



# AGENDA

## PENINSULA CORRIDOR JOINT POWERS BOARD

Bacciocco Auditorium, 2<sup>nd</sup> Floor  
1250 San Carlos Avenue, San Carlos CA 94070

February 5, 2009 – Thursday

10:00 a.m.

1. Pledge of Allegiance
2. Swearing in of Mark Church (Representing SamTrans) and Ash Kalra (Representing VTA)
3. Call to Order/Roll Call
4. Report from Nominating Committee – Election of 2009 Officers
5. Public Comment  
Public comment by each individual speaker shall be limited to one minute
6. 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 December 4, 2008
  - b) Acceptance of the Statement of Revenues and Expenses, November 2008
  - c) Acceptance of the Statement of Revenues and Expenses, December 2008
  - d) Adoption of the Amended Conflict of Interest Code
  - e) Authorize to Request an Allocation of Fiscal Year 2009 Proposition 1B California Transit Security Grant Program Funds in the Amount of \$939,246
  - f) Authorize Award of Contract to Joseph J. Albanese, Inc. for the Stockton Avenue Street Improvements Project for a Total Cost of \$107,934
  - g) Authorize Award of Contract to Granite Construction, Inc. for the Signal Optimization Project for a Total Cost of \$4,731,250
  - h) Authorize Award of Contract to Rail Surveyors and Engineers, Inc. (RSE) for On-call Railroad, Engineering, Construction Support and Surveying for a Total Not-to-Exceed Amount of \$9,000,000
7. Chairperson’s Report
  - a) Certificate of Appreciation to Outgoing CAC Chair, Bruce Jenkins
  - b) Resolution of Appreciation to Outgoing Chair, Jim Hartnett
  - c) Appointment of the Transbay Joint Powers Authority Representative

RESOLUTION

RESOLUTION

8. MTC Liaison Report (Sue Lempert)
9. Report of the Citizens Advisory Committee
10. Report of the Executive Director
  - a) Caltrain Performance Report – November and December 2008
  - b) Electrification Update
11. Acceptance of the Quarterly Investment Report and Fixed Income Market Review and Outlook for the Quarter Ended December 31, 2008 MOTION
12. Update on Bicycle Capacity ACTION
13. Adoption of the 2009 Caltrain State and Federal Legislative Program MOTION
14. Authorize the Exercise of the Second Year Option to Extend the Agreement for Operation of Commuter Rail Service and Provision of Capital/Third-Party Construction Support Services with the National Railroad Passenger Corporation (Amtrak) RESOLUTION
15. Authorize Award of Contract to Clayborn Contracting Group, Inc. for the Second ATCS Channel Project for a Total Cost of \$2,120,436 RESOLUTION
16. Correspondence
17. Board Member Requests
18. General Counsel Report
19. Date/Time of Next Meeting  
Thursday, March 5, 2009, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2<sup>nd</sup> Floor, 1250 San Carlos Avenue, San Carlos, CA 94070
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](http://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](mailto: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.

Draft

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

**Minutes  
December 4, 2008**

**MEMBERS PRESENT:** S. Elsbernd, N. Ford, D. Gage, J. Hartnett (Chair), A. Lloyd,  
F. Williams, K. Yeager

**MEMBERS ABSENT:** J. Cisneros

**MTC LIAISON ABSENT:** S. Lempert

**STAFF PRESENT:** G. Cameron, J. Cassman, C. Cavitt, C. Harvey, R. Haskin,  
R. Lake, R. Lee, M. Martinez, N. McKenna, D. Miller,  
M. Scanlon, M. Simon

Chair Jim Hartnett called the meeting to order at 10:04 a.m. and Director Forrest Williams led the Pledge of Allegiance.

**PUBLIC COMMENT**

Pat Giorni, Burlingame, said the Silicon Valley Bicycle Coalition (SVBC) and San Francisco Bicycle Coalition (SFBC) are in talks with senior staff about the bikes onboard capacity issue. She would like to attend the JPB bicycle advisory committee as a silent member. She wished the Board and staff a happy holiday.

Jim Bigelow, Belmont, said he attended the High Speed Rail (HSR) meeting in San Jose yesterday. The contractors for the Peninsula have been chosen and ready to meet with cities, stakeholders and property owners.

**CONSENT CALENDAR**

The Board approved the following items:

- a) Minutes of November 6, 2008
- b) Acceptance of the Statement of Revenues and Expenses, October 2008
- c) Authorize Receiving an Allocation of Proposition 1B Public Transportation Modernization, Improvement and Service Enhance Account Funds in the Amount of \$6,849,847
- d) Authorize Annual Adoption of Investment Policy and Authorization to Invest with the Local Agency Investment Fund and the San Mateo County Investment Fund
- e) Authorize Award of Contract to Paper Solutions, Inc. for Typesetting, Printing and Delivery of Monthly Passes and Ticket Media for a Total Cost of \$493,820

## **CHAIRPERSON'S REPORT**

### Appointment of Nominating Committee

Chair Hartnett appointed Directors José Cisneros, Art Lloyd and Ken Yeager to the Nominating Committee for 2009 Chair and Vice-Chair.

The motion (Lloyd/Ford) to appoint a Nominating Committee was approved unanimously.

### Resolution of Appreciation to Outgoing Board Member Forrest Williams

Chair Hartnett, in presenting for approval a Resolution of Appreciation for outgoing Director Williams, said he served two years on the JPB, eight years on the San Jose City Council and two years on the Santa Clara Valley Transportation Authority Board of Directors.

Director Williams has been an enthusiastic advocate for the commuter rail system and the benefits of transit. Chair Hartnett said Director Williams' service will not be forgotten and he is very grateful for his service.

The motion (Lloyd/Gage) to approve a Resolution of Appreciation to outgoing Director Williams was approved unanimously.

Chair Hartnett and Vice-Chair Don Gage presented Director Williams with a framed resolution and train plaque.

Director Williams thanked the Board for the opportunity to serve. He said he learned a great deal and this Board brings a commitment to transportation. Director Williams thanked staff for the information provided and data given to make good decisions and for always being available to answer questions.

Chair Hartnett said a Resolution of Appreciation for outgoing Director Jerry Hill will be presented when Mr. Hill arrives at the meeting.

### Public Comment

Jeff Carter, Burlingame, said he was on the train stopped at Hayward Park this morning. Announcements were made about the delays due to a signal problem and a later announcement was made informing people they could go to El Camino Real to take SamTrans. It would be great if the conductors had a booklet with SamTrans information to provide to passengers alternate means to get to their destination.

Eric Smith, Waste Solutions Group and San Francisco Bay Railroad, said he supports HSR and electrification. The short-line railroad trains are running on bio-diesel and he hopes to work with the Board on issues of expanding freight service.

## **MTC LIAISON REPORT**

Sue Lempert said MTC is very pleased with the success of the rail measures in the November election and this is a real testament that people are willing to vote for transit. Ms. Lempert spoke to Quentin Kopp and asked if San Mateo County was going to get the money first for HSR, but there is some pressure for the southern counties. The state is taking money from transportation, but on the plus side there are talks in Washington of a financial stimulus. Steve Heminger is on

the short list for Secretary of Transportation and is being recommended by House Speaker Nancy Pelosi and California U.S. Senator Dianne Feinstein.

### **REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)**

None.

### **REPORT OF THE EXECUTIVE DIRECTOR**

Mr. Scanlon reported the following:

- Performance Statistics for October 2008 compared to October 2007:
  - a. Total Ridership was 1,160,542, an increase of 16.5 percent.
  - b. Average Weekday Ridership was 41,893, an increase of 15.7 percent.
  - c. Total Revenue was \$3,776,041, an increase of 17.3 percent.
  - d. On-time Performance was 92.9 percent, a decrease of 0.5 percent.
  - e. Caltrain Shuttle Ridership was 6,316, an increase of 15.8 percent.
- Year-to-date Statistics:
  - f. Total Ridership was 4,735,575, an increase of 16.4 percent.
  - g. Average Weekday Ridership was 44,145, an increase of 15.1 percent.
  - h. Total Revenue was \$15,842,249, an increase of 15.7 percent.
  - i. On-time Performance was 93.6 percent, a decrease of 0.1 percent.
  - j. Caltrain Shuttle Ridership was 6,260, an increase of 17.7 percent.
- Staff is in the final stages of implementing the new fare increase effective January 1, 2009. Implementation of the 8-ride ticket is tentatively scheduled for March 2009.
- Special event service to Stanford football on November 15 for the University of Southern California game carried an additional 2,900 riders.
- The annual Holiday Train, in conjunction with the U.S. Marine Corps and Salvation Army, is this weekend. There is a media event at 5 a.m. December 5 at the San Francisco station.
- Extra service will be provided for the Emerald Bowl and New Year's Eve.
- New Bombardier cars have arrived and half are in service.
- The JPB loaned a Bombardier consist to the Capital Corridor to use the Wednesday before Thanksgiving.
- Chief Operating Officer Chuck Harvey completed his second base inspection at the Centralized Equipment Maintenance Operating Facility (CEMOF) and found everything was in excellent shape.
- Service ridership the day after Thanksgiving was higher than a typical Saturday, but there was no overcrowding.
- Staff is working and continues to work on the bikes onboard capacity. Special Assistant to the CEO Mark Simon and Mr. Harvey have been working with the San Francisco Bicycle Coalition and the Silicon Valley Bicycle Coalition as part of a continuing outreach to Caltrain cycling customers.
- At Director Sean Elsbernd's suggestion, staff met with neighbors around the 4<sup>th</sup> and King station. Staff has made good progress on making improvements to ground power and compressed air supply systems. Amtrak has established operating procedures to reduce idling time, which reduces fuel usage and air and noise pollution.
- Rail Transformation Chief Bob Doty and Legal Counsel David Miller met with the Executive Director of HSR and believe there is a real opportunity for a true partnership and a

joint project. Staff is searching ways to update the Memoranda of Understandings (MOUs) between the JPB and HSR and possibly come back to Board to have a joint MOU with one management team.

