in particular, at peak commute periods. With the increased ridership there are going to be dissatisfied people who have ridden the trains all along and now they get on the train and there are no seats.

Mr. Scanlon said that staff will be dealing with this issue as they look at the financial structural deficit and as they look at investing and making the strategic investment in the electrification of the railroad and the additional plans contained in Caltrain 2025. If this plan can be done, capacity can be more than doubled on the railroad by going to electric multiple units (EMUs) and signal overlay in 2025, allowing 5-minute headways. Mr. Scanlon said that APTA just released a study they have conducted over the last four years that shows the cost of diesel fuel has gone up 160 percent and the cost of electricity has gone up 19 percent. This underscores the need to make the strategic investment in electrification.

Chair Hartnett said it is an exciting opportunity for us in the future in terms of the strategic investments and the strategic plan relative to electrification and the EMUs. Chair Hartnett said that the Board and staff need to always keep talking about the fact that the structural imbalance is not going to go away even if we are able to accomplish all the strategic goals. This needs to be kept in the public's attention as staff figures a way to have a dedicated source of funds that more matches what is needed and comes to the JPB in a way that is predictable and reliable.

Vice-Chair Gage said that the JPB is reaching a crisis mode with the existing 98 trains a day. There are going to be more people who want to ride and not enough capacity. Vice-Chair Gage said we should start talking more about going out to the people who are using transit and let them know the issues. There is a capital issue in order to put trains on the line and there has not been enough discussion with more people. All the counties are looking for money. This November people will see a lot of sales tax issues. Vice-Chair Gage said the three counties need to come up with something that would give a permanent source of funding. It might be general obligation bonds versus a sales tax, but the discussions need to start now because, if within a year gasoline prices keep rising, Caltrain will not be able to carry the passengers that want to get out there. Over the past year there has been an increase in ridership from Gilroy and it is all driven by the cost of gas.

Public Comment

Jeff Carter, Burlingame, hopes the Board approves the operating budget today. There is an emergency situation and there needs to be a dedicated funding for Caltrain. People would be willing to pay and get the relief. Electrification needs to be expedited and the JPB is at the mercy of the oil companies. Mr. Carter said the rising fuel costs are driving people to transit. He again urged Caltrain to look at point-to-point pricing when looking at fare increases.

The motion (Gage/Lloyd) to approve the FY 2009 operating budget was approved unanimously by roll call.

REVIEW OF PRELIMINARY FY 2009 CAPITAL BUDGET

April Chan, Director of Capital of Capital Program Support, said this item is for informational purposes only. The capital budget will come back to the Board at the next meeting for adoption and staff will be available between now and then to answer any questions.

- The Goal of the budget is to maintain the system in a state of good repair. To reach this goal we need to continue safety, operational and accessibility improvements to the

- system so service can continue to be provided; maintain the level of service; continue planning Caltrain 2025; and complete the design efforts for the electrification program.
- The preliminary budget is \$150 million, which doesn't include funds for electrification. Staff is still discussing with the partners how to continue the funding for electrification without negatively impacting the program's schedule, while recognizing the financial constraints of each of the partners.
 - Major capital projects that are required to maintain a state of good repair make up approximately 85 percent of the budget.
 - The Stations and Intermodal Access category includes safety and operational improvements at South San Francisco with an estimated budget of \$51 million; improvements to the Santa Clara station with an estimated budget of \$26 million; San Jose Diridon system improvements and two additional platforms and four new tracks with an estimated budget of \$52 million.
 - In the categories of Right of Way and Signal and Communication, there is only one big project – replacement of four San Mateo County bridges at \$46 million. Construction will also be done on one bridge in San Francisco at \$42 million and one bridge in Santa Clara County at \$26 million. The budget also includes \$6.5 million for system state of good repair.
 - An allocation of \$1.6 million is proposed for planning and putting specifications together for the replacement of the rolling stock.
 - Staff has secured \$24 million from federal grants. In the past Caltrain has gotten more federal funding, but this year more funding will come from the state because the bridge projects are eligible for a number of programs in the state programs.
 - The amount requested from the member agencies is \$3.56 million.

Vice-Chair Gage asked about the projects that didn't make the cut and, if there is money, would staff be willing to move some of the projects around. Ms. Chan said staff has looked very closely at the projects and the funding.

Director Williams said that staff needs to emphasize how beneficial the changes in the capital budget are when addressing the VTA Board. Mr. Scanlon said that of the \$150 million total budget only \$10.7 million is from member contributions and this is great leveraging of money. Director Williams thinks it would be good for staff to come to the VTA Board and plead the case for the funding.

Vice-Chair Gage suggested Mr. Scanlon send a letter to the VTA Board explaining the leveraging of the money for the capital budget.

Director Art Lloyd left at 11:52 a.m.

AWARD OF CONTRACT TO SOUTHWEST SIGNAL ENGINEERING COMPANY TO PROVIDE ON-CALL RAILROAD SIGNAL AND COMMUNICATIONS SERVICES FOR AN AGGREGATE NOT-TO-EXCEED SUM OF \$7,000,000 FOR A THREE-YEAR TERM

Cheryl Cavitt, Director of Contracts and Procurement, said Staff Coordinating Council recommends the Board award a contract to Southwest Signal Engineering Company of Jacksonville, Florida, in the not-to-exceed amount of \$7 million over a three-year period; and authorize the Executive Director to execute the contract and to exercise up to two one-year option terms for a total not-to-exceed \$5.5 million. Ms. Cavitt said this contract will provide

continued railroad signal and communication services on an on-call basis. These services will include support planning, engineering design, construction and maintenance support activities on all of the Caltrain communication facilities along the railroad.

The motion (Williams/Gage) to award a contract to Southwest Signal Engineering Company to provide on-call railroad signal and communications services was approved unanimously by roll call.

QUARTERLY CAPITAL PROGRESS REPORT

Mr. Scanlon suggested that in the interest of time and the fact that there is another matter to take into closed session that there be no presentation on this item, unless there are any questions.

CORRESPONDENCE

Provided in the reading file.

BOARD MEMBER REQUESTS

None

DATE/TIME/PLACE OF NEXT MEETING

Mr. Scanlon said that staff has made an assessment and believes that the Board can go until August without having a meeting.

Thursday, August 7, 2008, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos CA 94070.

REPORT OF LEGAL COUNSEL

Mr. Miller said that a short closed session is needed to discuss a real estate matter that involves the real property ownership agreement.

Meeting adjourned to closed session at 11:57 a.m.

Meeting reopened at 12:04 p.m.

Following closed session, Legal Counsel David Miller reported that the Board had convened in closed session to discuss a real estate matter involving proposed amendment to the December 24, 1991 Real Property Ownership Agreement between the JPB and its three member agencies. Mr. Miller reported that the member agencies have reached an agreement, in conjunction with the Metropolitan Transportation Commission, that will serve to effectuate a repayment to the San Mateo County Transit District (SamTrans) of the advance of funds made by SamTrans to facilitate acquisition of the Caltrain rail corridor from Southern Pacific Transportation Company. Upon receipt of the funds from the agreed upon sources, SamTrans will relinquish the property interests it holds in the Caltrain rail corridor and the JPB will become the sole owner of the real estate. Implementation of the agreement that has been reached requires the JPB and its member agencies to take action to authorize execution of the proposed amendment.

ADJOURNED

The meeting adjourned at 12:05 p.m.

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Virginia Harrington
Chief Financial Officer

SUBJECT: **STATEMENT OF REVENUE AND EXPENSE FOR THE PERIOD
ENDING MAY 31, 2008 AND SUPPLEMENTAL INFORMATION**

ACTION

Staff proposes that the Board of Directors accept and enter into the record the Statement of Revenue and Expense for the month of May 2008 and supplemental information.

SIGNIFICANCE

Revenue: For May of Fiscal Year 2008, *Total Operating Revenue* (line 7) is **better** than budget. This is due to higher than anticipated *Farebox Revenue* (line 1), *Parking Revenue* (line 2), *Rental Income* (line 4) and *Other Income* (line 5) which together were \$2,228,786 or 5.6 percent **better** than budget and are offset by *Shuttles* (line 3), which is **worse** than budget by \$10,651 or 1.1 percent. Compared to the prior year, *Total Operating Revenue* (line 7) is \$5,209,381 or 13.8 percent **higher**.

Expense: *Grand Total Expense* (line 50) shows a favorable variance. *Contract Operating & Maintenance* (line 24) is \$5,486,466 or 10.5 percent **better** than budget. *Facilities and Equipment Maintenance* (line 29) is \$542,333 or 33.8 percent **better** than budget and *Utilities* (line 30) are \$317,746 or 24.2 percent **better** than budget due to a gradual ramp up in activity during the first year of operation for Centralized Equipment Maintenance & Operations Facilities (CEMOF). The proposed FY09 budget will accurately reflect the operation expenses for CEMOF. *Total Administrative Expense* (line 41) is \$167,646 or 2.2 percent **better** than budget. The expenses are **lower** in this line item due to timing and are expected to coincide with budget projections by the end of the fiscal year. *Fuel* (line 26) is **worse** than budget by \$1,217,257 or 10.6 percent. *Fuel* was initially budgeted at \$2.40 per gallon. The budget was amended in April to increase *Fuel* to \$2.65 per gallon whereas the average price as of the end of May was \$2.89 per gallon.

Compared to prior year, *Grand Total Expense* (line 50) is \$9,532,960 or 13.9 percent **higher**. The increase in expenses over the prior year are mainly due to the rise in *Contract Operating & Maintenance* (line 24) costs, the increased cost of *Fuel* (line 26) and *Wages & Benefits* (line 35). The current year expenses also include *CEMOF – Startup Expenses* (line 48).

Budget Revisions: There are no budget revisions this month.

Prepared by: Rima Lobo, Manager, Financial Services
Ed Hung, Senior Accountant

650.508.6274
650.508.6358

PENINSULA CORRIDOR JOINT POWERS BOARD

STATEMENT OF REVENUE AND EXPENSE

FISCAL YEAR 2008

MAY 2008

% OF YEAR ELAPSED 91.7%

	MONTH	YEAR TO DATE				ANNUAL			
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET	
(AS PROJECTED)									
REVENUE									
OPERATIONS:									
1	Farebox Revenue	3,693,588	31,498,488	36,187,138	34,839,553	103.9%	38,352,831	38,352,831	94.4%
2	Parking Revenue	218,090	1,721,005	2,006,385	1,687,550	118.9%	1,841,000	1,841,000	109.0%
3	Shuttles	90,138	943,335	984,343	994,994	98.9%	1,085,509	1,085,509	90.7%
4	Rental Income	130,477	1,364,960	1,443,402	1,284,540	112.4%	1,401,210	1,401,210	103.0%
5	Other Income	158,299	2,259,563	2,375,464	1,971,960	120.5%	2,129,670	2,129,670	111.5%
6	TOTAL OPERATING REVENUE	4,290,592	37,787,351	42,996,732	40,778,597	105.4%	44,810,220	44,810,220	96.0%
CONTRIBUTIONS:									
10	AB-434-Peninsula Feeder Shuttle	86,196	944,203	948,159	948,159	100.0%	1,034,355	1,034,355	91.7%
11	FTA Operating/Planning Grant	38,698	275	167,127	167,127	100.0%	292,000	292,000	57.2%
12	STA Operating Grant	0	3,012,354	51,528	51,528	100.0%	191,000	191,000	27.0%
13	JPB Member Agencies	3,189,044	34,057,753	35,079,486	35,079,486	100.0%	38,268,530	38,268,530	91.7%
14	Other Sources	87,075	0	1,217,786	1,217,786	100.0%	5,359,964	6,848,197	17.8%
15	TOTAL REQUIRED REVENUE	3,401,013	38,014,584	37,464,085	37,464,085	100.0%	45,145,849	46,634,082	80.3%
18	GRAND TOTAL REVENUE	7,691,605	75,801,936	80,460,817	78,242,682	102.8%	89,956,069	91,444,302	88.0%
EXPENSE									
OPERATING EXPENSE:									
24	Contract Operating & Maintenance	4,768,775	44,222,983	46,813,074	52,299,540	89.5%	55,947,740	55,705,737	84.0%
25	Shuttles (Including Peninsula Pass)	245,381	2,512,884	2,632,391	2,622,328	100.4%	2,864,540	2,864,540	91.9%
26	Fuel	1,634,893	9,782,470	12,746,216	11,528,959	110.6%	12,454,575	12,573,396	101.4%
27	Timetables & Tickets	3,416	133,468	165,627	201,750	82.1%	223,000	223,000	74.3%
28	Insurance	220,195	2,950,245	3,375,068	3,492,478	96.6%	3,810,000	3,810,000	88.6%
29	Facilities and Equipment Maintenance	132,302	950,144	1,059,834	1,602,167	66.2%	2,393,440	2,393,440	44.3%
30	Utilities	94,054	794,550	996,938	1,314,684	75.8%	1,712,700	1,748,800	57.0%
31	Services	104,947	749,920	878,354	906,895	96.9%	1,162,660	1,158,293	75.8%
32	TOTAL OPERATING EXPENSE	7,203,964	62,096,664	68,667,503	73,968,801	92.8%	80,568,655	80,477,206	85.3%
ADMINISTRATIVE EXPENSE:									
35	Wages & Benefits	527,551	4,261,587	5,106,930	4,980,301	102.5%	5,466,425	5,429,622	94.1%
36	Board Of Directors	972	11,715	9,525	14,942	63.8%	16,300	16,300	58.4%
37	Professional Services	100,031	828,481	1,188,943	1,303,928	91.2%	1,731,350	1,739,208	68.4%
38	Communications/Marketing	22,192	105,884	161,148	237,250	67.9%	331,500	333,000	48.4%
39	Other Office Expense and Services	30,665	864,377	907,573	1,005,345	90.3%	981,272	1,100,166	82.5%
40	TOTAL ADMINISTRATIVE EXPENSE	681,411	6,072,046	7,374,119	7,541,765	97.8%	8,526,847	8,618,296	85.6%
LONG TERM DEBT EXPENSES									
44	Head End Power (HEP) Debt Service	0	335,544	131,399	131,399	100.0%	131,399	131,399	100.0%
45	2007 Farebox Revenue Bond Debt Service	91,906	0	646,407	646,407	100.0%	729,168	729,168	88.6%
46	TOTAL LONG TERM DEBT EXPENSE	91,906	335,544	777,806	777,806	100.0%	860,567	860,567	90.4%
48	CEMOF - Startup Expenses	87,075	-	1,217,786	1,217,786	100.0%	-	1,488,233	81.8%
50	GRAND TOTAL EXPENSE	8,064,355	68,504,254	78,037,214	83,506,158	93.5%	89,956,069	91,444,302	85.3%

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



PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF MAY 31, 2008

TYPE OF SECURITY	MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
County Pool # 3 (Capital projects, other)	Liquid Cash	3.00%	21,892,371	21,753,824
County Pool # 3 (Restricted)	Liquid Cash	3.00%	2,000,000	1,987,343
			23,892,371	23,741,167

Accrued Earnings for May 2008	\$72,845.63 (1)
Cumulative Earnings FY2008	\$1,105,352.28

(1) Earnings do not include prior period adjustments

* County Pool average yield for the month ending May 31, 2008 was 3.00%. As of May 31, 2008, the amortized cost of the Total Pool was \$2,932,359,613.27 and the fair market value per San Mateo County Treasurer's Office was \$2,913,802,048.53.