- The Safety and Security Report has an article on the delivery of 15 miles of continuously welded rail and a visit from a delegation from the European version of American Public Transportation Association (APTA), who met with the Transit Police to discuss security efforts.

#### Update on Electrification

Chief Development Officer Ian McAvoy gave an update on electrification:

- Staff has been working with staff at San Francisco Municipal Transportation Authority (SFMTA) and Santa Clara Valley Transportation Authority (VTA) on some of the funding and finance issues. The environmental report is on hold until the financial plan is completed.
- Staff has received correspondence from Union Pacific Railroad (UP) on the General Order 95 Exception Report, which is the process to go through for the electrification program. UP states they do not support any changes to the existing clearances.
- Following up with the San Francisco Public Utilities Commission and have provided them with a Caltrain load date to see if they can provide electricity to the program.

Mr. Harvey said, at 9 o'clock this morning, Caltrain experienced failure of its control system when the A server failed. At that time the system is supposed to switch to a parallel B server system, which would allow service to be quickly restored in the control system. Unfortunately, the B server simultaneously failed with the A server. As a result, the system went dark and there were about 10-12 trains that had to cease movements. Signal crews had to go to major control points and switches had to be manually spiked so they would not be misaligned and cause a derailment or a serious accident. Service at the Diridon station was most heavily affected because of the high degree of traffic through that portion of the Caltrain corridor from Altamont Commuter Express, Capitol Corridor and Amtrak Coast Starlight trains.

Director Williams asked if servers are checked to make sure this doesn't happen. Mr. Harvey said system tests are done. The control system is manufactured by Digital Concepts Incorporated, known as Digicon. This is a system used by only five railroads in the country, but it is a highly sophisticated and very advanced system. Unfortunately, Digicon was not able to grow their business and announced they are getting out of the control business. Staff is working on replacing the system over time.

Director Art Lloyd asked if people are manually flagging and what speed are the trains travelling. Mr. Harvey said once a switch area is spiked and there is a crew at major control points, trains can move at track speed, but there has to be a space of three blocks.

Ms. Lempert said she was recently on New Jersey Transit and they have double-decker trains and there is a great deal of space for luggage and bicycles. She asked whether double-decker trains will be used when HSR begins running to carry more passengers.

Mr. Scanlon we will be able to run more trains frequently and will carry more people.

**PLAN FOR THE PENINSULA CORRIDOR JOINT POWERS BOARD INVESTMENT PORTFOLIO INVESTED THROUGH TAMALPAIS WEALTH ADVISORS**

Chief Financial Officer Gigi Harrington said the Board last spring approved diversifying the agency's portfolio and moving money into other investments with advice and guidance from Tamalpais Wealth Advisors. All the JPB funds have been moved out of the San Mateo County Investment Pool into a Local Agency Investment Fund (LAIF).

Bill Osher, Chief Economist and Head of Fixed-Income for Tamalpais Wealth Advisors, said he is honored to work with the Board. The economy is in the deepest recession this country has seen in 75 years and this quarter is the heart of it. It is difficult now because the country is between administration teams. The old administration really can't do too much to paint the picture of what it is going to look like going forward because they are all leaving. The new administration has actually done a good job in trying to come up with plans that include aid to state and local governments to help give people confidence we will come out of this. Expect an announcement in January about \$150 billion coming down to the local level. These types of things will be very positive in giving confidence to the country that it can engage once again in typical economic behavior. It is very clear for the JPB safety of principle is the number one priority, number two is liquidity and number three is rate of return. Mr. Osher has a plan which half of the assets will be invested in zero- to one-year high-quality liquid investments and the other half will be invested in a one- to three-year timeframe. All money will be invested in liquid instruments, but not taking any credit risks.

Chair Hartnett asked if there could be reports more often than quarterly with this type of economic environment.

**AUTHORIZE ACCEPTANCE OF THE MINORITY AND WOMAN-OWNED CONSTRUCTION AND PROFESSIONAL SERVICE FIRM AVAILABILITY AND UTILIZATION STUDY AND AUTHORIZATION TO REVISE THE FISCAL YEAR 2009 DBE PROGRAM FOR FTA-ASSISTED CONTRACTS**

Raymond Lee, Disadvantaged Business Enterprise (DBE) Officer, said the Board a year ago authorized a study on discrimination in the JPB's contracting market. Key findings include:

- The prevailing theme among minority- and women-owned firms is that they frequently are not solicited for business unless there are contract goals attached to a project setting a minimum standard for the use of minority- and women-owned firms. There were no findings of discrimination exercised by the JPB.
- The overall DBE goal for the JPB for FY 2009 has been 11.7 percent, but achieved 9.2 percent, a shortfall of 2.5 percent.
- Staff recommends continuing race-neutral efforts and maintaining a wholly race-neutral DBE program for professional service contracts, add a contract goals component to DBE program and construction contracts with subcontracting opportunities when necessary and adjust upward the DBE goal from 10 percent to 13 percent.
- Action before the Board today is to accept the study, allow staff to modify the DBE program, publicize for public comment and submit to the Federal Transit Administration (FTA) for concurrence.



Director Williams asked whether projects be packaged to improve the opportunities of DBEs to bid. Mr. Lee said staff has been discussing packaging projects so smaller firms can bid. DBEs are limited to the \$500,000 to \$1 million dollar range.

Director Nat Ford asked if there are incentives based on diversity of teams. Mr. Lee said contract goals are mandated and transit agencies are looking at small business programs providing the incentive for a prime to sub-contract.

Director Ford asked how staff is ensuring the new goal of 13 percent will be met. Mr. Lee said the limited use of contract goals is called for in the federal regulations, which state that if during the course of a year an agency fails to meet its goal using race-neutral programs, it can resort to contract goals. Under that basis a prime contractor must meet the goal imposed by the agency. Staff will be monitoring this very closely and continue outreach to the DBE community.

Director Ford asked what the process is on reporting performance during the course of the year. Mr. Lee said it is sporadic. Director Ford would like this reported at the Board more regularly in a formal report.

Mr. Scanlon said staff could present this information on a quarterly basis.

Mr. Miller said Legal fully supports this action and a credible team has been put together to do this study and the Board has a staff committed to this issue and legal risks when dealing with DBE issues.

The motion (Lloyd/Williams) to adopt the DBE program was approved unanimously by roll call.

#### **CHAIRPERSON'S REPORT (CONT'D)**

##### Resolution of Appreciation to Outgoing Board Member Jerry Hill

Chair Hartnett thanked outgoing Director Jerry Hill for his service on the Board the past three years. Director Hill's depth of service is incredible not only in the transportation field, but in the various fields where he has labored on behalf of the community. While Director Hill was serving on the Joint Powers Board, he also served on the California Air Resources Board, the Bay Area Air Quality Management District Board and has been chair of the Transbay Joint Powers Authority. Chair Hartnett said Director Hill has been heavily involved in many other issues in the county, but has clearly been a leader in transit. It is hard to point to each of the individual contributions Director Hill has made because there are so many.

The motion (Gage/Ford) to approve the Resolution of Appreciation to outgoing Director Hill was approved unanimously by all.

Chair Hartnett and Vice-Chair Gage presented Director Hill with a framed resolution and a train plaque.

Director Ford presented Director Hill a plaque from the Transbay Joint Powers Authority, which he was the JPB representative.

Ms. Lempert thanked Director Hill for taking the time to be here today and always being here for the people.

Director Hill thanked everyone and said he enjoyed working with the three counties. It has been a true honor and the staff has been fantastic. Director Hill said the Board has his commitment to find a sustainable source of funding. He said it is outrageous that funding is taken from public transportation.

Mr. Scanlon thanked Directors Hill and Williams for their hard work and they will be missed.

Director Lloyd left at 11:33 a.m.

**AUTHORIZE AMENDMENT OF FISCAL YEAR 2009 OPERATING BUDGET BY \$2,544,542 TO \$97,901,669**

Ms. Harrington said this item was discussed when the budget was first approved. Staff is proposing increasing the fuel budget to \$3.50 per gallon, using funds already received above budget in fare revenue and the projected funds from the fare increase. Ms. Harrington said fuel is currently below \$2.00 per gallon, but this adjusted amount will allow for plenty of room for the remaining fiscal year.

Staff also is requesting a budget adjustment due to the loss of interest income from losses incurred in the County Pool which impacted the portfolio. Ms. Harrington said the majority of funds required to cover the loss in interest income would come from reserves.

Director Ford left at 11:34 a.m.

Chair Hartnett asked about the San Mateo County Pool and if the JPB will be a potential beneficiary in the lawsuit against Lehman Brothers.

Mr. Miller said a pro-rata share should be able to be obtained.

Mr. Scanlon said Congresswoman Anna Eshoo is taking a pretty strong position of saying this falls under the definition of a bailout plan.

The motion (Yeager/Elsbernd) to amend the FY09 operating budget was approved unanimously by roll call.

**AUTHORIZE AWARD OF CONTRACT TO SAFETRAN SYSTEMS CORPORATION FOR THE PURCHASE AND DELIVERY OF SIGNAL EQUIPMENT FOR A TOTAL COST OF \$2,475,000**

Cheryl Cavitt, Director of Contracts and Procurement, said Staff Coordinating Council is recommending the Board reject the lowest monetary bid for providing rail signal equipment from GE Transportation Systems Global Signaling as non-responsive. The firm took exceptions to various bid requirements rendering the bid non-responsive and requiring staff to reject. Staff is asking the Board to award a contract to the lowest responsive bidder, Safetrans Systems Corporation. The award of contract will provide signal equipment including signal housing, racks and other needed pieces of signal equipment for upcoming projects.

The motion (Williams/Yeager) to award the contract to Safetrans Systems was approved unanimously by roll call.

**AUTHORIZE AWARD OF CONTRACT TO GRANITE CONSTRUCTION, INC. FOR THE SOUTH TERMINAL SITE PREPARATION PROJECT FOR A TOTAL COST OF \$2,096,298**

Ms. Cavitt said Staff Coordinating Council is recommending the Board approve a contract to Granite Construction. Projects include the Santa Clara station improvement and South Terminal station improvement.