** The Portfolio and this Investment Report comply with the Investment Policy and the provisions of SB 564. The Joint Powers Board has the ability to meet its expenditure requirements for the next six months.

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Virginia Harrington
Chief Financial Officer

SUBJECT: **INFORMATION ON STATEMENT OF REVENUE AND EXPENSE FOR
THE PERIOD ENDING JUNE 30, 2008**

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 2nd 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: George Cameron
Chief Administrative Officer

SUBJECT: APPROVAL AND RATIFICATION OF THE FY 2009 INSURANCE PROGRAM

ACTION

Staff Coordinating Council (SCC) recommends the Board approve and ratify the Caltrain insurance program for Fiscal Year 2009 at a premium figure within the parameters of the FY09 Operating Budget:

- Purchase \$198 million of coverage for Railroad Liability, Commercial General Liability and Excess Automobile Liability at an annual premium of \$1,993,400.
- Continue the current \$2 million self-insured retention on the liability program.
- Purchase two types of property insurance at a total annual premium of \$649,564, insuring Special Risk property policies with limits of \$300 million that cover real and personal property including the Centralized Equipment Maintenance and Operations Facility (CEMOF), stations, rolling stock, tunnels, bridges, culverts, signals and railroad equipment, and a Boiler and Machinery policy sufficient to meet the State of California inspection requirements.

SIGNIFICANCE

Below are the premium costs for the insurance program:

<u>Premium Element</u>	<u>FY 2008</u>	<u>FY 2009</u>
Liability	\$2,068,064	\$1,993,400
Property	<u>\$ 594,080</u>	<u>\$ 649,564</u>
Total	\$2,662,144	\$2,642,964

BUDGET IMPACT

Estimated funds to underwrite the recommended program are included in the FY09 Operating Budget.

BACKGROUND

For FY09, liability limits remain at \$200 million, with a 3.5 percentage decrease in the liability premium. The specialty railroad liability market has softened and the modest decrease in premium is a positive result after taking into consideration our increased ridership and revenues. We continue to be successful in differentiating the JPB in the marketplace by highlighting the JPB's numerous safety commendations and the fact that we are a dedicated system under the JPB's own control with very little freight traffic on the right of way.

A major change in the JPB's property insurance program for FY09 is the increase of limits from \$200 million to \$300 million as required by the rolling stock equipment leaseback program. With the competitive property insurance market, we were able to obtain the additional \$100 million coverage for \$56,000. This year we also added the completed values of the CEMOF facility to the property insurance program. Coupled with the inflationary increase on rolling stock, real property and miscellaneous railroad equipment, values increased \$110 million, from \$573 million a year ago to over \$682 million this year. We were able to partially offset this significant increase in values and limits by securing a decrease of 8.1 percentage in the property rate.

Despite the increased requirement on the equipment leaseback and the substantial increase in values, we were able to offset the increase in property with the decrease in the liability program resulting in a savings of almost \$20,000 overall.

Prepared by: Gary V. Lambert, Director, Risk Management

650.508.6237

RESOLUTION NO. 2008-

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

* * *

**APPROVAL AND RATIFICATION OF INSURANCE PROGRAM FOR
FISCAL YEAR 2009**

WHEREAS, the Executive Director of the Peninsula Corridor Joint Powers Board (“JPB”) has approved an insurance program for Fiscal Year 2009 which was presented to the Staff Coordinating Council (“SCC”) and the costs for which were included in the FY 2009 budget approved by the Board of Directors on June 5, 2008; and

WHEREAS, in conjunction with the expiration of the JPB’s existing insurance program on June 30, 2008, District staff renewed its insurance program for FY 2009 based on the plan approved by the Executive Director, with the following significant elements:

1. Maintain a self-insured retention for the JPB in the amount of \$2 million;
2. Authorize the purchase of a Railroad Liability, Commercial General Liability and Excess Automobile Liability policy with a total limit of \$200 million at an annual premium of \$1,993,400;
3. Authorize the purchase of two types of property insurance policies at a total premium of \$649,564 including Special Risk property policies with limits of \$300 million to cover real and personal property, including stations, the Centralized Equipment Maintenance and Operations Facility, rolling stock, tunnels, bridges, culverts, signals and railroad equipment, and a Boiler and Machinery policy sufficient to meet the State of California inspection requirements; and

WHEREAS, Staff Coordinating Council requests that the Board of Directors approve and ratify the renewal of the JPB’s insurance program for FY 2009, as delineated above.

NOW, THEREFORE, BE IT RESOLVED that the Peninsula Corridor Joint Powers Board hereby approves and ratifies the renewal of the JPB's insurance program for Fiscal Year 2009, including the types of coverage, limits and premiums recited above.

Regularly passed and adopted this 7th day of August, 2008 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: Ian B. McAvoy
Chief Development Officer

**SUBJECT: AUTHORIZATION TO FILE A TRANSPORTATION FUND FOR
CLEAN AIR (TFCA) REGIONAL DISCRETIONARY GRANT
APPLICATION IN SUPPORT OF THE CALTRAIN SHUTTLE
PROGRAM.**

ACTION

Staff Coordinating Council (SCC) recommends that the Board authorize the Executive Director to:

- 1) File a discretionary grant application for Transportation Fund for Clean Air (TFCA) regional funds in a total amount of \$1,000,000 to support the Caltrain Shuttle Program, and
- 2) Execute a funding agreement with the Bay Area Air Quality Management District (BAAQMD) if the application is awarded funding.

SIGNIFICANCE

The proposed application is to provide operating support for the continuation of the existing Caltrain Commuter Shuttle Program in the amount of \$3,483,619. TFCA regional discretionary funds would underwrite a portion of the operating support for the Caltrain Commuter Shuttle Bus Program for the 2009 calendar year. The shuttle program that is proposed for TFCA funding is a continuation of the existing TFCA funded Caltrain Commuter Shuttle Bus Program and includes the addition of the Belmont/Hillsdale shuttle, which began service on March 3, 2008. A list of the 30 shuttle routes in the proposed TFCA funded Caltrain Shuttle Program is provided in Exhibit A.

BUDGET IMPACT

The following is a breakdown of proposed operating support for the TFCA funded Caltrain Shuttle Program in the 2009 calendar year.

Existing Commuter Shuttles

Proposed BAAQMD funds	\$1,000,000 (29 percent)*
Peninsula Corridor Joint Powers Board (JPB)	\$ 614,924 (18 percent)
San Mateo County Transportation Authority (TA)	\$1,034,007 (30 percent)
Participating Employers	\$ 834,688 (23 percent)
Total	\$3,483,619 (100 percent)

*Subject of this Staff Report

The JPB contribution to the proposed application for the operating support of the Caltrain Shuttle program is included as part of the FY 2009 Operating Budget.

BACKGROUND:

The TFCA funds are derived from the \$4 surcharge on motor vehicle registration paid within the boundaries of the BAAQMD. TFCA funds are distributed to public agencies through competitive grant programs to implement projects that reduce air pollution from motor vehicles. The existing Caltrain Commuter Shuttle Program, which provides an essential link between rail station and employment sites, has been awarded grant funding from the BAAQMD's regional discretionary TFCA Program during previous grant cycles.

Prepared by: Suna Akmese, Capital Programming & Grants Administrator 650.508.6490
Project Manager: Richard Cook 650.508.7979

Exhibit A

List of Caltrain Shuttle Program Routes

<u>Shuttle Route Name</u>	<u>Station Served</u>
Bayshore/Brisbane	Bayshore
Crocker Park	Bayshore
Gateway	South San Francisco
Oyster Point/Utah	South San Francisco
Sierra Point	South San Francisco
Broadway	Millbrae
Burlingame	Millbrae
Lincoln Centre	Hillsdale
Mariner's Island	Hillsdale
San Mateo Hillsdale	Hillsdale
San Mateo Hayward Park	Hayward Park
Hillsdale/Belmont	Belmont
Oracle	Belmont/San Carlos
Electronic Arts	San Carlos
Redwood Shores	San Carlos
Pacific Shores	Redwood City
Marsh Road	Menlo Park
Willow Express	Menlo Park
Willow Road	Menlo Park
East Palo Alto	Palo Alto
Baylands/Embarcadero	Palo Alto
Marguerite	Palo Alto/California Ave
Deer Creek	California Ave
North Bayshore	San Antonio
Shoreline	Mountain View
Mary/Moffett	Sunnyvale
Bowers Road	Lawrence
Mission	Lawrence
Vallco	Lawrence
Advanced Micro Devices	Lawrence

RESOLUTION NO. 2008-

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

* * *

**AUTHORIZING THE FILING OF AN APPLICATION FOR GRANT FUNDS
UNDER THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM, IN THE TOTAL AMOUNT
OF \$1,000,000, FOR THE SUPPORT OF THE CALTRAIN SHUTTLE BUS PROGRAM**

WHEREAS, pursuant to California Health and Safety Code Sections 44241 and 44242, the Bay Area Air Quality Management District ("BAAQMD") administers the Transportation Fund for Clean Air (TFCA), which provides funding under a competitive application process to public agencies for the implementation of projects that reduce air pollution from motor vehicles; and

WHEREAS, the operation of the Caltrain Shuttle Bus Program qualifies for funding under the TFCA in that it provides shuttle service to rail stations and that the shuttles used in the service comply with California Air Resources Board (CARB) particulate matter standards for public transit fleets; and

WHEREAS, the TFCA grant funds, if the JPB is successful in receiving a grant, will provide support for 30 shuttle routes under the Caltrain Shuttle Bus Program; and

WHEREAS, required matching funds for operating the Shuttle Bus Program have been included in the Fiscal Year 2009 Operating Budget; and

WHEREAS, the JPB will extend existing shuttle bus service administration agreements with employer participants if the JPB obtains TFCA grant funds.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board (JPB):

1. Authorizes the Executive Director to execute and file an application on behalf of the JPB for TFCA funding for operating support, in an amount of \$1,000,000 for the Caltrain Shuttle Bus Program with the Bay Area Air Quality Management for the 2009 calendar year; and

2. Authorizes the Executive Director or his designee to take further necessary actions to give effect to this resolution, such as the execution of a funding agreement for these TFCA funds, amendments to shuttle bus service administration agreements with existing employer participants, and shuttle bus service administration agreements for new shuttle bus service.

Regularly passed and adopted this 7th day of August, 2008, 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
Chief Operating Officer

SUBJECT: **AUTHORIZING THE AMENDMENT OF THE USE, OPERATING AND MAINTENANCE (UOM) AGREEMENT FOR THE MILLBRAE INTERMODAL STATION**

ACTION

Staff Coordinating Council (SCC) recommends that the Board authorize the Executive Director to amend the Use, Operating, and Maintenance Agreement (UOM Agreement) with BART for the Millbrae Intermodal Station to extend the JPB share and payment schedule through Fiscal Year 2013.

SIGNIFICANCE

The UOM Agreement governs the day-to-day management of the Millbrae Intermodal Station and the adjacent 3.4 miles of rail corridor shared by the Bay Area Rapid Transit District (BART) and Caltrain. The UOM Agreement addresses the coordination of operations between BART and Caltrain at the Millbrae station.

Under the UOM Agreement, JPB has rights to use the station platforms and station concourse areas as part of the operation of its Caltrain commuter rail service. These rights include the rights of ingress and egress for passengers, employees and contractors. These rights also include Caltrain passenger use of the 3,005 spaces in the Joint Use Parking Area.

BUDGET IMPACT

The First Amendment to the UOM Agreement specifies that the amount to be paid by JPB for FY09 through FY13, inclusive, shall be the amount paid the previous fiscal year plus a CPI-based inflationary adjustment. FY09 annual payment amount will be \$722,400 and is included in the FY09 Operating Budget approved by the Board June 5, 2008.

BACKGROUND

In June 1999, BART, San Mateo County Transit District and the JPB entered into a "Railroad Construction and Maintenance Agreement" (C&M Agreement) regarding the construction of the BART/SFO Extension Project on JPB property. That agreement contemplated that the parties would negotiate a future agreement that would govern the joint operation of the Millbrae Station and the management of the adjacent rail alignments. A working group, which later included

legal counsel, developed the present agreement, which is entitled the “Use Operating and Maintenance Agreement for the Millbrae Station and BART/JPB/SamTrans Facilities Related to the BART SFO Extension Project” or simply the “UOM Agreement.” The UOM Agreement included a JPB cost sharing schedule for FY04 through FY08 and that the amount of the JPB share for years following FY08 shall be determined by the parties.

Prepared by: Donald G. Esse, Acting Manager, Quality Assurance and Management Analysis
650.508.6329

RESOLUTION NO. 2008 -

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

* * *

**AUTHORIZING THE AMENDMENT OF THE USE, OPERATING AND
MAINTENANCE AGREEMENT FOR THE MILLBRAE
INTERMODAL STATION**

WHEREAS, in June of 1999, The Bay Area Rapid Transit District (“BART”) the San Mateo County Transit District (“SamTrans”) and the Peninsula Corridor Joint Powers Board (“JPB”) entered into a Railroad Construction and Maintenance Agreement regarding the construction of the BART SFO Extension Project, including the Millbrae Intermodal Station; and

WHEREAS, on February 18, 2005, BART, SamTrans and the JPB entered into a Use, Operating and Maintenance Agreement (“UOM Agreement”) which governs the joint operation and use of the Millbrae Intermodal Station and the 3.4 miles of adjacent rail corridor shared by BART and the JPB; and

WHEREAS, both BART and the JPB desire to extend the UOM Agreement through Fiscal Year 2013, and have developed an amendment which includes an updated cost sharing schedule; and

WHEREAS, the Staff Coordinating Council (SCC) recommends that the Board of Directors authorize the Executive Director to execute the First Amendment to the UOM Agreement for the Millbrae Intermodal Station.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorizes the amendment of the UOM Agreement for the Millbrae Intermodal Station to be extended through Fiscal Year 2013 with a new cost sharing schedule; and

BE IT FURTHER RESOLVED THAT the Executive Director or his designee is authorized to execute the First Amendment to the UOM Agreement for the Millbrae Intermodal Station.

Regularly passed and adopted this 7th day of August 2008, 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: Martha Martinez
JPB Secretary

SUBJECT: **SECOND AMENDMENT TO THE BYLAWS OF THE CALTRAIN
CENTRALIZED EQUIPMENT MAINTENANCE AND OPERATIONS
FACILITY (CEMOF) MONITORING COMMITTEE**

ACTION

Staff Coordinating Council (SCC) recommends that the Board approve by motion the attached amendments to Article III - Membership of the CEMOF Monitoring Committee (Committee) Bylaws.

SIGNIFICANCE

The amendments remove the requirement that members of the Committee appointed by the Peninsula Corridor Joint Powers Board (JPB) and Santa Clara Valley Transportation Authority (VTA) Board be members of the JPB and VTA boards themselves. Also, the inclusion of alternates will help ensure that a quorum is met for the quarterly Committee meetings.

Article VIII of the bylaws states that the bylaws may be amended by the affirmative vote of four members of the Committee and approval by both the San Jose City Council and the JPB.

BUDGET IMPACT

There is no budget impact.

BACKGROUND

On September 7, 2000 (Resolution No. 2000-41), the JPB and the City of San Jose entered into a Cooperative Agreement that provided for cooperation between the JPB and the City relative to design, construction and future operation of a centralized maintenance facility in San Jose and committed both parties to remaining responsive to neighborhood concerns with respect to the facility. On December 6, 2001 (Resolution No. 2001-127), the JPB amended the Cooperative Agreement to include shared objectives. The Cooperative Agreement includes the formation of a "monitoring committee" to provide ongoing communication with the community and serve in an advisory capacity.

The CEMOF Monitoring Committee Bylaws were approved by the JPB on March 7, 2002. On November 4, 2004 the JPB approved an amendment to the bylaws to allow the Committee to alter its meeting date as needed.

Prepared By: Martha Martinez

650.508.6242

ARTICLE III MEMBERSHIP

§3.1 MEMBERSHIP

The Committee shall be composed of one member of the San Jose City Council as appointed by the Council, one member ~~of the JPB as~~ appointed by the JPB, one member ~~of the VTA Board of Directors as~~ appointed by the VTA Board of Directors, and one member representing each of the Shasta/Hanchett Park, Garden Alameda, College Park and Arena neighborhoods. Neighborhood members shall be appointed by their respective neighborhood associations. All neighborhood members shall live within the respective boundaries of the Shasta/Hanchett Park, Garden Alameda, College Park and Arena Neighborhood Association during their terms on the Committee.

If a neighborhood association declines to appoint a member to the Committee *or if there is no active neighborhood association to make such appointment*, the existing Committee members may appoint a neighborhood member from anywhere within the boundaries of the four neighborhoods to fill that position. If during the term of that jointly appointed member's position the original declining neighborhood association proposes appointment of a member from within their boundaries, the new member will replace the jointly appointed member for the remainder of the term. The maximum number of neighborhood members on the Committee at any given time shall be four.

§3.2 MEMBERS' TERMS

The term of membership of each Committee member shall be as follows:

1. Of the initial 4 Neighborhood members, 2 will have one-year terms and 2 will have two-year terms. Of the initial City, JPB, and VTA members, 1 will have a one-year term and 2 will have two-year terms. The length of each member's initial term will be determined by the Chairperson.
2. All initial terms will commence on the first Committee meeting of the first calendar quarter of any year and end on the first or second successive March 30th depending on length of term.
3. All subsequent appointments will be for a two-year term, commencing on the first Committee meeting in the first quarter of the year and ending on the second successive March 30th.
4. Members may serve up to three consecutive terms.
5. Members may serve unlimited non-consecutive terms.

§3.3 ALTERNATES

An alternate member may be appointed for each Committee member. During absences of the primary member, ~~that member's alternate~~ member shall function in the same manner and shall be accorded the same rights and privileges as the primary member.

Alternates shall be appointed in accordance with Article III, ~~Section~~ 3.1, in the same manner as the corresponding primary members.

An alternate member shall not make motions before the Committee or cast votes regarding recommendations under consideration by the Committee when the primary member is in attendance at meetings of the Committee.

Alternate members cannot serve as Chairperson or Vice Chairperson.

§3.34 VACANCIES

A vacancy in a member's position shall be filled for the remainder of the vacating member's term in accordance with Article III, Sec. 3.1.

§3.45 ABSENCES

An absence occurs if a member *(or their alternate)* is not present at a regular or special meeting. If a member *(or their alternate)* is absent from four Committee meetings in a twelve-month period from the date of the member's appointment, or any subsequent single year, the member's position shall

automatically be vacated. That member shall receive a letter of dismissal from the Chairperson, and a successor shall be appointed to fill the remainder of the member's term in accordance with Section 3.1.

| §3.5—6 CHAIR PRO TEMPORE

In the event that both the Chairperson and the Vice-Chairperson are absent from a regularly scheduled meeting or a special meeting, the Committee by a majority vote, shall elect a temporary Chairperson to preside over the meeting.

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: George Cameron
Chief Administrative Officer

Gigi Harrington
Chief Financial Officer

SUBJECT: **AUTHORIZE AWARD OF CONTRACTS TO PROVIDE ON-CALL
FINANCIAL ADVISORY SERVICES FOR AN AGGREGATE SUM OF
\$500,000 FOR A THREE-YEAR TERM**

ACTION

Staff Coordinating Council (SCC) recommends that the Board:

1. Award on-call, no guarantee contracts to:
 - a. Ross Financial-Robert Kuo Consulting, LLC, an informal joint venture, of San Francisco, CA; and
 - b. The PFM Group of San Francisco, CAto provide financial advisory services for a total aggregate not-to-exceed cost of \$500,000 over a three-year base period;
2. Authorize the Executive Director or his designee to execute contracts for a three-year base term with the above firms in full conformity with the terms and conditions of the solicitation documents and negotiations; and
3. Authorize the Executive Director or his designee to exercise up to two additional one-year option terms with the above firms, if in the best interest of the Peninsula Corridor Joint Powers Board (JPB) to do so, for an aggregate not-to-exceed amount of \$350,000 for both years.

SIGNIFICANCE

Approval of the above actions will benefit the JPB by having qualified firms available to provide the Finance Division with professional financial advisory services on an on-call basis. Services to be provided under these contracts include, but are not limited to:

- Various financial advice
- Creative financing solutions
- Evaluation of potential transactions
- Financial assistance in preparation of financing documents, professional RFPs, and rating agency presentations
- Financial assistance in the development of bond issuance structures, financing strategies, and procedures
- Preparation of bond pricing reports

These services, which may be required at any given time, will be conducted in accordance and compliance with established rules and regulations that govern public sector agencies such as the JPB. Currently no specific projects are being considered, but staff desires to have the ability to implement them in a timely manner as the need arises in order to maintain a positive cash flow and to provide for timely funding of projects and other financing needs. Staff believes it is optimal to have more than one firm available to provide these services because of their complex nature, to allow for multiple viewpoints on financing solutions, and to encourage competitive proposals at the onset of new projects. These on-call services would be conducted as needed under work directives.

BUDGET IMPACT

Funding for financial advisory work directives will be available under approved and projected operating and capital budgets.

BACKGROUND

A Request for Proposals (RFP) to provide on-call financial services was issued as a joint procurement detailing the scope of services for the JPB, the San Mateo County Transportation Authority, and the San Mateo County Transit District. The solicitation included four categories of services: Cost Allocation Plan, Financial Advisory, Financial Analysis, and Financial Audit and Technical Analysis. Each category of services will be awarded separately by the respective Boards of Directors; this staff report details the outcome for Financial Advisory services for the JPB.

The solicitation information was advertised in a newspaper of general circulation and on the JPB’s procurement Web site. Solicitation notices also were sent to interested proposers and disadvantaged business enterprises (DBEs). A total of 53 firms downloaded the RFP from the Web site, including 15 DBE firms. Eight proposals were received. One of the proposals was from a team of two firms, one of which is a DBE.

An Evaluation Committee (Committee) composed of qualified staff, reviewed and scored the proposals in accordance with the following weighted criteria:

- Responsiveness of the Proposal 0-45 points
- Consultant’s Qualifications and Experience 0-35 points
- Size, Structure and Location of Firm 0-05 points
- Cost Proposal 0-15 points

After review, evaluation, and initial scoring of proposals, the four top-ranked firms were invited for interviews, after which the Committee met again to complete the final evaluation and consensus ranking. The Committee determined that Ross Financial-Robert Kuo Consulting, LLC, and The PFM Group are qualified to be selected for contract award as the highest-ranked of the following firms listed in order of their final consensus ranking:

1. Ross Financial-Robert Kuo Consulting, LLC (DBE team)
2. The PFM Group

Negotiations were conducted successfully with the two highest-ranked firms. Both firms possess the requisite depth of experience, have the required qualifications to successfully perform the

scope of services defined in the solicitation documents, and are fully capable of providing the specified services at a fair and reasonable price.

Ross Financial previously provided financial advisory services to the JPB. The firm's contract, which expired at the end of July, was for a five-year term with a not-to-exceed cost of \$192,500. Staff feels it is necessary to continue these services due to the anticipated increase in financial and contract-related activity as a result of the JPB's near-term goal of electrification.

Contract Officer: Julie Taylor

650.508.7915

Project Manager: Trish Reavey, Director of Finance

650.508.6434

RESOLUTION NO. 2008-

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

* * *

**AUTHORIZING AWARD OF CONTRACTS
FOR ON-CALL FINANCIAL ADVISORY SERVICES FOR AN
AGGREGATE NOT-TO-EXCEED SUM OF \$500,000 FOR THREE YEARS**

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) has solicited competitive proposals to furnish on-call financial advisory services; and

WHEREAS, in response to the JPB's Request for Proposals (RFP), 53 firms downloaded the RFP and proposals were received from eight firms; and

WHEREAS, an Evaluation Committee has reviewed and evaluated the proposals in accordance with the criteria set forth in the RFP and conducted interviews and negotiations; and

WHEREAS, staff has determined that it would be in the best interest of the JPB to award contracts to two firms to support the Finance Division by providing financial advisory services; and

WHEREAS, the Staff Coordinating Council has recommended that contracts be awarded to the firms with the highest ranked proposals: Ross Financial-Robert Kuo Consulting, LLC, an informal joint venture, of San Francisco, CA; and The PFM Group of San Francisco, CA.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the JPB awards contracts for furnishing on-call financial advisory services to Ross Financial-Robert Kuo Consulting, LLC, and The PFM Group for a three-year base term for a total aggregate not-to-exceed cost of \$500,000 with two additional, one-year option terms at an aggregate not-to-exceed cost of \$350,000 for both years; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to execute contracts on behalf of the JPB with Ross Financial-Robert Kuo Consulting, LLC, and The PFM Group in full conformity with all the terms and conditions of the RFP and negotiated agreements; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to execute up to two additional, one-year option terms with each firm provided that such options are in the best interest of the JPB.

Regularly passed and adopted this 7th day of August, 2008 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: George Cameron
Chief Administrative Officer

Gigi Harrington
Chief Financial Officer

**SUBJECT: AUTHORIZE AWARD OF CONTRACTS TO PROVIDE ON-CALL
FINANCIAL ANALYSIS SERVICES FOR AN AGGREGATE SUM OF
\$250,000 FOR A THREE-YEAR TERM**

ACTION

Staff Coordinating Council (SCC) recommends that the Board:

1. Award on-call, no guarantee contracts to:
 - a. Ross Financial-Robert Kuo Consulting, LLC, an informal joint venture, of San Francisco, CA;
 - b. The PFM Group of San Francisco, CA; and
 - c. AECOM Consult, Inc. of Arlington, VAto provide financial analysis services for a total aggregate not-to-exceed cost of \$250,000 over a three-year base period;
2. Authorize the Executive Director or his designee to execute contracts for a three-year base term with the above firms in full conformity with the terms and conditions of the solicitation documents and negotiations; and
3. Authorize the Executive Director or his designee to exercise up to two additional one-year option terms with the above firms, if in the best interest of the Peninsula Corridor Joint Powers Board (JPB) to do so, for an aggregate not-to-exceed amount of \$150,000 for both years.

SIGNIFICANCE

Approval of the above actions will benefit the JPB by having qualified firms available to provide the Finance Division with professional financial analysis services on an on-call basis. Services to be provided under these contracts include, but are not limited to:

- Analysis of financing alternatives and strategies for programs and projects
- Development of financing plans
- Monitoring outstanding debt
- Compliance reviews
- Cost-benefit analyses
- Advice on various topics including changing market conditions, programs for equipment leasing, and innovative funding

These services, which may be required at any given time, will be conducted in accordance and compliance with established rules and regulations that govern public sector agencies such as the JPB. Currently no specific projects are being considered, but staff desires to have the ability to implement them in a timely manner as they arise in order to provide accurate financial information and planning. Staff believes it is optimal to have more than one firm available to provide these services because of their complex nature, to allow implementation of simultaneous projects, and to encourage competitive proposals at the onset of new projects. These on-call services would be conducted as needed under work directives.

BUDGET IMPACT

Funding for financial analysis work directives will be available under approved and projected operating budgets.

BACKGROUND

A Request for Proposals (RFP) to provide on-call financial services was issued as a joint procurement detailing the scope of services for the JPB, the San Mateo County Transportation Authority, and the San Mateo County Transit District. The solicitation included four categories of services: Cost Allocation Plan, Financial Advisory, Financial Analysis, and Financial Audit and Technical Analysis. Each category of services will be awarded separately by the respective Boards of Directors; this staff report details the outcome for Financial Analysis Services for the JPB.

The solicitation information was advertised in a newspaper of general circulation and on the JPB’s procurement Web site. Solicitation notices also were sent to interested proposers and disadvantaged business enterprises (DBEs). A total of 53 firms downloaded the RFP from the Web site, including 15 DBE firms. Nine proposals were received. One of the proposals was from a team of two firms, one of which is a DBE.

An Evaluation Committee (Committee) composed of qualified staff, reviewed and scored the proposals in accordance with the following weighted criteria:

- Responsiveness of the Proposal 0-45 points
- Consultant’s Qualifications and Experience 0-35 points
- Size, Structure and Location of Firm 0-05 points
- Cost Proposal 0-15 points

After review, evaluation, and initial scoring of proposals, the five top-ranked firms were invited for interviews, after which the Committee met again to complete the final evaluation and consensus ranking. The Committee determined that three firms, Ross Financial-Robert Kuo Consulting, LLC, The PFM Group, and AECOM Consult, Inc. are qualified to be selected for contract award as the highest-ranked of the firms listed below in order of their final consensus ranking:

1. Ross Financial-Robert Kuo Consulting, LLC (DBE team)
2. The PFM Group
3. AECOM Consult, Inc.

Negotiations were conducted successfully with the three highest-ranked firms. All three firms possess the requisite depth of experience, have the required qualifications to successfully perform

the scope of services defined in the solicitation documents, and are fully capable of providing the specified services at a fair and reasonable price.

In the past, the JPB has not had a great demand for these types of services, and they were provided on an ad-hoc, as-needed basis. Staff feels it is necessary to have them available at this time due to the anticipated increase in financial and contract-related activity as a result of the JPB's near-term goal of electrification.