The motion (Williams/Yeager) to award the contract to Granite Construction was approved unanimously by roll call.

**AUTHORIZE AWARD OF CONTRACT TO GRANITE CONSTRUCTION, INC. FOR THE SAN MATEO COUNTY GRADE CROSSING IMPROVEMENT PROJECT FOR A TOTAL COST OF \$7,884,000**

The motion (Williams/Yeager) to award the contract to Granite Construction was approved without discussion unanimously by roll call.

**AUTHORIZE ADDITIONAL CONTRACT AUTHORITY FOR EXISTING ON-CALL GENERAL ENGINEERING CONSULTANT SERVICES FOR A TOTAL NOT-TO-EXCEED COST OF \$25,000,000**

Director Elsbernd asked what is being incorporated with the DBE goal. Manager of Capital Contracts Brian Kelleher said the GEC agreements don't have any goals, but there are several sub-consultants that can be used for certain scopes of work.

The motion (Gage/Yeager) to authorize additional contract authority to General Engineering Consultant Services was approved unanimously by roll call.

**QUARTERLY CAPITAL PROJECT REPORT**

No discussion on this item.

**CORRESPONDENCE**

Provided in the reading file.

**BOARD MEMBER REQUESTS**

None

**DATE/TIME/PLACE OF NEXT MEETING**

JPB Secretary Martha Martinez said a new date is being determined.

**REPORT OF LEGAL COUNSEL**

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

Mr. Miller said there will be a closed session to discuss a matter of potential litigation that was initiated at the last meeting.

Meeting adjourned to closed session at 11:45 a.m.

Meeting reconvened to open session at 11:56 a.m.

Mr. Miller said the JPB met in closed session as permitted by the Brown Act to hear a report from counsel and staff on a matter of potential litigation that could be initiated by this organization. At this time the matter remains fluid and there is no need to take public action. This item will remain on the agenda for the next meeting in order to keep the matter in front of the Board.

**ADJOURNED**

Adjourned at 11:57 a.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 NOVEMBER 30, 2008 AND SUPPLEMENTAL INFORMATION**

**ACTION**

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

**SIGNIFICANCE**

**Revenue:** For November of Fiscal Year 2009, *Total Operating Revenue* (line 7) is \$347,646 or 1.7 percent **better** than budget. This is due to higher than anticipated *Farebox Revenue* (line 1) and *Rental Income* (line 4) which together were \$1,840,508 or 10.2 percent **better** than budget. These gains were offset by *Shuttles* (line 3) and *Other Income* (line 5) which together are **worse** than budget by \$1,500,247 or 110.9 percent mainly due to investment losses. Compared to the prior year, *Total Operating Revenue* (line 7) is \$750,173 or 3.8 percent **higher**, driven by *Farebox Revenue* (line 1) which is \$2,358,216 or 14.0 percent **higher**.

**Expense:** *Grand Total Expenses* (line 46) shows an unfavorable variance of \$118,013 or 0.3 percent. *Contract Operating & Maintenance* (line 23), *Shuttles* (line 24), *Insurance* (line 27), *Facilities and Equipment Maintenance* (line 28), *Utilities* (line 29), and *Services* (line 30) combined are \$169,810 or 0.6 percent **worse** than budget. *Total Administrative Expense* (line 40) is \$302,295 or 7.8 percent **better** than budget. *Fuel* (line 25) is **worse** than budget by \$250,572 or 4.2 percent. *Fuel* is budgeted at \$3.00 per gallon and the average price as of the end of November was \$3.05 per gallon.

Compared to prior year, *Grand Total Expenses* (line 46) are \$3,772,852 or 11.3 percent **higher**. The increase in expense over the prior year is mainly due to the increased cost of *Fuel* (line 25) which is \$1,147,600 or 22.5 percent **higher** and *Contract Operating & Maintenance* (line 23) which is \$2,016,008 or 9.7 percent **higher**.

**Budget Revisions:** There are no budget revisions this month. Budget revisions were adopted at the December 4 board meeting which will be reflected in the statements for December. The revisions include an increase to farebox revenue, a decrease to other income due to investment losses and an increase in expenses mostly related to fuel.

Prepared by: Ladi Bhuller, Manager, Budgets  
Sheila Tioyao, Senior Accountant

650.508.7755  
650.508.7752

# PENINSULA CORRIDOR JOINT POWERS BOARD

## STATEMENT OF REVENUE AND EXPENSE

FISCAL YEAR 2009

NOVEMBER 2008

% OF YEAR ELAPSED **41.7%**

	MONTH	YEAR TO DATE				ANNUAL				
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET		
(AS PROJECTED)										
<b>REVENUE</b>										
OPERATIONS:										
1	Farebox Revenue	3,343,702	16,827,343	19,185,559	17,372,154	110.4%	41,669,414	41,669,414	46.0%	1
2	Parking Revenue	239,529	836,452	872,825	865,440	100.9%	2,128,054	2,128,054	41.0%	2
3	Shuttles	89,812	437,380	444,110	472,470	94.0%	1,134,036	1,134,036	39.2%	3
4	Rental Income	139,476	640,130	695,213	668,110	104.1%	1,604,340	1,604,340	43.3%	4
5	Other Income	130,220	1,114,183	(592,047) <sup>(A)</sup>	879,840	-67.3%	2,111,720	2,111,720	-28.0%	5
6										6
7	<b>TOTAL OPERATING REVENUE</b>	<b>3,942,740</b>	<b>19,855,487</b>	<b>20,605,660</b>	<b>20,258,014</b>	<b>101.7%</b>	<b>48,647,564</b>	<b>48,647,564</b>	<b>42.4%</b>	7
8										8
9	CONTRIBUTIONS:									
10	AB-434-Peninsula Feeder Shuttle	86,196	430,981	430,981	430,975	100.0%	1,034,355	1,034,355	41.7%	10
11	Operating Grant	367	82,759	59,130	59,130	100.0%	211,000	211,000	28.0%	11
12	JPB Member Agencies	3,284,715	15,945,222	16,423,581	16,423,580	100.0%	39,416,585	39,416,585	41.7%	12
13	Other Sources	0	438,469	0	0	0.0%	6,047,623	6,047,623	0.0%	13
14										14
15	<b>TOTAL REQUIRED REVENUE</b>	<b>3,371,279</b>	<b>16,897,432</b>	<b>16,913,691</b>	<b>16,913,685</b>	<b>100.0%</b>	<b>46,709,563</b>	<b>46,709,563</b>	<b>36.2%</b>	15
16										16
17	<b>GRAND TOTAL REVENUE</b>	<b>7,314,018</b>	<b>36,752,919</b>	<b>37,519,351</b>	<b>37,171,699</b>	<b>100.9%</b>	<b>95,357,127</b>	<b>95,357,127</b>	<b>39.3%</b>	17
18										18
19										19
20	<b>EXPENSE</b>									
21										21
22	OPERATING EXPENSE:									
23	Contract Operating & Maintenance	4,825,741	20,869,413	22,885,421	22,143,604	103.4%	58,501,434	58,501,434	39.1%	23
24	Shuttles (Including Peninsula Pass)	237,067	1,172,679	1,212,864	1,255,371	96.6%	3,012,891	3,012,891	40.3%	24
25	Fuel	712,530	5,106,312	6,253,912	6,003,340	104.2%	14,408,059	14,408,059	43.4%	25
26	Timetables & Tickets	15,785	85,150	75,423	75,500	99.9%	218,000	218,000	34.6%	26
27	Insurance	333,157	1,496,777	1,709,418	1,891,095	90.4%	4,535,000	4,535,000	37.7%	27
28	Facilities and Equipment Maintenance	93,602	425,351	462,155	559,613	82.6%	1,713,750	1,703,750	27.1%	28
29	Utilities	55,065	426,283	515,661	689,096	74.8%	1,725,270	1,725,270	29.9%	29
30	Services	91,523	404,758	375,661	452,590	83.0%	1,180,300	1,180,300	31.8%	30
31	<b>TOTAL OPERATING EXPENSE</b>	<b>6,364,471</b>	<b>29,986,724</b>	<b>33,490,516</b>	<b>33,070,208</b>	<b>101.3%</b>	<b>85,294,704</b>	<b>85,284,704</b>	<b>39.3%</b>	31
32										32
33	ADMINISTRATIVE EXPENSE:									
34	Wages & Benefits	402,488	2,114,031	2,108,398	2,400,712	87.8%	5,966,333	5,871,033	35.9%	34
35	Board Of Directors	871	4,025	3,476	5,117	67.9%	16,300	16,300	21.3%	35
36	Professional Services	210,712	364,485	724,619	732,136	99.0%	1,726,850	1,749,670	41.4%	36
37	Communications/Marketing	25,135	31,131	76,135	76,200	99.9%	311,000	311,000	24.5%	37
38	Other Office Expense and Services	111,951	455,442	637,766	638,523	99.9%	1,275,344	1,357,824	47.0%	38
39										39
40	<b>TOTAL ADMINISTRATIVE EXPENSE</b>	<b>751,157</b>	<b>2,969,113</b>	<b>3,550,393</b>	<b>3,852,688</b>	<b>92.2%</b>	<b>9,295,827</b>	<b>9,305,827</b>	<b>38.2%</b>	40
41										41
42	Long Term Debt Expense	0	122,553	248,803	248,803	100.0%	766,596	766,596	32.5%	42
43										43
44	CEMOF - Startup Expense	0	438,469	-	-	0.0%	0	0	0.0%	44
45										45
46	<b>GRAND TOTAL EXPENSES</b>	<b>7,115,628</b>	<b>33,516,860</b>	<b>37,289,712</b>	<b>37,171,699</b>	<b>100.3%</b>	<b>95,357,127</b>	<b>95,357,127</b>	<b>39.1%</b>	46

(A) Includes County Pool loss of \$1,310,786 on Lehman Brothers investments.