Contract Officer: Julie Taylor

650.508.7915

Project Manager: Trish Reavey, Director of Finance

650.508.6434

RESOLUTION NO. 2008-

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

* * *

**AUTHORIZING AWARD OF CONTRACTS
FOR ON-CALL FINANCIAL ANALYSIS SERVICES FOR AN
AGGREGATE NOT-TO-EXCEED SUM OF \$250,000 FOR THREE YEARS**

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) has solicited competitive proposals to furnish on-call financial analysis services; and

WHEREAS, in response to the JPB's Request for Proposals (RFP), 53 firms downloaded the RFP and proposals were received from nine firms; and

WHEREAS, an Evaluation Committee has reviewed and evaluated the proposals in accordance with the criteria set forth in the RFP and conducted interviews and negotiations; and

WHEREAS, staff has determined that it would be in the best interest of the JPB to award contracts to three firms to support the Finance Division by providing financial analysis services; and

WHEREAS, the Staff Coordinating Council has recommended that contracts be awarded to the firms with the highest-ranked proposals: Ross Financial-Robert Kuo Consulting, LLC, an informal joint venture, of San Francisco, CA; The PFM Group of San Francisco, CA; and AECOM Consult, Inc. of Arlington, VA.

NOW, THEREFORE, BE IT RESOLVED that the Peninsula Corridor Joint Powers Board awards contracts for furnishing on-call financial analysis services to Ross Financial-Robert Kuo Consulting, LLC, The PFM Group, and AECOM Consult, Inc. for a three-year base term for a total aggregate not-to-exceed cost of \$250,000, with two additional, one-year option terms at an aggregate not-to-exceed cost of \$150,000 for both years; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to execute contracts on behalf of the JPB with Ross Financial-Robert Kuo Consulting, LLC, The PFM Group, and AECOM Consult, Inc. in full conformity with all the terms and conditions of the RFP and negotiated agreements; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to execute up to two additional, one-year option terms with each firm provided that such options are in the best interest of the JPB.

Regularly passed and adopted this 7th day of August, 2008 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

RESOLUTION NO. 2008-

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

* * *

**AUTHORIZING AWARD OF A PURCHASE ORDER TO SAFETRAN SYSTEMS FOR
THE PURCHASE OF DTX CONSOLES AND ASSOCIATED EQUIPMENT
FOR AN AMOUNT NOT TO EXCEED \$70,000**

WHEREAS, pursuant to Resolution 2006-53, adopted on December 7, 2007, the Peninsula Corridor Joint Powers Board (JPB) previously awarded a sole source agreement to Safetran Systems Corporation (Safetran) to relocate and upgrade the radio/communication system for the Caltrain Dispatch Control Center in San Jose, CA; and

WHEREAS, staff has determined that three additional DTX consoles are needed to better manage the Caltrain train fleet and to better provide mechanical support to the fleet in service; and

WHEREAS, , the procurement of these three consoles falls within the sole source exception to the competitive process, which will ensure compatibility and integration with the existing Safetran DTX equipment; and

WHEREAS, a price analysis was performed and the prices proposed by Safetran for these consoles were found to be fair and reasonable; and

WHEREAS, the Staff Coordinating Council recommends that a purchase order be issued to Safetran to purchase these three DTX consoles for an amount not to exceed \$70,000.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board hereby approves the award of a purchase order to Safetran Systems Corporation for three DTX consoles and associated equipment for an amount not to exceed \$70,000, inclusive of sales tax and delivery costs; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to execute the purchase order with Safetran on behalf of the Peninsula Corridor Joint Powers Board; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to take such further actions as may be needed to give effect to this resolution.

Regularly passed and adopted this 7th day of August 2008 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA COORIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: George Cameron
Chief Administrative Officer

SUBJECT: ISSUANCE OF PURCHASE ORDERS FOR TECHNOLOGY RELATED PRODUCTS AND SERVICES TO VENDORS UNDER COOPERATIVE PURCHASING AGREEMENTS FOR FISCAL YEAR 2009 FOR AN AGGREGATE NOT-TO-EXCEED AMOUNT OF \$900,000

ACTION

Staff Coordinating Council (SCC) recommends that the Board (JPB) authorize the purchase, lease and/or rental of computer and telecommunications equipment and related services, digital reprographic equipment, hardware, software, licensing, installation and configuration of telecommunications equipment, maintenance agreements, and computer peripherals to vendors under approved cooperative intergovernmental purchasing programs available to the JPB such as the California Multiple Award Schedule (CMAS), the State of California Strategic Sourcing Initiative (CSSI), the Western States Contracting Alliance (WSCA), GSA Schedules (also referred to as Multiple Award Schedules and Federal Supply Schedules), and other cooperative programs as the JPB needs are identified. This action includes delegation of authority to the Executive Director to issue purchase orders over \$50,000 to vendors under approved cooperative purchasing programs. Expenditures with vendors under these programs will not exceed the budgeted amount of \$900,000 throughout Fiscal Year 2009 (FY09).

SIGNIFICANCE

Approval of this contracting authority will provide the JPB with a cost effective means to support its standardization policy and provide the latest technology and related services through cooperative intergovernmental purchasing programs. Purchase orders issued under this authority will address the JPB's requirements for equipment, software, services, licensing, maintenance agreements, and programmed replacement of equipment that has reached the end of its useful life or has become unsuited to address the JPB's future needs.

BUDGET IMPACT

Funds for these purchases are programmed in FY09 capital and operating budgets.

BACKGROUND

Given the rapidly changing technology of information system hardware, software and related services, the State of California, among other state agencies nationwide, has established

agreements with vendors under various cooperative purchasing programs such as CMAS, CSSI, GSA, and WSCA for providing these goods and services. Special districts, cities, counties and joint powers authorities are given statutory permission to procure competitively priced goods and services arising out of these vendor agreements. By utilizing such cooperative purchasing programs, the JPB saves considerable time and expense associated with independent procurements which would not likely yield more favorable pricing or service.

All vendors selected will hold valid agreements under the corresponding cooperative purchasing program. Purchase orders will be executed only with vendors whose contracts under a cooperative buying agreement were awarded on a basis that complies with the JPB's statutory procurement authority and policy and will include the JPB's terms and conditions, as appropriate. Other cooperative purchasing consortia may be added to this program and utilized for acquisition of technology items during FY09 but only to the extent each fully complies with the JPB's statutory procurement authority and policy.

Project Manager: William C. Likens, Director, Information Technology

650.508.7954

RESOLUTION NO. 2008-

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

* * *

**AUTHORIZING AWARDS OF PURCHASE ORDERS FOR TECHNOLOGY RELATED
PRODUCTS AND SERVICES TO VENDORS UNDER COOPERATIVE PURCHASING
PROGRAMS FOR AN AGGREGATE NOT-TO-EXCEED AMOUNT OF \$900,000 FOR
FISCAL YEAR 2009**

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) will require new personal computers, computer and telecommunications equipment and related services, digital reprographic equipment, software, hardware, licensing and maintenance agreements, and computer peripherals throughout Fiscal Year 2009 (FY09), to fulfill new technology requirements, to support the JPB's standardization policy and to replace technology equipment that has reached the end of its useful life; and

WHEREAS, in light of the need to standardize, update and purchase the latest technology in personal computers, telecommunications equipment, and other related equipment and services in the most cost-effective manner, the JPB has determined that an independent JPB-initiated solicitation process for the procurements described above may not be in the JPB's best interests; and

WHEREAS, the State of California and other cooperative purchasing consortiums including the California Multiple Award Schedule (CMAS), State of California Strategic Source Initiative (CSSI), Western States Contracting Alliance (WSCA), and the General Services Administration (GSA) have established programs in which the JPB can participate in order to procure favorably priced technology systems equipment and related services; and

WHEREAS, the Staff Coordinating Council (SCC) recommends that the JPB participate in the above-mentioned programs, to the extent such programs fully comply with applicable statutory

procurement authority and policy, and that the JPB may add other cooperative purchasing programs to this authorization for FY09 to the extent that each additional program fully complies with the JPB's statutory procurement authority and policy; and

WHEREAS, the SCC also recommends that the Executive Director or his designee be authorized to place purchase orders that exceed \$50,000 to vendors under JPB-approved cooperative purchasing programs to meet its personal computer, telecommunications equipment, and other related technology equipment and services requirements for FY09, pursuant to the terms and conditions of each programs' vendor agreements, up to an aggregate not-to-exceed amount of \$900,000.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby takes the following actions:

1. Determines that an independent JPB-initiated solicitation process for each purchase, lease and/or rental of new personal computers, computer and telecommunications equipment and services, digital reprographic equipment, hardware, software, licensing and maintenance agreements, and computer peripherals may not be in the JPB's best interests; and

2. Authorizes the procurement of technology systems equipment and related services through JPB-approved cooperative purchasing programs, including CMAS, CSSI, WSCA, and GSA vendors to meet its technology equipment and services requirements for FY09 pursuant to the terms and conditions of each vendor agreement and to the extent that each vendor agreement fully complies with JPB's statutory procurement authority and policy; and

3. Authorizes the Executive Director to utilize additional cooperative purchasing programs for FY09 to the extent that each additional program fully complies with the JPB's statutory procurement authority and policy; and

4. Authorizes the Executive Director or his designee to execute purchase orders exceeding \$50,000 to vendors under the JPB-approved cooperative purchasing programs up to an aggregate, not-to-exceed, amount of \$900,000 for FY09; and

5. Authorizes the Executive Director or his designee to execute all necessary purchase orders, contracts and other documents to effectuate this resolution, including any agreements with the State of California or other intergovernmental cooperative program for administrative fees for processing these purchases.

Regularly passed and adopted this 7th day of August, 2008 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA COORIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: George Cameron
Chief Administrative Officer

SUBJECT: EXECUTION OF PURCHASE ORDERS OF OVER \$50,000 TO PROCURE RECURRING INFORMATION TECHNOLOGY MAINTENANCE AND LICENSE RENEWALS FOR FISCAL YEAR 2009 FOR AN AGGREGATE NOT-TO-EXCEED AMOUNT OF \$700,000

ACTION

Staff Coordinating Council (SCC) proposes that the Committee recommend that the Board authorize the Executive Director or his designee to execute purchase orders for more than \$50,000 to product licensors and maintainers or their distributors, directly and without the utilization of cooperative purchasing agreements or competitive solicitations, to procure recurring maintenance and license renewals necessary to permit continued effective use and upkeep of District-owned computer and telecommunications hardware and software used for the management and oversight of Caltrain. Expenditures with manufacturers and vendors under this authority will not exceed the budgeted amount of \$700,000 throughout Fiscal Year 2009 (FY09).

SIGNIFICANCE

Delegation of purchase order approval authority will allow the JPB to pay recurring maintenance and license renewal fees in excess of \$50,000, without bringing actions individually before the Board for approval. This delegation would not eliminate the requirement that other procurement policies and procedures be followed.

These recurring support and license agreements are, by their nature, repetitive and routine, and are required to ensure continued and effective operation of information technology assets owned by the District.

Delegating this authority expedites the District's ability to continue needed operations and services in the management of Caltrain and reduces the time and resources otherwise required to obtain individual approval of such support and license agreements.

BUDGET IMPACT

Funds for these purchases are programmed in FY09 capital and operating budgets.

BACKGROUND

Software and hardware are typically sold with licenses and maintenance agreements that require periodic renewal. Failing to renew maintenance support means loss of software updates, problems obtaining resolution assistance, and repair services typically needed to keep a product in good operating order. In some cases, the product may not be legally used if a maintenance and license renewal has not been obtained.

It is not always possible to find cooperative purchasing agreements with contracts for the necessary maintenance support and license renewals. This is particularly true for transit industry-specific information technology products. The types of licensing and maintenance agreements contemplated are generally unobtainable under any other method because they are proprietary in nature to the manufacturers of the software.

District assets requiring payment of recurring annual or multi-year maintenance support and license fees in excess of \$50,000 that may need to be accommodated in FY09 outside of cooperative purchase agreements or other pre-existing contracts include, but are not necessarily limited to:

- TRA Inc. TransitSafe (safety management system)
- Digital Concepts Inc. Digicon (rail traffic control system)
- VenTek (ticket vending machine hardware & software)

Issuance of purchase orders for maintenance and continued operation of assets like these will need to be brought individually before the Board for approval, unless authority is delegated to the Executive Director or his designee.

Bringing actions before the Board for these assets was not previously required because the recurring maintenance support and license agreements in many cases were either valued under \$50,000, or were executed under previously existing multi-year contracts. Inflation has now pushed a number of these recurring payments above \$50,000, while in other cases the multi-year contract has expired.

Project Manager: William C. Likens, Director, Information Technology

650.508.7954

RESOLUTION NO. 2008-

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

*** * ***

**AUTHORIZING AWARDS OF PURCHASE ORDERS TO VENDORS FOR INFORMATION
TECHNOLOGY MAINTENANCE AND LICENSE RENEWALS FOR AN AGGREGATE
NOT-TO-EXCEED AMOUNT OF \$700,000 FOR FISCAL YEAR 2009**

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) will require continuing product support and licenses for computer and telecommunications hardware and software throughout Fiscal Year 2009 (FY09), to permit their continued use and upkeep; and

WHEREAS, maintenance support and software license agreements are, by their nature, repetitive and routine; and

WHEREAS, the Staff Coordinating Council recommends that the Executive Director or his designee be authorized to execute purchase orders that exceed \$50,000 to product licensors and their authorized distributors to meet the technology operational requirements for FY09 up to an aggregate not to exceed amount of \$700,000.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby takes the following actions:

1. Authorizes the procurement of product support and license renewal agreements for information technology assets owned by the District for FY09, pursuant to the applicable statutory procurement authority and policy, in an aggregate not-to-exceed amount of \$700,000 for FY09; and
2. Authorizes the Executive Director or his designee to execute purchase orders exceeding \$50,000 to original equipment manufacturers, licensors, or their authorized distributors for

recurring product support and license renewals necessary to permit continued effective use and upkeep of District owned computer and telecommunications hardware and software; and

3. Authorizes the Executive Director or his designee to execute all necessary purchase orders, contracts and other documents to effectuate this resolution.

Regularly passed and adopted this 7th day of August, 2008 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
Chief Operating Officer

SUBJECT: **Key Caltrain Performance Statistics— May and June 2008
(Table A, Graph A)**

For May 2008, Caltrain average weekday ridership (AWR) increased by 12.2 percent when compared to May 2007. Those gains continued into June, when AWR increased by 16.6 percent compared to June 2007. AWR based on ticket sales was 41,892 in May and 44,079 for June 2008, an increase of 4,544 and 6,264, respectively, over the prior year.

For the completed Fiscal Year 2008, Caltrain AWR increased by 8.6 percent when compared to FY07. AWR was 37,849 for FY08, an increase of 2,892 over FY07. The total number of passengers for the FY08 was 11,961,717. This is an 8.9 percent increase over last year's total of 10,980,802, and the highest annual ridership in Caltrain history. Compared to FY04, before Baby Bullet service, AWR for 2008 has increased by approximately 54 percent, and overall ridership for 2008 has increased by approximately 48 percent.