"% 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 NOVEMBER 30, 2008**

TYPE OF SECURITY	MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
County Pool # 3 (Unrestricted)	Liquid Cash	2.320%	145,701	144,866
Local Agency Investment Fund (Unrestricted)	Liquid Cash	2.568%	14,750,000	14,737,281
Local Agency Investment Fund (Restricted)	Liquid Cash	2.568%	2,000,000	1,998,275
Investment Portfolio (Unrestricted)	Liquid Cash	5.375%	2,131,400	2,139,375
			19,027,101	19,019,797

Accrued Earnings for November 2008 \$47,186.52 (1)  
 Cumulative Earnings FY2009 \$281,247.43

(1) Earnings do not include prior period adjustments

\* County Pool average yield for the month ending November 30, 2008 was 2.32%. As of November 30, 2008, the amortized cost of the Total Pool was \$2,350,770,280.53 and the fair market value per San Mateo County Treasurer's Office was \$2,337,298,403.27.

\*\* The market value of Local Agency Investment Fund (LAIF) was derived from the fair value factor of 0.999137696 as reported by LAIF for quarter ending September 30, 2008.

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

**ACTION**

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

**SIGNIFICANCE**

**Revenue:** For December of Fiscal Year 2009, *Total Operating Revenue* (line 7) is \$486,359 or 2.0 percent *worse* than budget. Within total operating revenue *Farebox Revenue* (line 1) is \$347,075 or 1.6 percent *better* than budget, offset by *Other Income* (line 5) which is *worse* than budget by \$816,316 or 214.9 percent due to investment losses and due to timing issues is expected to approach budget by year end. Compared to the prior year, *Total Operating Revenue* (line 7) is \$1,059,517 or 4.5 percent *higher*, driven by *Farebox Revenue* (line 1) which is \$2,740,599 or 13.9 percent *higher*.

**Expense:** *Grand Total Expenses* (line 46) show a favorable variance of \$466,398 or 1.0 percent. *Total Operating Expense* (line 31) is \$92,551 or 0.2 percent *better* than budget. *Total Administrative Expense* (line 40) is \$373,848 or 8.1 percent *better* than budget.

Compared to prior year, *Grand Total Expenses* (line 46) are \$4,741,000 or 11.8 percent *higher*. The increase in expense over the prior year is mainly due to the increased cost of *Fuel* (line 25) which is \$684,686 or 11.0 percent *higher* and *Contract Operating & Maintenance* (line 23) which is \$3,139,758 or 12.7 percent *higher*.

**Budget Revisions:** The revised budget approved by the Board in December included an increase in farebox revenue, a decrease in other income due to investment losses and an increase in expenses mostly related to fuel.

Prepared by: Rima Lobo, Manager, Financial Services  
David Ramires, Accountant

650.508.6274  
650.508.6417



**PENINSULA CORRIDOR JOINT POWERS BOARD**  
**STATEMENT OF REVENUE AND EXPENSE**  
**FISCAL YEAR 2009**  
**DECEMBER 2008**

	% OF YEAR ELAPSED								50.0%	
	MONTH	YEAR TO DATE				ANNUAL				
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET		
(AS PROJECTED)										
<b>REVENUE</b>										
<b>OPERATIONS:</b>										
1	Farebox Revenue	3,208,464	19,653,424	22,394,023	22,046,948	101.6%	41,669,414	44,369,414	50.5%	1
2	Parking Revenue	169,045	1,019,362	1,041,870	1,064,028	97.9%	2,128,054	2,128,054	49.0%	2
3	Shuttles	92,038	526,561	536,148	566,964	94.6%	1,134,036	1,134,036	47.3%	3
4	Rental Income	141,523	772,229	836,736	800,880	104.5%	1,604,340	1,604,340	52.2%	4
5	Other Income	155,531	1,341,169	(436,516) <sup>(A)</sup>	379,800	-114.9%	2,111,720	759,600	-57.5%	5
6										6
7	<b>TOTAL OPERATING REVENUE</b>	<b>3,766,601</b>	<b>23,312,744</b>	<b>24,372,261</b>	<b>24,858,620</b>	<b>98.0%</b>	<b>48,647,564</b>	<b>49,995,444</b>	<b>48.7%</b>	7
8										8
9	<b>CONTRIBUTIONS:</b>									
10	AB-434-Peninsula Feeder Shuttle	86,196	517,178	517,178	517,170	100.0%	1,034,355	1,034,355	50.0%	10
11	Operating Grant	9,092	120,290	68,222	68,222	100.0%	211,000	211,000	32.3%	11
12	JPB Member Agencies	3,284,715	19,134,266	19,708,295	19,708,294	100.0%	39,416,585	39,416,585	50.0%	12
13	Other Sources	0	457,153	0	201,450	0.0%	6,047,623	7,144,285	0.0%	13
14										14
15	<b>TOTAL REQUIRED REVENUE</b>	<b>3,380,003</b>	<b>20,228,887</b>	<b>20,293,695</b>	<b>20,495,136</b>	<b>99.0%</b>	<b>46,709,563</b>	<b>47,806,225</b>	<b>42.4%</b>	15
16										16
17	<b>GRAND TOTAL REVENUE</b>	<b>7,146,605</b>	<b>43,541,631</b>	<b>44,665,956</b>	<b>45,353,756</b>	<b>98.5%</b>	<b>95,357,127</b>	<b>97,801,669</b>	<b>45.7%</b>	17
18										18
19										19
20	<b>EXPENSE</b>									
21										21
22	<b>OPERATING EXPENSE:</b>									
23	Contract Operating & Maintenance	4,974,151	24,719,814	27,859,572	27,024,808	103.1%	58,501,434	58,551,434	47.6%	23
24	Shuttles (Including Peninsula Pass)	257,190	1,406,998	1,470,054	1,505,946	97.6%	3,012,891	3,012,391	48.8%	24
25	Fuel	643,262	6,212,489	6,897,175	7,230,293	95.4%	14,408,059	16,802,601	41.0%	25
26	Timetables & Tickets	19,515	92,059	94,938	95,167	99.8%	218,000	218,000	43.5%	26
27	Insurance	753,984	1,765,074	2,463,402	2,504,919	98.3%	4,535,000	4,535,000	54.3%	27
28	Facilities and Equipment Maintenance	105,438	555,619	567,592	701,758	80.9%	1,713,750	1,703,750	33.3%	28
29	Utilities	82,382	494,039	598,044	854,315	70.0%	1,725,270	1,725,270	34.7%	29
30	Services	48,314	469,669	423,975	550,097	77.1%	1,180,300	1,180,800	35.9%	30
31	<b>TOTAL OPERATING EXPENSE</b>	<b>6,884,236</b>	<b>35,715,760</b>	<b>40,374,752</b>	<b>40,467,303</b>	<b>99.8%</b>	<b>85,294,704</b>	<b>87,729,246</b>	<b>46.0%</b>	31
32										32
33	<b>ADMINISTRATIVE EXPENSE:</b>									
34	Wages & Benefits	461,418	2,624,091	2,569,816	2,891,347	88.9%	5,966,333	5,871,033	43.8%	34
35	Board Of Directors	812	5,101	4,288	6,225	68.9%	16,300	16,300	26.3%	35
36	Professional Services	142,834	467,186	867,453	880,812	98.5%	1,726,850	1,749,670	49.6%	36
37	Communications/Marketing	19,828	43,277	95,963	95,970	100.0%	311,000	311,000	30.9%	37
38	Other Office Expense and Services	88,518	526,200	726,283	763,296	95.2%	1,275,344	1,357,824	53.5%	38
39										39
40	<b>TOTAL ADMINISTRATIVE EXPENSE</b>	<b>713,409</b>	<b>3,665,854</b>	<b>4,263,802</b>	<b>4,637,650</b>	<b>91.9%</b>	<b>9,295,827</b>	<b>9,305,827</b>	<b>45.8%</b>	40
41										41
42	Long Term Debt Expense	0	307,590	248,803	248,803	100.0%	766,596	766,596	32.5%	42
43										43
44	CEMOF - Startup Expense	0	457,153	-	-	0.0%	0	0	0.0%	44
45										45
46	<b>GRAND TOTAL EXPENSES</b>	<b>7,597,646</b>	<b>40,146,358</b>	<b>44,887,358</b>	<b>45,353,756</b>	<b>99.0%</b>	<b>95,357,127</b>	<b>97,801,669</b>	<b>45.9%</b>	46

(A) Includes investments losses.

"% 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 DECEMBER 31, 2008**

TYPE OF SECURITY	MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
County Pool # 3 (Unrestricted)	Liquid Cash	2.710%	-	-
Local Agency Investment Fund (Unrestricted)	Liquid Cash	2.353%	1,450,000	1,454,369
Local Agency Investment Fund (Restricted)	Liquid Cash	2.353%	2,000,000	2,006,027
Investment Portfolio (Unrestricted)	Liquid Cash	1.655%	15,237,267	15,341,323
			18,687,267	18,801,720

Accrued Earnings for December 2008 \$38,954.01 (1)  
 Cumulative Earnings FY2009 \$320,201.44

(1) Earnings do not include prior period adjustments

\* County Pool average yield for the month ending December 31, 2008 was 2.71%. As of December 31, 2008, the amortized cost of the Total Pool was \$2,663,996,134.81 and the fair market value per San Mateo County Treasurer's Office was \$2,656,040,981.99.

\*\* The market value of Local Agency Investment Fund (LAIF) was derived from the fair value factor of 1.003013411 as reported by LAIF for quarter ending December 31, 2008.

\*\*\* The Portfolio and this Investment Report comply with the Investment Policy and the provisions of SB 564 (1995). The Joint Powers Board has the ability to meet its expenditure requirements for the next six months.

**PENINSULA CORRIDOR JOINT POWERS BOARD**  
**STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon  
Executive Director

FROM: Martha Martinez  
JPB Secretary

SUBJECT: **ADOPTION OF AMENDED CONFLICT OF INTEREST CODE**

**ACTION**

Staff Coordinating Council (SCC) recommends the Board adopt the Amended Conflict of Interest Code, which was presented to the Board at its November 6, 2008 meeting.

**SIGNIFICANCE**

The California Political Reform Act, Government Code Section 87306.5 requires public agencies to review their Conflict of Interest Code in each even-numbered year to ensure they are up to date and meet the current legal requirements.

A "Notice of Intention to Amend the Conflict of Interest Code," providing for a 45-day written comment period, was posted following the November, 2008 meeting in accordance with the regulations of the Fair Political Practices Commission and no comments were received. After the Board adopts the Code, it will be sent to the Fair Political Practices Commission for review and approval.

**BUDGET IMPACT**

There is no impact to the budget.

**BACKGROUND**

1. The list of designated employees has been updated to delete the following positions because they no longer exist:

Manager, Capital Finance and Business Development

Manager, Rail Planning and Analysis

Manager, Railroad Standards and Encroachment

Manager, Signals

2. The list of designated employees has been updated to include the following new positions, which involve the making or participating in the making of decisions that may foreseeably have a material effect on financial interests, as defined in the Political Reform Act and implementing regulations:

- Customer Service Manager
- Deputy Director, Capital Program Support
- Deputy Director, Rail
- Government Relations Officer
- Manager, Contract Planning
- Manager, Financial Analyst & Projects
- Manager, Rail Operations
- Program Manager
- Project Manager

3. The list of designated employees has been updated to reflect current positions:

- Chief Engineer, Track & Structures (formerly Chief Engineer, Maintenance and Construction)
- Deputy Director, Engineering Support (formerly Deputy Director, Engineering)
- Deputy Director, Rail Contracts Administration (Manager, Rail Contracts Administration)
- JPB Secretary (formerly Manager, Executive & Governing Board Support)
- Manager, Engineering (formerly Manager, Engineering, Signals and Communications; Manager, Engineering, Public Projects; Manager, Engineering, Standards and Design; and Manager, Signals and Communication)
- Manager, Environmental Planning (formerly Manager, Environmental Compliance)
- Manager, Finance Special Projects (formerly Manager, Special Finance Projects)
- Manager, Finance Treasury (formerly Manager, Financial Forecasting & Treasury)
- Manager, Real Estate & Property Development (formerly Manager, Real Estate)
- Manager, Strategic Development (formerly Manager, Special Projects)
- Manager TVM Program (formerly Manager, TVM)
- Program Manager, Construction Services (formerly Program Manager, Rail Equipment)
- Program Manager, Capital Contracts (formerly Program Manager, Stations and Facilities)
- Rail Transformation Chief (formerly Director, Rail Transportation)

Prepared by: Martha Martinez, JPB Secretary

650.508.6242

**RESOLUTION NO. 2009-**

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

**ADOPTING THE AMENDED CONFLICT OF INTEREST CODE**

**WHEREAS**, pursuant to Resolution No. 1990-1, dated February 7, 1990, the Peninsula Corridor Joint Powers Board (“PCJPB”) adopted a Conflict of Interest Code as required by the Political Reform Act of 1974 (“Code”); and

**WHEREAS**, California Government Code Section 87306.5 requires that the PCJPB review its Code every even-numbered year and revise it if necessary; and

**WHEREAS**, Legal Counsel and staff have reviewed the current Code, last amended in 2006, and have determined that the Appendix to the Code listing the officials and employees who must disclose their economic interests on an annual basis should be updated to reflect current staffing positions and organization; and

**WHEREAS**, in accordance with regulations of the Fair Political Practices Commission, notice of a 45-day comment period was posted and ended on December 22, 2008 with no comments having been received on the Amended Conflict of Interest Code; and

**WHEREAS**, Legal Counsel and staff recommend adopting the amendments as reflected in the attached Conflict of Interest Code.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Peninsula Corridor Joint Powers Board that the amended Conflict of Interest Code is adopted.

Regularly passed and adopted this 5th day of January 2009, by the following vote:

AYES:

NOES:

ABSENT:

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Chair, Peninsula Corridor Joint Powers Board

ATTEST:

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JPB Secretary

# PENINSULA CORRIDOR JOINT POWERS BOARD

## CONFLICT OF INTEREST CODE

Adopted on February 7, 1990 by Resolution No. 1990-1  
Approved by the California Fair Political Practices Commission  
on October 3, 1990

Amended on December 2, 1992 by Resolution No. 1992-59  
Approved by the California Fair Political Practices Commission  
on July 6, 1993

Amended on March 2, 1995 by Resolution No. 1995-15  
Approved by the California Fair Political Practices Commission  
on March 31, 1995

Amended on December 5, 1996 by Resolution No. 1996-44  
Approved by the California Fair Political Practices Commission  
on April 14, 1997

Amended on December 7, 1998 by Resolution No. 1998-57  
Approved by the California Fair Political Practices Commission  
on May 20, 1999

Amended on December 18, 2000 by Resolution No. 2000-55  
Approved by the California Fair Political Practices Commission  
on July 17, 2001

Amended on January 9, 2003 by Resolution No. 2003-1  
Approved by the California Fair Political Practices Commission  
on September 6, 2004

Amended on December 2, 2004 by Resolution No. 2004 - 39  
~~Approved by the California Fair Political Practices Commission~~  
~~on \_\_\_\_\_~~

*Amended on December 7, 2006 by Resolution No. 2006-50*

*Amended on February 5, 2009 by Resolution No. \_\_\_\_\_*

# **PENINSULA CORRIDOR JOINT POWERS BOARD**

## **CONFLICT OF INTEREST CODE FOR THE**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) which contains the terms of the standard conflict of interest code and can be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Peninsula Corridor Joint Powers Board.

Designated employees shall file their statements with the Peninsula Corridor Joint Powers Board who will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated employees will be retained by the Peninsula Corridor Joint Powers Board.

## APPENDIX

<u>Designated Employees*</u>	<u>Disclosure Categories</u>
Associate Contract Officer	3
Attorney	1, 2
Chief Administrative Officer	1, 2
Chief Communications Officer	1, 2
Chief Development Officer	1, 2
Chief Engineer, <i>Track &amp; Structures</i> <del>Maintenance and Construction</del>	1, 2
Chief of Protective Services	3
Chief Operating Officer	1, 2
Construction Manager	3
Consultants**	1, 2
Contract Officer	3
<i>Customer Service Manager</i>	3
<i>Deputy Director, Capital Program Support</i>	3
Deputy Director, Engineering <i>Support</i>	1, 2
<i>Deputy Director, Rail Contracts Administration</i>	3
<i>Deputy Director, Rail Transportation</i>	3
Director, Bus Transportation	3
Director, Capital Program Support	1, 2
Director, Contracts and Procurement	1, 2
<del>Director, Engineering and Construction</del>	1, 2
Director, Finance	3
Director, Human Resources	1
Director, Information Technology & <i>Telecommunications</i>	3
Director, Maintenance	1
Director, Planning and Development	1, 2
<del>Director, Rail Transportation</del>	<del>1, 2</del>
Director, Risk Management	3
Disadvantaged Business Enterprises Officer	3
Executive Director	1, 2
<i>Government Relations Officer</i>	3
<i>JPB Secretary</i>	3
Manager, Accessible Transit Services	3



**Designated Employees\***

**Disclosure Categories**

Manager, Budgets	3
Manager, Capital Contracts	3
<del>Manager, Capital Finance and Business Development</del>	<del>1, 2</del>
Manager, Capital Programming & Grants	1, 2
<del>Manager, Contract Cost Administration – Rail</del>	<del>3</del>
<i>Manager, Contract Planning</i>	<i>3</i>
Manager, Employee Relations and Civil Rights	3
<del>Manager, Engineering, Signals and Communications</del>	<del>3</del>
<del>Manager, Engineering, Public Projects</del>	<del>3</del>
<del>Manager, Engineering, Standards and Design</del>	<del>3</del>
Manager, Environmental <i>Compliance Planning</i>	1, 2
<del>Manager, Executive &amp; Governing Boards Support</del>	<del>3</del>
<del>Manager, Financial Forecasting &amp; Treasury</del>	<del>1, 2</del>
<i>Manager, Financial Analysts &amp; Projects</i>	<i>3</i>
Manager, General Ledger	3
Manager, Government Affairs	3
Manager, Grant and Capital Accounting	3
Manager, Information Technology Operations	3
Manager, Maintenance of Way	3
Manager, Maintenance Rail Equipment	3
Manager, Marketing	1
Manager, Operations Technology	3
Manager, Planning & Research	1, 2
<del>Manager, Rail Contracts Administration</del>	<del>3</del>
<i>Manager, Rail Operations</i>	<i>3</i>
<del>Manager, Rail Planning and Analysis</del>	<del>3</del>
<del>Manager, Railroad Standards and Encroachment</del>	<del>2, 3</del>
Manager, Real Estate <i>&amp; Property Development</i>	1, 2
<del>Manager, Signals and Communication</del>	<del>3</del>
Manager, <del>Special</del> Finance <i>Special</i> Projects	3
Manager, <del>Special Projects</del> <i>Strategic Development</i>	2, 3
Manager, Stations and Parking	3
Manager, Technology Research and Development	3
Manager, Telecommunications	3
Manager, TVM <i>Program</i>	3

**Designated Employees\***

**Disclosure Categories**

<i>Program Manager</i>	3
Program Manager, <del>Rail Equipment</del> <i>Construction Services</i>	3
Program Manager, <del>Stations and Facilities</del> <i>Capital Contracts</i>	1, 2
<i>Project Manager</i>	3
Public Information Officer	3
<i>Rail Transformation Chief</i>	1, 2
Senior Contract Officer	3
Senior Engineer	3
Senior Project Manager	3
Superintendent, Maintenance Technical Services	3
Special Assistant to the CEO	1, 2
Supervisor, Sales & Promotions	3

\* The positions indicated below manage public investments, as defined by 2 Cal. Code of Regs. Section 18701(b), and shall file a statement of economic interests (full disclosure) pursuant to Government Code Section 87200. Consultants who manage public investments shall also file a statement of economic interests pursuant to Government Code Section 87200.