In May 2008, on-time performance was 92.71 percent. This represents an increase of 1.5 percent from the previous year and a difference of 2.29 percent compared with our goal of 95 percent on-time performance. June on-time performance was 87.79 percent or 6 percent below the previous year. There were multiple factors behind the low on-time performance, including three trespasser fatalities, several days of high ambient temperatures in the Bay Area requiring the activation of heat-related speed restrictions, continued increasing bike and dwell delays, mechanical failures, and most notably, increased use of manual wheelchair lifts as 11 ADA lift-equipped cars were removed from service due to cracked bolsters. Reminder: a single deployment of the manual lift can cause delays from four to six minutes. Overall for FY08, the service provided an on-time performance of 92.94 percent, which is 2.06 percent below the goal of 95 percent.

The shuttle program produced 5,913 average weekday trips in May and 6,537 in June, a 13 and 24 percent increase, respectively, from May and June of 2007. The Broadway shuttle averaged 85 daily riders. The Tamien shuttle averaged 77 daily riders. We officially opened a commute-hour extension to the Bayshore/Brisbane shuttle last month which is catching on with riders. The new Belmont shuttle averaged 87 daily riders. Observed shuttle OTP was 99.9 percent.

Table A shows performance indicators for both May and June of 2008, Graph A shows AWR for the past 13 months as compared to the rolling average.

Caltrain May and June 2008 Promotions

May

Commuter Promotion – As the cost of gas rises, commuters searching for an alternative to “arm and leg” gas prices were encouraged to try Caltrain with a campaign that included an ad on the Silicon View electronic billboard along Highway 101 in Redwood City, print ads in local papers and radio ads. Commuters were encouraged to use Caltrain and save.

Giants – Caltrain is coming off its highest ridership year in the history of baseball service to Giants games. This year’s promotion is the second part of a two-year campaign that includes television commercials aired during Giants games on Comcast cable stations and on the Giants scoreboard, an ad placed in the Giants Scorecard and 40,000 brochures distributed onboard the trains, at staffed stations and selected locations throughout the Caltrain service area. This year’s brochure features the Giants 50th anniversary logo on the cover. To date, Caltrain ridership has slipped 9 percent from the 2007 season.

KFOG Kaboom – On May 10, rock music and pyrotechnic fans came together at San Francisco’s biggest pier party in the form of KFOG Kaboom. Piers 30/32 were the site of the annual concert and fireworks display sponsored by San Francisco radio station KFOG. The Caltrain promotion, which began in April, included 50 on-air promotional spots on 104.5FM and 97.7FM referring listeners to the Caltrain toll-free number and its Web site, recognition in KFOG-placed ads in the *San Francisco Chronicle* and *San Jose Mercury News*, Web banner on kfog.com with link to the Caltrain Web site and a booth at the event. Caltrain carried an extra 4,055 customers for the event.

Bay to Breakers – This year’s Caltrain service to San Francisco’s biggest mobile party of the year was promoted using a number of low-cost techniques including ads on the organizer’s Web site, a notice on Craigslist, station flyers, take ones, a button on the Caltrain Web site, mail inserts to Caltrain’s Ticket-by-Mail members and ads in local newspapers. This year’s service included expanded express service to the event. The ridership for this event was 3000.

June

Kenny Chesney at AT&T - Kenny Chesney, country music performer of the year, headlines at AT&T Park on June 8 as part of the Pirates and Poets tour. Caltrain offered additional service to and from the concert, which began with a pre-concert event in the AT&T parking lot entitled “Beach Ball Party”. Caltrain partnered with radio station *The Wolf* to promote the music industry’s most anticipated tour of the year with live-read commercials, free Caltrain ticket promotions and Web links between the Caltrain and *The Wolf* Web sites. Caltrain carried an extra 10,292 customers to this event.

Vertical Challenge at Hiller - The Vertical Challenge event at the San Carlos Hiller Aviation Museum is a unique event that allows visitors to see firsthand how helicopters operate. This year’s promotion included a link from the museum’s Web site and an ad in the museum’s special newspaper insert in the *San Jose Mercury News*.

Dump the Pump – The third annual Dump the Pump Day was held on Thursday, June 19, which coincided with this year’s only Spare the Air free fare day. Both events offered the opportunity for commuters to enjoy the experience of riding public transit and leave their car at home. Caltrain’s inbound service to San Francisco enjoyed an increase in ridership of more than 114 percent and Caltrain had almost 4,000 visitors to its Web site. The campaign included newspaper and drive-time traffic reports ads.

Prepared by: Iris Yuan, Senior Operations Analyst
Janet McGovern, Sales & Promotions Supervisor

650.508.7913
650.508.6244

Table A

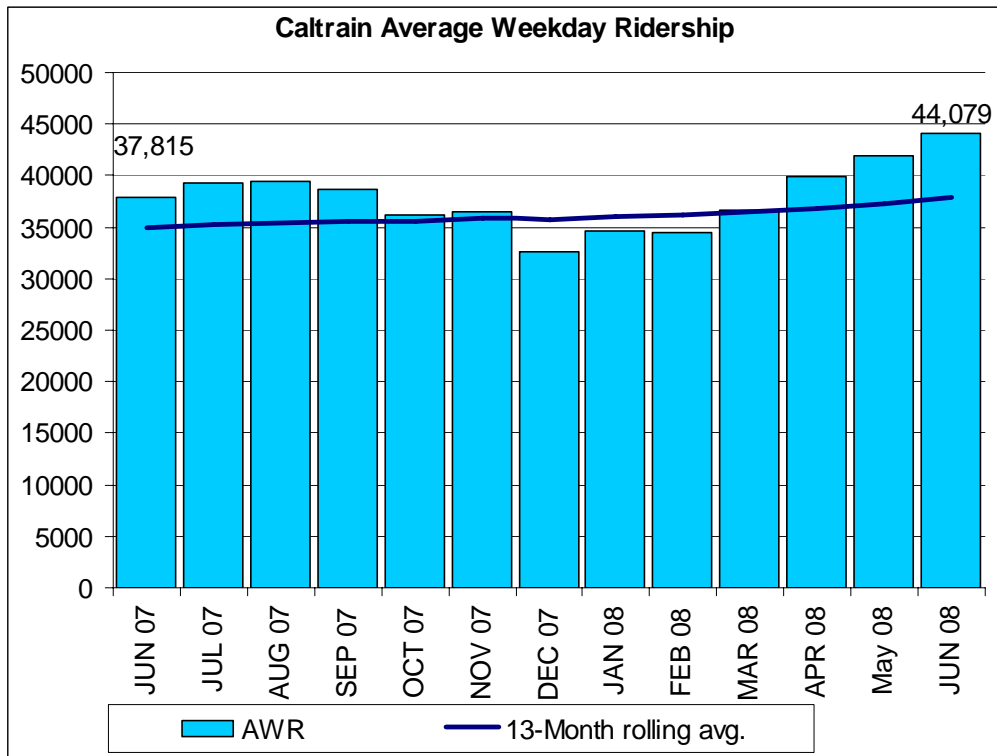
May 2008			
	FY 07	FY 08	%Change
Total Ridership	1,002,759	1,110,374	10.7%
Average Weekday Ridership	37,348	41,892	12.2%
Total Revenue	\$3,494,920	\$3,693,588	5.7%
On-time Performance	91.3%	92.7%	1.5%
Caltrain Shuttle Ridership	5,250	5,915	12.7%

Year to Date			
	FY 07	FY 08	%Change
Total Ridership	9,969,725	10,815,523	8.5%
Average Weekday Ridership	34,599	37,283	7.8%
Total Revenue	\$31,495,858	\$36,184,283	14.9%
On-time Performance	95.2%	93.5%	-1.8%
Caltrain Shuttle Ridership	4,978	5,359	7.6%

June-08			
	FY 07	FY 08	%Change
Total Ridership	980,333	1,146,194	16.9%
Average Weekday Ridership	37,815	44,079	16.6%
Total Revenue	\$3,356,624	\$3,928,321	17.0%
On-time Performance	93.3%	87.8%	-5.9%
Caltrain Shuttle Ridership	5,276	6,537	23.9%

Year to Date			
	FY 07	FY 08	%Change
Total Ridership	10,980,802	11,961,717	8.9%
Average Weekday Ridership	34,867	37,849	8.6%
Total Revenue	\$34,852,482	\$40,112,604	15.1%
On-time Performance	95.0%	92.9%	-2.2%
Caltrain Shuttle Ridership	5,003	5,457	9.1%

Graph A



**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Ian McAvoy
Chief Development Officer

SUBJECT: **CALTRAIN BICYCLE MASTER PLAN KEY FINDINGS**

ACTION

This is an information item. Staff will present results of the Caltrain Bicycle Master Plan public meetings held in June and key components of the draft plan being prepared for public release in August.

SIGNIFICANCE

In April 2007, staff presented to the Board an update on the Caltrain Bicycle Master Plan. The update included a review of the scope of the plan, focused on improving bicycle parking and access to stations, as well as a discussion of key challenges driving the need for improved bicycle parking and access. The update also included a review of the stakeholder and public information process to move the study forward and key elements to be included in the draft plan, such as recommendations for system-wide and station-specific improvements and fostering better customer service for bicycling patrons.

Since that time, staff completed three public outreach meetings on the key findings of the study to solicit input and discussion into the draft plan. The key findings include improving customer service and information system-wide; providing improved circulation and access to station areas, as well as proposing feasibility studies on innovative concepts, such as exploring bicycle sharing programs, providing real-time information on bicycle cars on each train consist, deploying congestion pricing programs to incentivize cyclists to leave their bicycles at the station and offering subsidies for folding bicycles.

The outreach meetings were conducted in San Francisco, San Carlos and Mountain View. A total of 90 people participated in the public meetings, and staff received more than 300 comments.

With input from the Board, the draft plan will be finalized and posted on the Caltrain Web site and distributed to public participants for a final round of comments. The goal is to finalize the plan and bring it back to the Board for consideration in September.

It is important to highlight that implementation of recommendations from the plan, which includes capital and operational improvements, and feasibility studies, is dependent on the identification of bicycle grants and funding sources beyond the JPB's existing operating funds and capital program.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

As Caltrain was realizing the success of its Baby Bullet service and trains were running out of bike space, staff identified the need to balance the accommodation of all customers, including the 93 percent of patrons who do not bring a bicycle onboard, as well as a significant 7 percent of passengers who currently bring their bicycle onboard. With this observation, staff sought funding from Caltrans to develop a Caltrain Bicycle Master Plan. In 2007, Caltrain received a \$250,000 grant to develop a plan focused on access to and bicycle parking at Caltrain stations. The scope of the plan was deliberately focused on wayside solutions at the stations, an area that had room for additional capacity but had not yet been fully explored.

Throughout the preparation of the plan, staff has received supportive comments about the public process and recommendations related to access to and parking at the station. Even with clear acknowledgement of Caltrain's bicycle-friendly policies, however, there is strong criticism that the plan does not address the bicyclists' desire for more bike capacity on the trains.

Given Caltrain's current operational practice of minimizing trip time and dwell time and maximizing ridership, staff is challenged with balancing the needs of all riders, including bicyclists that need additional space for bikes and additional time to load and offload. The presentation will outline staff's recommendation for what can be done to encourage leaving bikes at the stations and managing bikes-on-board demand.

It will also include recommendations for further planning to assist staff and the Board in setting a comprehensive access policy that will lay the foundation for addressing the needs of all Caltrains customers.

Prepared By: Marisa Espinosa, Manager, Planning & Research 650.508.6226
Project Manager: Celia Chung, Project Manager, Bicycle Master Plan 650.508.6388

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: C.H. (Chuck) Harvey
Chief Operating Officer

SUBJECT: **CALL FOR A PUBLIC HEARING FOR CONSIDERATION OF A
FARE INCREASE TO HELP OFFSET HIGHER FUEL COSTS**

ACTION

Staff Coordinating Council (SCC) recommends the Board hold a public hearing on September 4, 2008 to hear public comment on possible options for a Caltrain fare increase, convert the 10-ride Ticket to an Eight-ride Ticket and minor language changes to the Caltrain Codified Tariff. The possible fare increase may be effective January 1, 2009.

SIGNIFICANCE

The JPB continues to face a fiscal crisis, exacerbated by rising fuel prices. Increased farebox revenues are necessary to partially offset higher fuel costs. A 25-cent base fare increase effective January 1, 2009 would generate approximately \$943,500 additional revenue in Fiscal Year 2009. A 25-cent base and zone fare increase if implemented effective January 1, 2009 would generate approximately \$2,005,000 additional revenue in FY09. The Board may approve an earlier or later effective date for each of the individual changes. An earlier or later effective date for a fare change would increase or decrease the additional revenue to be generated in FY09.

Fare Increase

A 25-cent base fare increase and a 25-cent base and zone fare increase will be prepared and presented to the JPB at the September 4, 2008 meeting.

BUDGET IMPACT

There is minimal budget impact directly associated with holding a public hearing for a proposed fare increase. A fare increase could have a substantial impact on the budget.

A small cost increase for printing the Eight-ride tickets will not require any budget adjustment.

BACKGROUND

Fuel Prices

The fare increase proposal comes at a time when the JPB is experiencing a significant increase in the cost of fuel.

- Fuel prices have been increasing and are very volatile. On April 2, 2007, at the time of the last fare increase, the price was \$2.2971 per gallon. On July 3, 2008 the price was \$4.2469, which is an 84.9 percent increase over April 2007.
- Caltrain fuel costs were \$10.9 million in FY07. The FY09 fuel budget of \$14.4 million is based on an average price of \$3.00 per gallon. This is an increase of \$3.5 million or 32.5 percent in two years. As noted in the FY09 budget, with the recent fuel price increases, staff would propose a budget adjustment once the FY08 actual expenses have been finalized. The \$14.4 million may not be sufficient to cover the fuel costs for the year. Caltrain uses approximately 4.45 million gallons of diesel fuel per year and each 10-cent price increase plus associated taxes raises the expense by approximately \$480,000.

Convert to Eight-ride Ticket

The 10-ride Ticket replaced a 20-ride Ticket in 2000 and uses a stand-alone validator (SAV) machine to cut and stamp the tickets. There have been problems with validator reliability, which has created a high number of passenger complaints about the 10-ride Ticket and the SAV. A new Eight-ride Ticket would significantly alleviate the current problems by eliminating the cutting function on the SAV. The approximate 15 percent discount offered with the 10-ride Ticket would continue to be offered with the Eight-ride Ticket as well as the option to purchase a monthly parking permit with the purchase of two Eight-ride tickets.

Language Changes

There will be proposed language changes, including language to reflect participation in the TransLink program.

Prepared by: Donald G. Esse, Acting Manager, Quality Assurance and Management Analysis
650.508.6329

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Ian B. McAvoy
Chief Development Officer

SUBJECT: ADOPTION OF THE FISCAL YEAR 2009 CALTRAIN CAPITAL BUDGET

ACTION

Staff Coordinating Council (SCC) recommends that the Joint Powers Board approve a Caltrain Capital Budget of \$150,774,900 for Fiscal Year 2009.