Board Members  
Chief Financial Officer

\*\* Consultants shall be included in the list of designated officials and employees and shall disclose pursuant to the broadest disclosure category in the Code subject to the following limitation:

The Executive Director may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. Nothing herein excuses any consultant from any provision of the Conflict of Interest Code.

## **DISCLOSURE CATEGORIES**

Category 1. All sources of income, investments and business positions in business entities.

Category 2. Interests in real property.

Category 3. Investments and business positions in business entities and sources of income which provide services, supplies, materials, machinery or equipment of the type utilized by the Peninsula Corridor Joint Powers Board.

**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 REQUEST AN ALLOCATION OF FISCAL YEAR  
2009 PROPOSITION 1B CALIFORNIA TRANSIT SECURITY GRANT  
PROGRAM FUNDS**

**ACTION**

Staff Coordinating Council (SCC) recommends that the Board authorize the Executive Director, or his designee, to submit an allocation request to the Governor's Office of Homeland Security (OHS) and any other documents required to receive a total of \$939,246 in Fiscal Year 2009 Proposition 1B California Transit Security Grant Program (CTSGP) funds.

**SIGNIFICANCE**

Staff is proposing to submit an allocation request for FY09 CTSGP funds programmed to Caltrain for the following projects:

<b><u>Project</u></b>	<b><u>Requested CTSGP Funds</u></b>	<b><u>Other Sources</u></b>	<b><u>Total Estimated Project Cost</u></b>
Integrated Security Center Upgrade	\$30,809	\$654,399	\$685,208
Anti-Terrorism Substations	\$110,177	\$341,484	\$451,661
<u>Right-Of-Way (ROW) Fencing</u>	<u>\$798,260</u>	<u>\$3,594,759</u>	<u>\$4,393,019</u>
<u>Total</u>	<u>\$939,246</u>	<u>\$4,590,642</u>	<u>\$5,529,888</u>

The Integrated Security Center Upgrade project will provide more efficient closed-circuit television (CCTV) monitoring with updated state-of-the-art technology for security personnel. The Anti-Terrorism (police) Substations project will provide security equipment in the existing space at the San Jose Diridon and San Francisco terminal stations for the Caltrain transit police unit. The ROW Fencing Program will provide for the installation of new fencing along the Caltrain Corridor to improve safety. All of these projects are consistent with the Caltrain Capital Improvement Program.

### **BUDGET IMPACT**

While there is no match requirement for CTSGP funds, staff is proposing to leverage these funds with federal and other sources to fully fund the projects as provided above. The ROW Fencing program is already included in the FY09 and prior year capital budgets. Both the Integrated Security Center Upgrade and Anti-Terrorism Substations projects are anticipated to receive Federal Transit Security Grant Program (TSGP) funds from the Department of Homeland Security; they will subsequently be taken to the Board for action. Both of these projects can commence once federal funding is received. Staff expects these two projects to be included in the FY10 Capital Budget, scheduled for Board adoption in June 2009.

### **BACKGROUND**

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, otherwise known as Proposition 1B, was approved by California voters on November 7, 2006. Proposition 1B includes a program known as the CTSGP that is available to fund transit safety and security projects. The State Controller develops a list of eligible transit operators and the amount of funds that each operator is eligible to receive on an annual basis. In FY09, the Caltrain Board is programmed to receive \$939,246. Funding allocations are projected to occur in March 2009. Unlike most other transit capital funding programs, which are on a reimbursement basis, funds from the CTSGP are advanced to project sponsors at the time of allocation.

Prepared by: Suna Mullins, Capital Programming and Grants Administrator

650.508.6490

**RESOLUTION NO. 2009 -**

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

\* \* \*

**AUTHORIZATION TO REQUEST AN ALLOCATION OF  
FISCAL YEAR 2009 PROPOSITION 1B CALIFORNIA TRANSIT  
SECURITY GRANT PROGRAM FUNDS**

**WHEREAS**, the California Transit Security Grant Program (CTSGP) is a funding program that is part of the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, otherwise known as Proposition 1B, which was approved by California voters on November 7, 2006; and

**WHEREAS**, funds from the CTSGP are to be made available to project sponsors in California for capital security and safety transit projects; and

**WHEREAS**, the State Controller develops an annual list with the amounts that each eligible project sponsor is programmed to receive; and

**WHEREAS**, in Fiscal Year (FY) 2009, the Peninsula Corridor Joint Powers Board (JPB) is programmed to receive \$939,246; and

**WHEREAS**, Staff Coordinating Council recommends that the Board authorize the Executive Director, or his designee, to submit an allocation request to the Governor's Office of Homeland Security (OHS) and any other documents required to receive a total of \$939,246 in FY 2009 CTSGP funds, to be used in conjunction with additional funding sources for the projects listed below.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Peninsula Corridor Joint Powers Board, by adopting this resolution:

1. Authorizes the Executive Director, or his designee, to submit an allocation request to the OHS and any other documents required to receive a total of \$939,246 in FY 2009

CTSGP(Grant ID 6161-0002) funds for the following projects:

<b><u>Project</u></b>	<b><u>CTSGP Funds</u></b>	<b><u>Other Sources</u></b>	<b><u>Total Estimated Project Cost</u></b>
Integrated Security Center Upgrade	\$ 30,809	\$ 654,399	\$685,208
Anti-Terrorism Substations	\$110,177	\$ 341,484	\$451,661
<u>Right-Of-Way (ROW) Fencing</u>	<u>\$798,260</u>	<u>\$3,594,759</u>	<u>\$4,393,019</u>
<u>Total</u>	<u>\$939,246</u>	<u>\$4,590,642</u>	<u>\$5,529,888</u>

2. Authorizes the Executive Director, or his designee, to execute and file any assurances, certifications, or furnish any additional information as the OHS may require in connection with the filing of this allocation request.

Regularly passed and adopted this 5th day of February 2009, by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Chair, Peninsula Corridor Joint Powers Board

ATTEST:

\_\_\_\_\_  
JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon  
Executive Director

FROM: George Cameron  
Chief Administrative Officer

Ian McAvoy  
Chief Development Officer

SUBJECT: **AWARD OF A CONTRACT FOR THE STOCKTON AVENUE STREET  
IMPROVEMENTS PROJECT**

**ACTION**

Staff Coordinating Council (SCC) recommends that the Board:

1. Award a contract to the lowest, responsive and responsible bidder, Joseph J. Albanese, Inc., of Santa Clara, CA, in the total amount of \$107,934 for the Stockton Avenue Street Improvements Project.
2. Authorize the Executive Director or his designee to execute a contract in full conformity with the terms and conditions of the solicitation documents.

**SIGNIFICANCE**

Award of this contract will provide for construction of street improvements at Stockton Avenue in San Jose where an existing grade crossing was closed in 2006. Street improvements will include removal of temporary concrete barriers, construction of new concrete sidewalk, curb and gutter, reconstruction of storm drain, and installation of street lighting improvements.

**BUDGET IMPACT**

Funding for the street improvements is included as part of the budget approved for the Stockton Avenue Railroad Crossing Closure project in the approved Fiscal Year 2009 Caltrain Capital Budget. The project is funded entirely by Caltrans under the Section 130 Grade Crossing Improvement Program, and no additional funds are required for this contract award.

**BACKGROUND**

In October 2006, the JPB began construction of the closure of the existing Stockton Avenue at-grade railroad crossing. The closure project was substantially completed in March 2007 and included removal of crossing signals and street pavement, reconstruction of tracks, and installation of fencing along the railroad right of way. This current project provides for the construction of the final street improvements, as requested by the City of San Jose, to Stockton Avenue on both sides of the railroad where the grade crossing was closed.

This project differs from typical JPB construction projects as the site is entirely on City property and not on the JPB right of way. The funding agreement between Caltrans and the JPB requires that



the JPB award and administer the construction contracts funded under the Section 130 Grade Crossing Improvement Program, and that funding cannot be passed through to the City of San Jose.

Invitations for Bids (IFBs) were distributed throughout the construction industry. The solicitation was advertised in a newspaper of general distribution and on the Caltrain Web site. Solicitation notices also were sent to potential bidders, small business enterprises (SBEs) and disadvantaged business enterprises (DBEs). More than 40 contractors downloaded the plans and specifications from the JPB's Web site. Ten bids were received and opened publicly with the following results:

	<b>Company</b>	<b>Grand Total Bid Price</b>
	<i>Engineer's Estimate</i>	<i>\$ 190,000</i>
1.	Joseph J. Albanese, Inc.	\$ 107,934
2.	Sposeto Engineering (SBE)	\$ 109,015
3.	Robert Bothman	\$ 113,846
4.	Granite Rock	\$ 118,708
5.	O'Grady Paving	\$ 131,900
6.	Wattis Construction	\$ 133,385
7.	Guerra Construction Group	\$ 137,136
8.	George Bianchi Construction	\$ 169,818
9.	Granite Construction Company	\$ 176,000
10.	McGuire and Hester	\$ 291,475

Bidders were required to submit bids for the base bid amount plus bids for two bid option items. The bid form was established with option items in order to allow for completion of as much of the desired improvements as possible if the bids received exceeded the available funding. Bids were evaluated based on the Grand Total Bid Price, consisting of the sum of the base bid, two option items and a \$20,000 permit allowance. Bidders were informed that the JPB would determine whether to exercise the option items after Contract award and prior to execution of the Contract. Because available project funding is sufficient, the JPB intends to exercise both option items and award the contract in the amount of the Grand Total Bid Price.

Staff reviewed the bids and determined that all of the bidders were responsive to the solicitation requirements. Joseph J. Albanese was deemed to be the apparent low bidder with a bid that was 43 percent lower than the engineer's estimate. With the exception of one bid, all bids were below the engineer's estimate. Staff attributes the submittal of bids that were below the engineer's estimate to: (1) the slump in the housing and industrial construction markets which has motivated contractors to seek other types of work, thus providing a larger pool of bidders for public works than is ordinarily expected; and (2) this larger bidder pool resulting in increased competition which may facilitate lower bid pricing.