SIGNIFICANCE

At the June 5, 2008 Board meeting, staff presented the proposed FY09 Caltrain Capital Budget as an information item. Since the June 5, 2008 meeting, staff is proposing one change to the budget. Staff is proposing to add "Installation of Mini-high Platforms at Selected Caltrain Stations", a project that is urgently needed due to the increased use of Bombardier cars in both express and local services. With the delivery of eight additional Bombardier cars this Fall, and with the reallocation of the existing fleet to accommodate for the emergency repairs staff has previously reported, the mini-high platforms will facilitate more efficient boarding of passengers using wheelchairs to minimize dwell times at stations. The estimated cost of this project is \$825,000, with 80 percent of the funding to come from an accessibility improvement grant from the FTA Section 5307 program. The matching funds will come from the Capital Contingency Funds already included in the proposed FY09 Capital Budget.

As proposed, the FY09 budget includes new and ongoing infrastructure improvements consistent with the guidance set forth in the Caltrain Strategic Plan and the Short Range Transit Plan. Infrastructure projects include track, bridge, station, signal and communication system, and rolling stock replacement and rehabilitation projects that are necessary to maintain the overall railroad system in a state-of-good-repair and to sustain reliability in the current train operations. Other requests include funding required to keep design work for the Caltrain Electrification project on schedule, as well as funding for planning and engineering studies that need to be completed to help inform the regulatory approval process for the *Caltrain 2025* effort.

The focus of the FY09 Caltrain Capital Budget is to continue and complete safety, operational and accessibility improvements at selected Caltrain stations and along the right of way, to complete capital infrastructure and system improvements to provide reliability in train

operations; to focus on capital investments to maintain the current system and infrastructure in a state of good repair.

The Capital Budget is broken down into the following major categories:

- **Stations and Intermodal Access** – Continue the safety and operational improvements at the Santa Clara and South San Francisco stations, including the construction of an outboard platform and new underpass at each of these two locations; construct two new platforms, reconstruct tracks, and make signal improvements at the San Jose Diridon station to enhance operational reliability and flexibility in the vicinity of this station.
- **Right Of Way / Signals and Communications** – Continue the design efforts for two railroad bridges in San Francisco County (Quint and Jerrold) and two in Santa Clara County (Los Gatos Creek and Guadalupe River) ; begin construction of the four railroad bridges in San Mateo County (Poplar, Santa Inez, Monte Diablo and Tilton); maintain the current infrastructure in a state of good repair by completing necessary track and structures rehabilitation; replace and upgrade signal and communication equipment; provide for grade crossing safety improvements along the Caltrain right of way; and begin planning work for the soon-to-be-obsolete train control and network traffic management system as the current vendor is going out of business.
- **Rolling Stock** – Continue fleet planning including vehicle transition plan development, and develop specifications and RFP to replace a major sub-fleet of Caltrain’s rolling stock.
- **Caltrain 2025 Program** – Continue project development and perform engineering studies related to the implementation of *Caltrain 2025*, including studies of available signal, train control and communication technologies that would allow mixed traffic on the Caltrain corridor.
- **Operations Facilities and Equipment** – Provide funding to procure equipment for the existing rolling stock and maintenance facilities, including but not limited to engine power assemblies, wheelchair lifts, mechanical sub-systems.

BUDGET IMPACT

The total proposed FY09 Capital Budget is **\$150,774,900**, which does not yet include a funding request for Electrification. Funding needs for the Caltrain Electrification Program are still currently under review.

Funding secured to finance the proposed FY09 Capital Budget includes Federal, State, and other grant funding in the amount of \$120,417,200. Local match requirement to the Federal, State and other sources is \$10,667,700, and based on a one-third split per member the amount required from each partner is **\$3,555,900**. Additional amounts of \$9,640,000 (San Mateo) and \$10,050,000 (Santa Clara) are required to fund county-specific station and access improvements.

FY 2009 Local Match Requirements

Member Agency	Local Match	Other	Total
San Francisco	\$3,555,900	\$0	\$3,555,900
San Mateo	\$3,555,900	\$9,640,000	\$13,195,900
Santa Clara (VTA)	\$3,555,900	\$10,050,000	\$13,605,900
Total	\$10,667,700	\$19,690,000	\$30,357,700

Santa Clara (VTA) share is currently committed at \$2,846,000, this amount was included in VTA's approved FY09 budget. Additional funding required to increase VTA's share of local match commitment to \$3,555,900 is contingent upon staff coordination of *Caltrain 2025* planning efforts and VTA Board approval of additional funds from Measure A. VTA Board action is anticipated in October 2008. Funding required for Electrification, as discussed above, will also be subject to future VTA Board action.

BACKGROUND

The Capital Budget is developed annually as part of the capital planning process. Budget line items are developed through priorities established in the Short Range Transit Plan and a parallel call for projects involving JPB operating and support departments, as well as the JPB partners. Capital project submittals are reviewed and prioritized by agency staff in consultation with staff from partner agencies to assure consistency with planning and policy objectives.

Prepared by: April Chan, Director of Capital Program Support

650.508.6228

PRELIMINARY FISCAL YEAR 2009 CALTRAIN CAPITAL BUDGET

	PROJECT TITLE/DESCRIPTION	FY 09 PROJECT PHASE	EST. TOTAL COST	PREVIOUSLY BUDGETED	Proposed FY09 Capital Budget	Federal	Type	State	Type	Other	Type	Members	FUTURE NEEDS
	<u>I. Stations & Intermodal Access</u>												
1.	South San Francisco Caltrain Station Improvement Project	Final Design/ Construction	\$ 51,000,000	\$ 10,315,327	\$ 25,789,000	\$ 6,586,000	FTA Swap	\$ 19,203,000	STIP	\$ -		\$ -	\$ 14,895,673
2.	Santa Clara Station - New Center Platform and Underpass and SB Platform Extension (Note 1)	Final Design/ Construction	\$ 26,000,000	\$ 11,741,300	\$ 14,258,700	\$ -		\$ -		\$ 14,258,700	ACE, VTA	\$ -	\$ -
3.	South Terminal Station (Note 1)	Final Design/ Construction	\$ 52,000,000	\$ 14,000,000	\$ 33,775,000	\$ 5,100,000	Signal, Track	\$ 27,400,000	ITIP, Prop 1B	\$ 795,000	AB664	\$ 480,000	\$ 4,225,000
4.	Caltrain Systemwide Station Improvements: State of Good Repair Program	Preliminary Eng / Final Design / Construction	\$ 9,400,000	\$ 2,593,000	\$ 1,000,000	\$ -		\$ -		\$ -		\$ 1,000,000	\$ 5,807,000
5.	Provision of mini-high platforms at selected Caltrain Stations (Note 3)	Preliminary Eng / Final Design /	\$ 825,000	\$ -	\$ 660,000	\$ 660,000	ADA	\$ -		\$ -		\$ -	\$ -
	I. Stations & Intermodal Access				\$ 75,482,700	\$ 12,346,000		\$ 46,603,000		\$ 15,053,700		\$ 1,480,000	\$ 24,927,673
	<u>II. Right of Way / Signal & Communications</u>												
1.	FY 2009 Systemwide Track Rehabilitation Program	Construction	\$ 6,500,000	\$ 3,250,000	\$ 3,250,000	\$ 2,600,000	TR	\$ -		\$ -		\$ 650,000	\$ -
2.	Quint and Jerrold Bridge	Final Design	\$ 42,000,000	\$ 900,000	\$ 2,400,000	\$ 2,400,000	TR	\$ -		\$ -		Note 2	TBD
3.	San Mateo Bridge Replacement Environmental Document, Preliminary Engineering and Final	Final Design/ Construction	\$ 46,521,058	\$ 12,268,417	\$ 32,600,000	\$ 3,000,000	TR	\$ 29,600,000	TCRP, PUC 190, LSSRP & Match, Prop 1B	\$ -		Note 2	\$ 1,652,641
4.	Los Gatos and Guadalupe Bridges Env. Documents and Los Gatos Bridge Final Design	Final Design	\$ 26,000,000	\$ 2,331,098	\$ 1,600,000	\$ 1,600,000	TR	\$ -		\$ -		Note 2	TBD
5.	Wide Spectrum (Data) Radio ATCS Second Channel	Final Design/Construction	\$ 3,675,000	\$ 1,600,000	\$ 2,075,000	\$ 1,660,000	Rapid Rail	\$ -		\$ -		\$ 415,000	\$ -
6.	Railroad Signal System Rehab	Preliminary Eng	\$ 12,000,000	\$ -	\$ 700,000	\$ 560,000	Signal	\$ -		\$ -		\$ 140,000	\$ 11,300,000
7.	Narrow Banding Project - Develop Project Strategy Plan & Master Voice Radio Plan	Preliminary Eng / Final Design / Procurement	\$ 1,287,000	\$ -	\$ 1,287,000	\$ 440,000	Rapid Rail	\$ 847,000	STA	\$ -			\$ -
8.	Automatic Train Control/Network Traffic Management System - Maintenance & Requirements	Planning	TBD	\$ 450,000	\$ 1,550,000	\$ -		\$ -		\$ 1,550,000	Others/TBD	\$ -	TBD

PRELIMINARY FISCAL YEAR 2009 CALTRAIN CAPITAL BUDGET

	PROJECT TITLE/DESCRIPTION	FY 09 PROJECT PHASE	EST. TOTAL COST	PREVIOUSLY BUDGETED	Proposed FY09 Capital Budget	Federal	Type	State	Type	Other	Type	Members	FUTURE NEEDS
9.	Caltrain Visual Messaging System - Update	Preliminary Eng / Final Design /	\$ 180,000	\$ -	\$ 180,000	\$ 144,000	ADA	\$ -		\$ -		\$ 36,000	\$ -
10.	San Mateo Grade Crossing Safety Improvement	Final Design/Construction	\$ 17,200,000	\$ 5,560,000	\$ 11,640,000			\$ 2,000,000	PUC 130	\$ 9,640,000	SMCTA		\$ -
11.	Maintenance of Caltrain Engineering Standards	Update of Standards	\$ 2,985,000	\$ 2,550,000	\$ 435,000			\$ -		\$ -		\$ 435,000	\$ -
12.	Aerial Mapping Update	Update of Aerial Mapping	\$ 1,125,000	\$ 1,000,000	\$ 125,000	\$ -		\$ 125,000	STA	\$ -		\$ -	\$ -
II. Right of Way / Signal & Communications					\$ 57,842,000	\$ 12,404,000		\$ 32,572,000		\$ 11,190,000		\$ 1,676,000	\$ 12,952,641
III. Rolling Stock													
1.	Rolling Stock/Vehicles	Planning, Specs & RFP Dev't		\$ 441,000	\$ 1,600,000	\$ -		\$ 1,600,000	STA	\$ -		\$ -	TBD
III. Rolling Stock					\$ 1,600,000	\$ -		\$ 1,600,000		\$ -		\$ -	\$ -
IV. Operational Facilities & Equipment													
1.	Rolling Stock Equipment, including but not limited to, engine power assemblies; speedometer upgrades; wheelchair lifts, battery sets, HVAC thermostat; signage	Procurement	\$ 2,450,900	\$ -	\$ 2,450,900							\$ 2,450,900	
2.	Parking Machine Replacement Program - San Mateo, Sunnyvale and San Antonio Stns	Procurement	\$ 380,800	\$ -	\$ 380,800							\$ 380,800	\$ -
3.	PCI Compliance & Network Security Improvements	Procurement	\$ 270,000	\$ 50,000	\$ 220,000							\$ 220,000	\$ -
IV. Operational Facilities & Equipment					\$ 3,051,700	\$ -		\$ -		\$ -		\$ 3,051,700	\$ -
V. Electrification													
1.	Electrification Program	Final Design	\$ 98,860,000	\$ 30,975,000	TBD					TBD			TBD
V. Electrification					\$ -					\$ -			
VI. Caltrain 2025													

PRELIMINARY FISCAL YEAR 2009 CALTRAIN CAPITAL BUDGET

	PROJECT TITLE/DESCRIPTION	FY 09 PROJECT PHASE	EST. TOTAL COST	PREVIOUSLY BUDGETED	Proposed FY09 Capital Budget	Federal	Type	State	Type	Other	Type	Members	FUTURE NEEDS
1.	Caltrain 2025 Implementation Program: including engineering studies, financing strategies, support work needed for FRA and other regulatory agency approvals.				\$ 4,500,000			\$ 1,000,000	STA			\$ 3,500,000	TBD
VI. Caltrain 2025					\$ 4,500,000	\$ -		\$ 1,000,000				\$ 3,500,000	TBD
<u>VII. Safety/Security Program</u>													
1.	Caltrain ROW Safety and Security Program, including but not limited to ROW Fencing				\$ 2,138,500			\$ 2,138,500	DHS/Prop 1B				
VII. Safety/Security Program					\$ 2,138,500	\$ -		\$ 2,138,500		\$ -		\$ -	\$ -
<u>VIII. Others</u>													
1.	Capital Program Development/Management		\$ 650,000		\$ 650,000			\$ 650,000	STA				
2.	Capital Project Development		\$ 1,500,000		\$ 1,500,000			\$ 1,500,000	STA				
3.	Capital Contingency-Engineering		\$ 300,000		\$ 300,000							\$ 300,000	
4.	Capital Contingency-Rail		\$ 660,000		\$ 660,000							\$ 660,000	
5.	Capital Contingency-Gilroy		\$ 50,000		\$ 50,000					\$ 50,000	VTA		
6.	Third Party Re-collectible Program - Providing staff & engineering support for third party projects		\$ 3,000,000		\$ 3,000,000					\$ 3,000,000	3rd Party Payments		
VIII. Others			\$ 6,160,000		\$ 6,160,000	\$ -		\$ 2,150,000		\$ 3,050,000		\$ 960,000	\$ -
					\$ 150,774,900	\$ 24,750,000		\$ 86,063,500		\$ 29,293,700		\$ 10,667,700	
<u>Notes:</u>													
(1) VTA funding support for the Santa Clara Station and South Terminal Improvement projects is subject to VTA Board of Directors approval at its regularly scheduled <i>October</i> meeting.													
(2) Matching funds required for these projects will be requested from the JPB Members as part of the FY2010 Capital Budget development process.													
(3) Matching funds in the amount of \$165,000 will be provided from the Capital Contingency Rail funds included in section VIII, line item 4.													

RESOLUTION NO. 2008 –

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

*** * ***

**ADOPTING FISCAL YEAR 2009 CAPITAL BUDGET
IN THE AMOUNT OF \$150,774,900**

WHEREAS, the Joint Powers Agreement dated October 18, 1991, as amended, requires the Peninsula Corridor Joint Powers Board (JPB) to develop and approve a capital budget to complement the strategic planning process; and

WHEREAS, the Executive Director has prepared and presented to the Peninsula Corridor Joint Powers Board for information a Capital Budget for Fiscal Year 2009 in the amount of \$150,114,900 at the June 5, 2008 meeting of the JPB; and

WHEREAS, since the June 5, 2008 Board meeting, a change is proposed to be made to the budget that adds the Installation of Mini-high Platforms at Selected Caltrain Stations project; and

WHEREAS, the Executive Director and the Staff Coordinating Council recommend that the Board adopt the Capital Budget for Fiscal Year 2009 in the amount of \$150,774,900, as more particularly set forth in Attachment A; and

WHEREAS, the local match funding requirement for the proposed Capital Budget is \$10,667,700 in Fiscal Year 2009, requiring a contribution of \$3,555,900 from each member agency to fully satisfy its local funding requirement; and

WHEREAS, additional amounts of \$9,640,000 from San Mateo, and \$10,050,000 from Santa Clara are required to fund area-specific station improvement projects; and

WHEREAS, San Francisco will provide \$3,555,900 of its Fiscal Year 2009 local match from a combination of Proposition K funds and other local funds through the San Francisco County Transportation Authority and the San Francisco Municipal Transportation Agency; and

WHEREAS, San Mateo will provide \$13,195,900 of its Fiscal Year 2009 local match and area-specific contribution through the San Mateo County Transportation Authority; and

WHEREAS, Santa Clara will provide \$13,605,900 of its Fiscal Year 2009 local match and area-specific contribution through the Santa Clara Valley Transportation Authority (VTA) contingent upon VTA Board of Directors approval of additional funding beyond what VTA has previously approved for Fiscal Year 2009 Caltrain capital funding needs; and

NOW, THEREFORE, BE IT RESOLVED that the Peninsula Corridor Joint Powers Board adopts the Fiscal Year 2009 Capital Budget in the amount of \$150,774,900, as set forth in Attachment A, with the understanding that as to the local match funding requirement, the three member agencies will each contribute \$3,555,900; and

BE IT FURTHER RESOLVED that to fund the local match and area-specific funding requirements, San Mateo will contribute \$9,640,000, and Santa Clara will contribute \$10,050,000 in the manner recited above; and

BE IT FURTHER RESOLVED that the Board authorizes the Executive Director to take such additional actions as may be necessary to give effect to this resolution.

Regularly passed and adopted this 7th day of August 2008, 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: Gigi Harrington
Chief Financial Officer

SUBJECT: **ADOPTION OF A NEW FAREBOX RECOVERY RATE GOAL**

ACTION

Staff Coordinating Council (SCC) recommends the Board adopt a farebox recovery rate goal with a range of 38 to 50 percent, to take effect in Fiscal Year 2009.

SIGNIFICANCE

Due to successes experienced by Caltrain related to Baby Bullet service, the reinvention of Caltrain service and associated ridership increases, and the recent spike in fuel prices, farebox revenue has been increasing significantly and steadily since FY04.

A farebox recovery goal of 35 to 40 percent was originally adopted in February 2006, and as farebox revenues continue to grow, it seems prudent to revise the Board policy to reflect current farebox recovery levels and growth potential.

An increase in the farebox recovery goal to a range of 38 to 50 percent will be more in line with current trends. Although this policy has not yet been adopted, staff prepared the FY09 budget with the understanding that the customer contribution toward revenues will be generated from the farebox in this increased range and that the balance of revenues will be provided from other sources. This policy will create a parameter to be used in future budget planning practices.

A range rather than a specific goal provides flexibility to accommodate economic and budgetary fluctuations. This range and the associated budgetary expectations reflect current practices and a projected increase in fares in January 2009.

As can be seen in the following Table, the budgeted farebox recovery rate for FY09 is already in the goal range as fare revenue projections take into account a January fare increase.

Table: Farebox Recovery Rates			
	Fare Revenue	Operating Expense	Percentage of Recovery
FY2009 Budgeted	\$41,669,414	\$95,357,127	43.70%
FY2008 Revised	\$38,352,831	\$89,956,069	42.64%
FY2007	\$34,844,628	\$77,905,255	44.73%
FY2006	\$30,376,327	\$72,943,148	41.64%
FY2005	\$23,036,916	\$70,574,877	32.64%
FY2004	\$19,257,579	\$63,817,729	30.18%

BUDGET IMPACT

While this policy has no direct effect on the budget for FY09, it will be prudent to closely monitor actual fare revenues and see how revenue trends develop over time. Continued growth will be necessary in order to achieve annual fare revenues of \$41.7 million in FY09 and indicators seem to point towards this continued growth.

BACKGROUND

Throughout the transportation industry, revenues to support rail transit come from a variety of sources, with fares being only one of the sources. Farebox recovery rates vary significantly, from a low of 10 percent up to 60 percent or more for rail systems in dense urban areas. A goal with a range of 38 to 50 percent moves the JPB higher than the median of ranges utilized by similar agencies.

Prepared by: Trish Reavey, Director of Finance

650.508.6434

RESOLUTION NO. 2008-

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

AUTHORIZING ADOPTION OF A NEW FAREBOX RECOVERY RATE GOAL

WHEREAS, the Peninsula Corridor Joint Powers Board (“JPB”) originally adopted a farebox recovery goal of 35 to 40 percent in February 2006 and has since experienced growth in farebox revenue recovery; and

WHEREAS, a range rather than a goal provides flexibility to accommodate economic and budgetary fluctuations; and

WHEREAS, the proposed farebox recovery rate goal reflects a range consistent with recent Caltrain experience, including significant and steady increases in farebox revenue since FY04 related to the Baby Bullet service, the reinvention of Caltrain service and associated ridership increases, and the increases in fuel prices; and

WHEREAS, Staff Coordinating Council recommends the Peninsula Corridor Joint Powers Board revise the farebox recovery rate goal and establish a range of 38 to 50 percent.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board does hereby adopt a farebox recovery rate goal range of 38 to 50 percent.

Regularly passed and adopted this 7th day of August 2008 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: George Cameron
Chief Administrative Officer

C.H. (Chuck) Harvey
Chief Operating Officer

**SUBJECT: AWARD OF A CONTRACT FOR REPLACEMENT OF SIX
CATERPILLAR 3412 LOCOMOTIVE SEPARATE HEAD-END (SEP-
HEP) POWER UNITS, ONE SPARE UNIT, PRODUCT SUPPORT AND
SPARE PARTS**

ACTION

Staff Coordinating Council (SCC) recommends that the Board authorize the following:

1. Award of a contract to Transportation Technology, Inc. (TTI) of Yonkers, NY for engine replacements and major overhaul of six Caterpillar 3412 SEP-HEP units, one spare unit, spare parts and one year of product support for a total estimated cost of \$795,277; and
2. The Executive Director or his designee to execute a contract in full conformity with the terms and conditions of the bid specification documents.

SIGNIFICANCE

The current SEP-HEP units, consisting of a diesel engine and electrical-generating alternator installed as a unit in the locomotive's engine compartment, have been in service since 2003 and are now due for engine replacement and major overhaul. Award of this contract for the work on six SEP-HEP units, including one spare, will assure continued functionality of the units and avoid unscheduled repairs that could disrupt service.

BUDGET IMPACT

Funding for this contract will come from funds approved for the Locomotive Overhaul Project in the Fiscal Year 2008 Caltrain Capital Budget. No additional member contributions are required.

BACKGROUND

A SEP-HEP unit consists of a separately-mounted diesel engine and an electrical generating alternator located in a locomotive's engine compartment. The unit provides needed electrical power to operate lighting, heating, ventilation, air conditioning and door operating systems, among others, on passenger cars of the train sets. Normal service life between major overhaul of the units is four to five years. The separately-mounted engine and alternators are removable as a unit from the engine compartment of the locomotives and the majority of the work on the removed unit would be accomplished at the Contractor's facility. Each locomotive potentially

undergoing overhaul of their SEP-HEP unit would be removed from fleet use for only seven to 10 days, on a rotational basis, and no disruption of train service to Caltrain customers would be expected because of the work. If the contract is awarded on the basis of replacement of the SEP-HEP units instead of overhauling them, disruption to fleet use and Caltrain customers would be considerably less.

An Invitation for Bids was issued for the overhaul or replacement of up to six installed Caterpillar 3412 head end power (HEP) unit engines, plus one spare unit, together with spare parts and product support. The solicitation was advertised in a newspaper of general circulation and on the JPB's Web site. A total of ten solicitations were downloaded and two bids were received, as follows:

BIDDER	BID PRICE	
<i>Engineer's Estimate</i>		<i>\$ 740,826</i>
Transportation Technology, Inc. (TTI)	Alternative A - \$ 584,751 Alternative B - \$ no bid Alternative C - \$ 795,277	
MotivePower, Inc.	Alternative A - \$ 1,501,762 Alternative B - \$ no bid Alternative C - \$ 3,347,468	

The JPB sought bids for three Alternatives as a solution to the renovation or replacement of the engines and spare parts. The decision to solicit bids for three Alternatives was based on an independent review made by Parsons Brinckerhoff, the engineering consultant selected by the JPB to prepare technical specifications and an independent cost estimate for the overhaul and/or replacement of the current SEP-HEP units. Their review provided the JPB with the basis for the scope of work to support the project and advised that the JPB should consider the following three Alternatives:

Alternative A: Overhaul the existing engines and remain at Tier 1 compliance.

Alternative B: Replace the existing engines with new certified Tier 1 compliant engines and new Marathon alternators or equivalent. These engines would be new, and are the same make and model currently in use. Although these Tier 1 engines were discontinued in 2007, they were included as an alternative in the event that a few new engines remained in stock in the marketplace.

Alternative C: Replace the existing model with new FRA certified Tier 2 diesel engines, which are better for the environment, or improved new Marathon alternators or equivalent.

As a result, bidders were advised to bid on any or all of Alternatives A, B or C.

Because alternatives were selected during the bid evaluation process, the JPB preserved the anonymity of the bidders throughout that process in order to ensure a fair selection process and to eliminate the possibility of the appearance of favoritism. Staff made the determination to select Alternative C which would provide the engines that comply with new Tier 2 emissions regulations and are better for the environment. It was then revealed that Transportation Technology, Inc. was the lowest responsive, responsible bidder.

Initially, staff was concerned with the disparity between the two bids. However after a prolonged review by the Project Manager, staff is satisfied that both companies understood the Scope of Work required. Additionally, after careful comparison and analysis of the products and peripheral services offered, as well as the Project Manager's investigation into the references provided by TTI, staff concluded that the bid submitted by TTI fully complies with the solicitation documents and that TTI is fully capable of performing the work for a fair and reasonable price.

The Disadvantaged Business Enterprise (DBE) Program Office reviewed TTI's bid and determined that it met the DBE requirements of the IFB. TTI is a woman-owned business previously certified as a DBE by the Maryland Department of Transportation.

Sr. Contract Officer:	Nita Vigil	650.508.7731
Project Manager:	Stephen Coleman, Manager, Rail Equipment	408.793.5440

RESOLUTION NO. 2008-

BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD

STATE OF CALIFORNIA

* * *

AUTHORIZING AN AWARD OF A CONTRACT FOR REPLACEMENT OF SIX CATERPILLAR 3412 LOCOMOTIVE SEPARATE HEAD-END POWER (SEP-HEP) UNITS, ONE SPARE UNIT, PRODUCT SUPPORT AND SPARE PARTS FOR A TOTAL COST OF \$795,277.00

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) has solicited bids for the overhaul and/or replacement of six Caterpillar 3412 locomotive SEP-HEP and one spare; and

WHEREAS, in response to the JPB's solicitation for bids, two firms submitted bids; and

WHEREAS, staff and Legal Counsel have reviewed these bids; and

WHEREAS, the Staff Coordinating Council recommends that the contract be awarded to the lowest responsive, responsible bidder, Transportation Technology, Inc. of Yonkers, NY, whose bid meets the requirements of the solicitation documents.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract to Transportation Technology, Inc. of Yonkers, NY for the replacement of six Caterpillar 3412 locomotive SEP-HEP units, one spare unit, product support and spare parts for a total cost of \$795,277.00, inclusive of sales tax and delivery costs; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to execute a contract on behalf of the Peninsula Corridor Joint Powers Board with Transportation Technology, Inc. in full conformity with the terms and conditions of the contract documents.

Regularly passed and adopted this 7th day of August, 2008 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

ballast also eliminates the possibility that the contractor will have to ship ballast by truck to meet schedule requirements at a substantial cost premium compared to rail shipment.

BUDGET IMPACT

Funding for the procurement of ballast was included in a number of prior years' approved capital projects, including system-wide track rehabilitation, track improvement at the South San Francisco, Santa Clara, and San Jose stations, and the rehabilitation of the San Mateo railroad bridges. No additional funding is required for this procurement.

BACKGROUND

The ballast procurement program involves the following three separate procurement actions:

- Non-competitive procurement of ballast from Vulcan Materials Company and Affiliates Table Mountain Quarry
- Non-competitive shipment of ballast by Union Pacific Railroad
- Competitive contract for unloading ballast to Frank C. Alegre Trucking, Inc.

Shipment and unloading of ballast are covered in separate staff reports.

The JPB requires up to 88,000 tons of ballast for capital projects and State-of-Good-Repair maintenance projects over the next two years. The various projects that will use the ballast from this procurement include:

- System Track Rehabilitation (State-of-Good-Repair) – various locations
- South San Francisco Station Improvement Project
- Santa Clara Station Project
- South Terminal Improvement Project
- San Mateo Bridge Project

Staff has conducted an extensive evaluation and cost analysis to determine the most economical approach to procure ballast. JPB contracted with Kleinfelder to evaluate Northern California ballast producing quarries. Kleinfelder provided its findings in the 2006 Ballast Conformance Study. The study evaluated ballast from the sixteen Northern California quarries that produce ballast to determine which quarries could supply ballast that conformed to Caltrain Standard Specifications. There are only two Northern California quarries that produce ballast in conformance with all specifications, the Vulcan Materials and Affiliates Table Mountain Quarry in Oroville, and the Jackson Valley Quarry in Ione. The Vulcan Quarry has a rail spur and provides the capability of shipment by rail. The Jackson Valley Quarry does not have a rail spur and requires shipment by truck.

Shipment of ballast by rail is critical because shipment of large quantities of ballast by truck is cost prohibitive. Shipment by truck also would raise community noise concerns with the large number of trucks that would be operating near residential areas to access the storage locations.

The ballast price quoted from Vulcan is \$11.50 per ton for the first 48,000 tons of ballast; and \$12.00 per ton for the additional 40,000 tons of ballast to be purchased after April 2009 through

December 31, 2009. The most recent quote from the Jackson Valley Quarry was \$11.50 per ton. Even if the ballast from the Jackson Valley Quarry were less expensive than ballast from the Vulcan Quarry, the following shipping cost comparison demonstrates that any possible savings in ballast cost is far outweighed by increased shipping cost.