Staff and legal counsel determined that Joseph J. Albanese submitted a complete bid package and satisfied all of the applicable legal requirements. Joseph J. Albanese performed work on the SamTrans Paving Improvement Project in the spring of 2008. Discussion with the project manager confirmed that Albanese completed the project successfully and to the satisfaction of SamTrans. The project manager said he hoped to have an opportunity to work with Albanese again in the future. Staff concludes that Joseph J. Albanese is appropriately qualified and capable of meeting the requirements of the contract. Accordingly, Joseph J. Albanese is therefore the lowest responsive, responsible bidder.

The DBE Officer reviewed the IFB prior to release and encouraged bidders to provide subcontracting opportunities to small businesses, including DBEs. Joseph J. Albanese responded with a bid that includes one DBE subcontractor for electrical and street lighting work that is approximately 13 percent of the contract value. This level of DBE participation will assist the JPB in meeting its overall DBE program objectives.

Contract Officer: Evelyn Marcal  
Project Manager: Ross Weir

650.508.7958  
650.622.6410

**RESOLUTION NO. 2008-**

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

\* \* \*

**AUTHORIZING AWARD OF CONTRACT TO JOSEPH J. ALBANESE, INC.  
FOR THE STOCKTON AVENUE STREET IMPROVEMENTS PROJECT  
AT A TOTAL COST OF \$107,934**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (“JPB”) solicited bids for the Stockton Avenue Street Improvements Project; and

**WHEREAS**, in response to the JPB’s invitation for bids, ten firms submitted bids; and

**WHEREAS**, staff and General Counsel have reviewed the bids; and

**WHEREAS**, the Executive Director has recommended that a contract be awarded to the lowest responsive, responsible bidder, Joseph J. Albanese, Inc., of Santa Clara, California, 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 Joseph J. Albanese, Inc., of Santa Clara, California, for the Stockton Avenue Street Improvements Project for a total cost of \$107,934; 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 Joseph J. Albanese, Inc., in full conformity with all the terms and conditions of the contract documents.

Regularly passed and adopted this 5<sup>th</sup> day of February, 2009 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Chair, Peninsula Corridor Joint Powers Board

ATTEST:

\_\_\_\_\_  
JPB Secretary



In addition, the Signal Optimization contract will make railroad signal improvements at the Hayward Park Station pedestrian crossings, at 25<sup>th</sup> Avenue at-grade crossing in San Mateo, and at six at-grade crossings in the City of Redwood City.

Invitations for Bids (IFBs) were distributed throughout the construction industry. The solicitation was advertised in a newspaper of general distribution and on the Caltrain Web site. Solicitation notices were also sent to potential bidders and disadvantaged business enterprises (DBEs). Fifty-five firms downloaded the plans and specifications from the JPB's Web site. Three bids were received and opened publicly with the following results:

	<b>Company</b>	<b>Total Bid Amount</b>
	<i>Engineer's Estimate</i>	\$5,396,785
1.	Granite Construction Company	\$4,731,250
2.	Balfour Beatty Rail, Inc.	\$4,820,000
3.	Shimmick Construction Company	\$4,849,000

Staff reviewed the bids and determined that all of the bidders were responsive to the solicitation requirements. Granite Construction Company, whose bid had no mathematical errors or minor irregularities, was deemed to be the apparent low bidder with a bid that was 12 percent lower than the engineer's estimate. All of the bids submitted were lower than the engineer's estimate. Staff attributes this primarily to the downturn in the economy. Staff's estimate was based upon historic prices from recent Caltrain projects.

Staff and legal counsel determined that Granite Construction submitted a complete bid package and satisfied all of the applicable legal requirements. Discussion with JPB project managers confirmed that JPB projects recently completed by Granite Construction Company were performed successfully and to the satisfaction of the JPB. These projects include emergency work conducted through a contract with Amtrak at the Guadalupe River Bridge and the Guadalupe River Interim Channel Improvements project in San Jose for the JPB. In addition, Granite was recently awarded contracts for the South Terminal Site Preparation Project and the San Mateo County Grade Crossing Improvements Project. Therefore, staff concludes that Granite Construction is appropriately qualified and capable of meeting the requirements of the contract. Accordingly, Granite Construction is the lowest responsive, responsible bidder.

The DBE Officer reviewed the IFB prior to release and encouraged bidders to provide subcontracting opportunities to small businesses, including DBEs. Granite Construction Company responded with a bid that includes three subcontractors for approximately 67 percent of the contract value. Notably, Granite Construction Company intends to engage a DBE firm for 37 percent of the contract amount. This level of DBE participation will assist the JPB in meeting its overall DBE program objectives.

Contract Officer: Helen Hoang  
 Project Manager: Hubert Chan, Engineer

650.508.7964  
 650.508.7786

**RESOLUTION NO. 2009-**

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

\* \* \*

**AUTHORIZING AN AWARD OF A CONTRACT TO GRANITE CONSTRUCTION, INC.  
FOR THE SIGNAL OPTIMIZATION PROJECT AT A TOTAL COST OF \$4,731,250.**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (JPB) solicited bids for the Signal Optimization Project; and

**WHEREAS**, in response to the JPB's invitation for bids, three firms submitted bids; and

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

**WHEREAS**, the Executive Director recommends that a contract be awarded to the lowest responsive, responsible bidder, Granite Construction, 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 Granite Construction, Inc. of Watsonville, CA, for the Signal Optimization Project for a total cost of \$4,731,250; 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 Granite Construction, Inc., in full conformity with all the terms and conditions of the contract documents.

Regularly passed and adopted this 5<sup>th</sup> day of February, 2009 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, Peninsula Corridor Joint Powers Board

ATTEST:

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JPB Secretary



disadvantaged business enterprises (DBEs) and eleven non-DBE small business enterprises (SBEs).

Staff received three proposals which were found to be responsive to the solicitation requirements. An Evaluation Committee (Committee) followed a rigorous and thorough review process that included review, evaluation and scoring of the proposals in accordance with the following weighted criteria:

- Professional Excellence and Demonstrated Competence 0-30 points
- Nature, Quality and Relevance of Recently Completed Work 0-30 points
- Staffing Capability, Training and Development, and Work Directive Plan and Procedures 0-25 points
- Demonstrated Familiarity With Regulatory Requirements 0-15 points

All firms were subsequently interviewed resulting in the final consensus ranking listed below:

1. Rail Surveyors and Engineers, Inc. (SBE)
2. J. L. Patterson and Associates, Inc. (DBE)
3. BKF Engineers, Surveyors and Planners

The Committee determined that RSE met the technical and administrative requirements stated in the RFP. RSE possesses the requisite depth of experience and has the required qualifications to successfully perform the scope of work defined in the contract. Staff conducted a cost analysis and the final negotiated cost proposal was determined to be fair and reasonable. RSE held a previous contract, awarded by JPB Resolution Number 2001-126, which expired February 28, 2004. Staff was satisfied with their performance.

After award, Work Directives (WDs) will be issued for each project. Before award of any WD for \$250,000 or more for which State or Federal funds will be used, the firm must undergo a legally-required audit which will be performed by Caltrans or a designated outside auditor.

The DBE Officer reviewed the RFP prior to release and encouraged proposers to provide subconsulting opportunities to small businesses, including DBEs. Proposers were required to document their solicitation and negotiation activities with their subconsultants to ensure that the process was carried out in a non-discriminatory manner. The DBE Officer reviewed the proposal submitted by RSE and determined that the firm was responsive to the RFP requirements for DBE purposes. RSE (a State-certified small business) intends to engage two DBE subconsultants for geotechnical and architectural design services when the need arises.

Contract Officer: Evelyn Marcal 650.508.7958  
Project Manager: Steve Hill, Chief Engineer, Maintenance and Construction 650.508.7941



**RESOLUTION NO. 2009-**

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

\* \* \*

**AUTHORIZING AWARD OF A CONTRACT TO  
RAIL SURVEYORS AND ENGINEERS, INC.  
FOR ON-CALL RAILROAD ENGINEERING, CONSTRUCTION SUPPORT,  
AND SURVEYING  
FOR A NOT-TO-EXCEED SUM OF \$9,000,000 FOR THREE YEARS**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (JPB) has solicited competitive proposals for on-call railroad engineering, construction support, and surveying; and

**WHEREAS**, in response to the JPB's Request for Proposals (RFP), 97 firms downloaded the RFP and three firms submitted proposals; and

**WHEREAS**, an evaluation committee reviewed and scored the proposals in accordance with the criteria set forth in the RFP, and conducted interviews with all proposers; and

**WHEREAS**, Staff conducted a cost analysis and determined that the negotiated cost proposal from the highest ranked proposer, Rail Surveyors and Engineers, Inc. (RSE), is fair and reasonable; and

**WHEREAS**, JPB Legal Counsel has reviewed the RSE proposal and found that it is responsive to the solicitation documents; and

**WHEREAS**, Staff Coordinating Council recommends that a contract be awarded to the highest-ranked firm, RSE.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the JPB awards a contract to Rail Surveyors and Engineers, Inc. of Belmont, CA for furnishing on-call engineering, construction support, and surveying for a three-year term for a total not-to-exceed cost of \$9,000,000; and

**BE IT FURTHER RESOLVED** that the Executive Director or his designee is authorized to execute a contract on behalf of the JPB with Rail Surveyors and Engineers, Inc., in full conformity with all the terms and conditions of the RFP and negotiated agreement, and in a form approved by Legal Counsel, subject to post-award audit by the California Department of Transportation or its designated auditor; and

**BE IT FURTHER RESOLVED** that the Executive Director or his designee is authorized to execute up to two additional, one-year option terms, at a total, not-to exceed cost of \$6,000,000 over two years, provided that such options are in the best interest of the JPB.

Regularly passed and adopted this 5th day of February, 2009 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, Peninsula Corridor Joint Powers Board

ATTEST:

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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 November and December 2008  
(Table A, Graph A)**

For November 2008, Caltrain average weekday ridership (AWR) increased 8.9 percent when compared to November 2007. AWR based on ticket sales was 39,685 for November 2008, an increase of 3,231 over November 2007. The total number of passengers for the month of November 2008 was 1,007,443. This is a 6.2 percent increase over last year's November total of 948,390.

For December 2008, Caltrain average weekday ridership (AWR) increased 9.3 percent when compared to December 2007. AWR based on ticket sales was 35,672 for December 2008, an increase of 3,026 over December 2007. The total number of passengers for the month of December 2008 was 967,037. This is a 13.3 percent increase over last year's December total of 853,402.

In November 2008, on-time performance was 96.29 percent, as compared to 93.35 percent in November 2007 and in December 2008, on-time performance was 94.47 percent, as compared to 95.06 percent in December 2007. This represents a return to levels of on-time performance that nearly equal or surpass the JPB goal of 95 percent on-time.

Average weekday shuttle ridership in November was 7,404 up 43 percent over November 2008 and in December ridership was up 33 percent over the previous year. The bulk of the ridership increase is represented by Stanford University's Marguerite shuttles that connect to two Caltrain stations. This has largely resulted from a greater accuracy in passenger counting resulting from the installation of automatic passenger counters. Ridership counts for the three park and ride shuttles are shown in the table below:

Shuttle	November Riders*	December Riders*
Millbrae-Broadway	89	69
Belmont-Hillsdale	81	57
Tamien	55	44

\*Ridership shown is for the average weekday except Tamien shuttles that represent the average weekend ridership

At the back of this report Table A shows performance indicators for November and December 2008. Graph A shows AWR for the past 13 months as compared to the rolling average for both November and December 2008.

## **Caltrain November 2008 Promotions**

**San Jose Sharks** – The Sharks have the best record in the NHL and are off to their fastest start in franchise history. The addition of several veteran players and a new coach has proved to be the winning combination for the San Jose team. This year's cooperative promotion with the Sharks includes a drive-time radio campaign, posters at the stations, ad cards on the trains and a banner at San Jose Diridon Station. The ad cards feature the images of Sharks players and were paid for by the Sharks. To date, ridership is up more than 20 percent from last year.

**Weekend/Off Peak** – The very popular Caltrain commute service continues to achieve record ridership levels. Weekend and evening service also has grown because of additional special event service and more evening service. Despite this success, there remains a need to grow the weekend service and further promote the extra trains added to the schedule last March. The campaign to encourage leisure ridership includes radio spots and print ads that deliver the message that Caltrain is a great way to travel for shopping, a night out or your own special event.

**Stanford Football** – Stanford football coach Jim Harbaugh's second season at the helm created a lot of excitement on the Farm, however the Cardinal fell just short of a bowl bid with losses in its last three games. Despite the disappointment, there was plenty of excitement as the Cardinal team continued to improve under Harbaugh. This resulted in Caltrain carrying flocks of Cardinal fans to the Stanford Stadium stop this fall. Caltrain partnered with Stanford to produce a flyer that was placed on all trains and also aired commercials during Stanford games. In addition, Stanford offered free season tickets to Caltrain Ticket-By-Mail customers; with 26 responding to the offer. Ridership to the rain-soaked Washington State game on Nov. 1 was dismal but rebounded for the final game against the University of Southern California, resulting in the highest ridership of the year with more than 2,900 riders. The Caltrain Web site experienced a heavy rush of fans - increasing visits by game from 675 in 2007 to 1,296 in 2008.

**Black Friday Service** – The Friday after Thanksgiving is identified by national retailers as the day that signifies a successful sales year. Caltrain operated a modified Saturday schedule which included six express trains at times during the day that appealed to commuters and shoppers alike. The campaign included radio ads promoting the mid-morning and afternoon service to serious shoppers and a button on the Caltrain Web site which linked to the schedule. More than 8,000 people visited the Caltrain site seeking information about the service.

## **Caltrain December 2008 Promotions**

**Caltrain Holiday Train:** December is Holiday Train season and for the past seven years Caltrain has gathered thousands of toys for needy Bay Area children. This spectacularly decorated train lights up the faces of thousands of kids of all ages who come out to see it during its annual visits to the Peninsula and bring toy donations. The Dec. 6 and 7 event benefits the U.S. Marine Corps' Toys for Tots Program and the Salvation Army; which are involved as partners in decorating the train, providing entertainment, and collecting the toys. The campaign

to promote the Holiday Train began in November with print and radio ads, the distribution of posters to specific locations, outreach to San Mateo County schools, and the distribution of thousands of Holiday Train brochures throughout the Peninsula. More than 13,381 visited the Caltrain web site. The event wouldn't be possible without support from dozens of community volunteers and Caltrain and SamTrans employees; who help decorate the train, take on the role of costumed characters, and staff stations as ambassadors. Despite the slow economy, toy donations were up by more than 27 percent and cash donations exceeded \$2,200. The Toys for Tots organization estimated the value of the toys at \$75,000.

**Emerald Bowl at AT&T Park** – The 2008 Emerald Bowl at San Francisco's AT&T Park matched perennial college football powerhouse University of Miami and local Pac-10 favorite, the University of California Golden Bears. Caltrain provided two extra trains in each direction for the Emerald Bowl game and promoted the service with a radio campaign, a web page and links between the bowl organizers. Answering the call of the Cal battle cry to, "Go Bears," many fans did! Ridership totaled nearly 3,700 - up 253 percent from 2007.

**New Year's Eve Fireworks at the Ferry Building** – The tradition of welcoming the New Year with a bang is alive and well in San Francisco as the area around the Embarcadero near the Ferry Building becomes the site of a fireworks extravaganza. This year's special service for the midnight event was promoted with radio ads; which mentioned the free fare after 11:00PM, and a web page. The special service included three extra late night trains, including a train which departed at 2:15 a.m. for those celebrants fully committed to ringing out the old and ringing in the new. Caltrain started off the year on a positive note, carrying nearly 3,330 passengers out of The City after 9:00P, a 21 percent increase compared to 2007's New Year's Eve service.

**San Jose Sharks** – The Sharks have the best record in the NHL and are off to their fastest start in franchise history. The addition of several veteran players and a new coach has proved to be the winning combination for the San Jose team. This year's cooperative promotion with the Sharks includes a drive-time radio campaign, posters at the stations, adcards on the trains, and a banner at the San Jose Diridon Station. The adcards feature the images of Sharks players and were paid for by the Sharks. To date, ridership is up more than 19 percent from last year.

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

650.622.8026  
650.508.6245

**Table A**

	<b>November 2008</b>		
	<b>FY 08</b>	<b>FY 09</b>	<b>%Change</b>
Total Ridership	948,390	1,007,443	6.2%
Average Weekday Ridership	36,454	39,685	8.9%
Total Revenue	\$ 3,129,883	\$ 3,342,903	6.8%
On Time Performance	93.35%	96.29%	3.1%
Caltrain Shuttle Ridership	5,192	7,404	42.6%

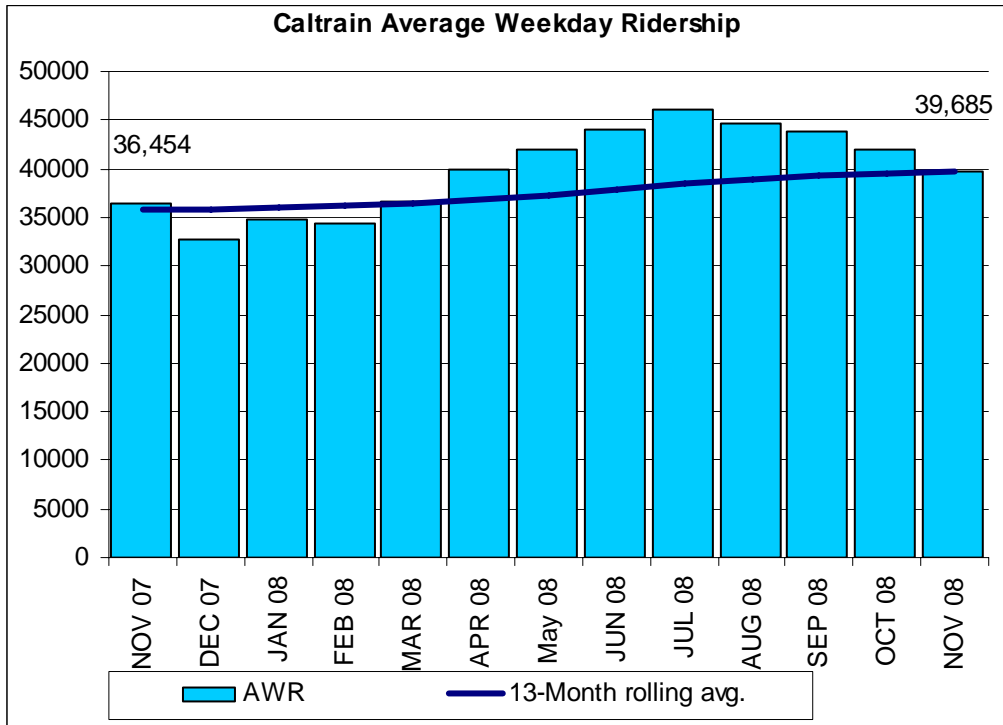
	<b>Year to Date</b>		
	<b>FY 08</b>	<b>FY 09</b>	<b>%Change</b>
Total Ridership	5,015,090	5,743,019	14.5%
Average Weekday Ridership	37,987	43,253	13.9%
Total Revenue	16,826,603	19,185,152	14.0%
On Time Performance	93.22%	94.07%	0.9%
Caltrain Shuttle Ridership	5,292	6,365	20.3%

	<b>December 2008</b>		
	<b>FY 08</b>	<b>FY 09</b>	<b>%Change</b>
Total Ridership	853,402	967,037	13.3%
Average Weekday Ridership	32,646	35,672	9.3%
Total Revenue	\$2,826,081	\$3,208,464	13.5%
On Time Performance	95.06%	94.47%	-0.6%
Caltrain Shuttle Ridership	4,102	5,466	33.3%