Ballast Purchase		
Ballast (2008-2009)	(\$11.50/ton) x (48,000 tons)	\$ 552,000
Ballast (2009)	(\$12.00/ton) x (40,000 tons)	\$ 480,000
Total Ballast		\$1,032,000
Total Average cost/ton of Ballast		\$ 11.73

Rail Shipment by UPRR from Oroville 88,000 tons of ballast requires 22 forty-car unit trains. Each car holds 100 tons of ballast.		
Freight	(\$12.74/ton) x (88,000 tons)	\$1,121,120
Fuel Surcharge	(\$0.40/mile/car) x (202 miles) x (880 cars)	\$ 71,104
Total Shipping		\$1,192,224
Shipping Cost per Ton		\$ 13.55
Ballast and Rail Shipping cost/ton		\$ 25.28

Ballast Shipment by Truck from Ione Truck shipment of 88,000 tons of ballast requires 4,400 truck loads at 20 tons per load.		
Driver	5 hrs/trip at \$45.89/hr	\$ 229.45
Equipment	5 hrs/trip at \$75/hr	\$ 375.00
Cost per trip		\$ 604.45
Total Shipping	4,400 trips	\$ 2,659,580
Cost per Ton		\$ 30.22
Ballast and Truck Shipping cost/ton	(\$11.50/ton ballast) + (\$30.22/ton shipping)	\$ 41.72

The non-competitive procurement of ballast was evaluated and approved by Contracts & Procurement and Legal Counsel. Legal Counsel has advised that the combination of circumstances described in this report falls within a common law exception to the competitive bidding requirements because a competitive process would not offer the JPB or the public any advantage or benefit and would therefore be unavailing.

Sr. Contract Officer: Nita Vigil 650.508.7731
 Project Manager: Steve Hill, Chief Engineer, Track & Structures 650.508.7941

RESOLUTION NO. 2008-

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

* * *

**AUTHORIZING AWARD OF A CONTRACT FOR THE PROCUREMENT
OF BALLAST TO VULCAN MATERIALS COMPANY AND
AFFILIATES TABLE MOUNTAIN QUARRY
IN AN ESTIMATED BASE AMOUNT OF \$552,000**

WHEREAS, it is necessary that Caltrain maintain a readily available supply of ballast for construction capital projects and State-of-Good-Repair maintenance projects in order to eliminate potential construction delays and mark-ups on contractor-provided ballast; and

WHEREAS, staff has determined that Vulcan Materials Company and Affiliates Table Mountain Quarry of Oroville, CA (Vulcan) is the only source of ballast in Northern California that (1) meets Caltrain's standard specifications, and (2) is located on a rail spur between the quarry and the Caltrain right of way, allowing for significant cost savings in the delivery of ballast; and

WHEREAS, staff has researched the price of ballast available from a number of quarries and has determined that Vulcan's price is fair and reasonable, especially when viewed in combination with shipping costs; and

WHEREAS, staff, with the concurrence of Legal Counsel, has determined that, because of the above factors, a competitive procurement of ballast would be unavailing and not in the public's interest; and

WHEREAS, the Staff Coordinating Council has recommended that a contract be awarded to Vulcan without a competitive procurement process.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) hereby awards a contract to Vulcan Materials Company and Affiliates Table Mountain Quarry of Oroville, California for the provision of ballast in the estimated amount of \$552,000; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to execute the contract with Vulcan Materials Company and Affiliates Table Mountain Quarry in accordance with the negotiated terms and conditions and in a form approved by Legal Counsel; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to exercise an option to the contract with Vulcan Materials Company and Affiliates Table Mountain Quarry for additional ballast in the estimated amount of \$480,000, if it is determined in the JPB's best interest to do so.

Regularly passed and adopted this 7th day of August, 2008 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: George Cameron Ian McAvoy
Chief Administrative Officer Chief Development Officer

SUBJECT: **AWARD OF A CONTRACT TO UNION PACIFIC RAILROAD FOR
THE SHIPPING OF BALLAST IN THE ESTIMATED AMOUNT OF
\$650,304**

ACTION

Staff Coordinating Council (SCC) recommends that the Board:

1. Award a contract to the Union Pacific Railroad of Omaha, NE, on a non-competitive basis, for the shipping of ballast in the estimated amount of \$650,304; and
2. Authorize the Executive Director or his designee to execute the contract in conformity with negotiations with Union Pacific Railroad and in a form approved by Legal Counsel.

SIGNIFICANCE

Approval of this procurement from Union Pacific will provide shipping of up to 48,000 tons (480 cars) of ballast to meet the JPB's capital project requirements and State-of-Good-Repair maintenance requirements for the next year. As stated in the Staff Report for the procurement of ballast from Vulcan Materials Company and Affiliates Table Mountain Quarry, there are numerous benefits to the JPB in providing owner-furnished ballast for upcoming capital projects. The Vulcan Quarry in Oroville is the only Northern California quarry with ballast that meets the JPB's specifications and has the capability for rail shipment to and from the quarry. Union Pacific Railroad is the only railroad that operates between the Vulcan Quarry and the Caltrain right of way, and is the only alternative to shipment of ballast by truck, which is significantly more expensive than rail shipment. Thus, this contract for rail services to transport ballast that meets JPB specifications from the Vulcan Quarry constitutes a procurement that falls within an exception to the competitive bidding requirements because, due to the unusual circumstances described above, no competitive advantage would be gained through a competitive process. Staff has negotiated a price with Union Pacific that it has determined is fair and reasonable compared to rates charged in the current market.

BUDGET IMPACT

Funding for the shipping of ballast was included in a number of prior years' approved capital projects, including system-wide track rehabilitation, track improvement at the South San

Francisco, Santa Clara, and San Jose stations, and the rehabilitation of the San Mateo railroad bridges. No additional funding is required for this work.

BACKGROUND

The ballast procurement program involves the following three separate procurement actions:

- Non-competitive contract for procurement of ballast from Vulcan Materials Company and Affiliates Table Mountain Quarry in Oroville, California
- Non-competitive contract for shipment of ballast by Union Pacific Railroad
- Competitive contract for unloading ballast to Frank C. Alegre Trucking, Inc.

The procurement of ballast from Vulcan Quarry and rail shipment by Union Pacific are separate non-competitive procurements that are essential to provide the JPB with the most cost-effective source of ballast.

The JPB requires 88,000 tons of ballast for capital projects and State-of-Good-Repair maintenance projects over the next two years. However, the proposed contract will cover only the ballast shipping needs for the first 48,000 tons because the UPRR could not provide assurances of shipping schedules beyond those required for the initial shipments equaling 48,000 tons. The various projects that will use the ballast delivered under the proposed procurement include:

- System Track Rehabilitation (State-of-Good-Repair) – various locations
- South San Francisco Station Improvement Project
- Santa Clara Station Project
- South Terminal Improvement Project
- San Mateo Bridge Project

Staff has performed an extensive evaluation and cost analysis to determine the most economical approach to procure ballast. As shown by the Kleinfelder 2006 Ballast Conformance Study, only two Northern California quarries produce ballast that meets all JPB specification requirements, the Vulcan Quarry in Oroville, and the Jackson Valley Quarry in Ione. The Vulcan Quarry has a rail spur and provides the capability of shipment by rail. The Jackson Valley Quarry does not have a rail spur and requires shipment by truck.

Shipment of ballast by rail is critical because shipment of large quantities of ballast by truck is cost prohibitive as demonstrated by the following shipping cost comparison. Shipment by truck would also raise community noise concerns with the large number of trucks that would be operating near residential areas to access the storage locations.

Ballast Shipment by Rail from Oroville		
Rail shipment of 48,000 tons of ballast requires 12 forty-car unit trains. Each car holds 100 tons of ballast.		
Freight	(\$12.74/ton) x (48,000 tons)	\$ 611,520
Fuel Surcharge	(\$0.40/mile/car) x (202 miles) x (480 cars)	\$ 38,784
Total Shipping		\$ 650,304
Shipping Cost per Ton		\$ 13.55

Truck Shipment from Ione		
Truck shipment of 48,000 tons of ballast requires 2,400 truck loads at 20 tons per load.		
Driver	5 hrs/trip at \$45.89/hr	\$ 229.45
Equipment	5 hrs/trip at \$75/hr	\$ 375.00
Cost per trip		\$ 604.45
Total Shipping	2,400 trips	\$ 1,450,680
Cost per Ton		\$ 30.22

The non-competitive procurement of rail shipment services was evaluated and approved by staff and Legal Counsel. Legal Counsel has advised that the circumstances described in this report fall within a common law exception to the competitive bidding requirements because a competitive process would not offer the JPB or the public any advantage or benefit and would therefore be unavailing.

Sr. Contract Officer: Nita Vigil 650.508.7731
Project Manager: Steve Hill, Chief Engineer, Track & Structures 650.508.7941

RESOLUTION NO. 2008-

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

* * *

**AUTHORIZING AWARD OF A CONTRACT TO UNION PACIFIC RAILROAD FOR
SHIPMENT OF BALLAST IN THE ESTIMATED AMOUNT OF \$650,304**

WHEREAS, staff has identified a need to ship ballast by rail from the Vulcan Materials Company and Affiliates Table Mountain Quarry of Oroville, CA; and

WHEREAS, Union Pacific Railroad of Omaha, NE is the only railroad that operates on the rail spur between Vulcan Materials Company and Affiliates Table Mountain Quarry and the Caltrain right of way; and

WHEREAS, staff, with the concurrence of Legal Counsel, has determined that because of Union Pacific's unique capabilities, a competitive procurement of ballast shipping would be unavailing and not in the public's interest;; and

WHEREAS, staff has negotiated a price that it has determined is fair and reasonable; and

WHEREAS, the Staff Coordinating Council has recommended that a contract be awarded to Union Pacific Railroad without a competitive procurement process.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) hereby awards a contract to Union Pacific Railroad of Omaha, NE for the shipment of ballast in the estimated amount of \$650,304; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to execute a contract on behalf of the JPB with Union Pacific Railroad in accordance with the negotiated terms and conditions and in a form approved by Legal Counsel.

Regularly passed and adopted this 7th day of August, 2008 by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

Chair, Peninsula Corridor Joint Powers Board

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: George Cameron
Chief Administrative Officer

Ian McAvoy
Chief Development Officer

SUBJECT: **AWARD OF A CONTRACT TO FRANK C. ALEGRE TRUCKING FOR
THE UNLOADING AND STOCKPILING OF BALLAST IN THE
ESTIMATED BASE AMOUNT OF \$354,000**

ACTION

Staff Coordinating Council (SCC) recommends that the Board:

1. Award the subject contract to the lowest, responsive and responsible bidder, Frank C. Alegre Trucking, Inc. (Alegre Trucking) of Lodi, CA in the total estimated amount of \$354,000 for the base year of the contract;
2. Authorize the Executive Director, or his designee, to execute a contract in full conformity with the terms and conditions of the solicitation documents; and
3. Authorize the Executive Director or his designee to exercise an option for additional unloading and stockpiling of ballast in the amount of \$330,000 if it is in the best interest of the JPB.

SIGNIFICANCE

Award of this service contract will provide for unloading of up to 12 unit trains of ballast during the base year of the contract term and up to 10 unit trains of ballast during the contract option year. This contract for ballast unloading and stockpiling is vital to the success of the JPB's ballast procurement program.

Unloading of each ballast unit train (forty 100-ton ballast cars) must be accomplished within five days of ballast delivery to avoid additional shipping charges. Alegre Trucking will provide the dedicated resources, including equipment and operators needed to meet the five-day unloading requirement as unit trains arrive.

BUDGET IMPACT

Funding for the unloading and stockpiling of ballast was included in a number of previously approved capital projects, including system-wide track rehabilitation, track improvement at the South San Francisco, Santa Clara, and San Jose stations, and the rehabilitation of the San Mateo railroad bridges. No additional funding is required for this work.

BACKGROUND

The JPB’s ballast procurement program involves the following three separate procurement actions addressed in separate JPB staff reports:

- Non-competitive procurement of ballast from Vulcan Materials Company and Affiliates Table Mountain Quarry
- Non-competitive shipment of ballast by Union Pacific Railroad
- Competitive procurement of ballast unloading and stockpiling services, addressed in this staff report

The JPB requires up to 88,000 tons of ballast for capital projects and State-of-Good-Repair maintenance projects over the next two years. The various projects that will use the ballast from this procurement include:

- System Track Rehabilitation (State-of-Good-Repair) – various locations
- South San Francisco Station Improvement Project
- Santa Clara Station Project
- South Terminal Improvement Project
- San Mateo Bridge Project

Invitations for Bids for the ballast unloading contract were distributed throughout the construction and rock and aggregate industry. The solicitation was advertised in a newspaper of general distribution and on the District’s procurement Web site. Solicitation notices were also sent to potential bidders and disadvantaged business enterprises (DBEs). Fourteen contractors downloaded the plans and specifications from the District’s Web site. Two bids were received and opened publicly on June 26, 2008, with the following results:

	Company	Total Bid Amount
	<i>Engineer’s Estimate</i>	<i>\$662,138</i>
1.	Frank C. Alegre Trucking, Inc.	\$684,000
2.	Mitchell Engineering	\$724,000

Alegre Trucking was deemed to be the apparent low bidder with a bid that was 3 percent higher than the engineer’s estimate. Staff reviewed the bids and determined that both bidders were responsive to the solicitation requirements.

Alegre Trucking has been in business since 1963, starting off in the dirt hauling portion of the construction industry. The company now has more than 200 employees and dispatches 170 units and 400 sets of trailers of its own, while maintaining contracts with many independent operators.

While Alegre Trucking expanded over the years, the loading and transport of aggregate and other construction materials has remained a significant portion of its business. Staff evaluated Alegre Trucking's ability to satisfactorily perform the work of the contract, and determined that it is responsible and that the pricing offered was fair and reasonable. Alegre Trucking has extensive experience in the handling of aggregate and other construction materials and has the resources necessary for the successful completion of the ballast unloading and stockpiling contract.

The DBE Officer found that Frank C. Alegre Trucking has properly submitted all of the required DBE documentation and found it to be in order. The nature of the work is not conducive to subcontracting because the contractor can perform all of the work in-house. It is the determination of the DBE Officer that Alegre Trucking has complied with the DBE requirements applicable to this project.

Sr. Contract Officer:	Nita Vigil	650.508.7731
Project Manager:	Steve Hill, Chief Engineer, Track & Structures	650.508.7941

RESOLUTION NO. 2008-

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

* * *

**AUTHORIZING AWARD OF A CONTRACT TO
FRANK C. ALEGRE TRUCKING, INC. FOR THE
UNLOADING AND STOCKPILING OF BALLAST IN THE ESTIMATED BASE
AMOUNT OF \$354,000**

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) issued an Invitation for Bids for the unloading of ballast; and

WHEREAS, in response to the JPB's Invitation for Bids, two firms submitted bids; and

WHEREAS, staff and Legal Counsel have reviewed the bids; and

WHEREAS, the Staff Coordinating Council has recommended that a contract be awarded to the lowest responsive, responsible bidder, Frank C. Alegre Trucking Inc., whose bid meets the requirements of the solicitation documents.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract to Frank C. Alegre Trucking, Inc. of Lodi, CA for the Ballast Unloading and Stockpiling Project for a total cost of \$354,000; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to execute a contract on behalf of the Peninsula Corridor Joint Powers Board with Frank C. Alegre Trucking, Inc. in full conformity with all the terms and conditions of the contract documents; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to exercise a contract option in the amount of \$330,000 for additional ballast unloading and stockpiling if in the best interest of the JPB.

Regularly passed and adopted this 7th day of August 2008 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary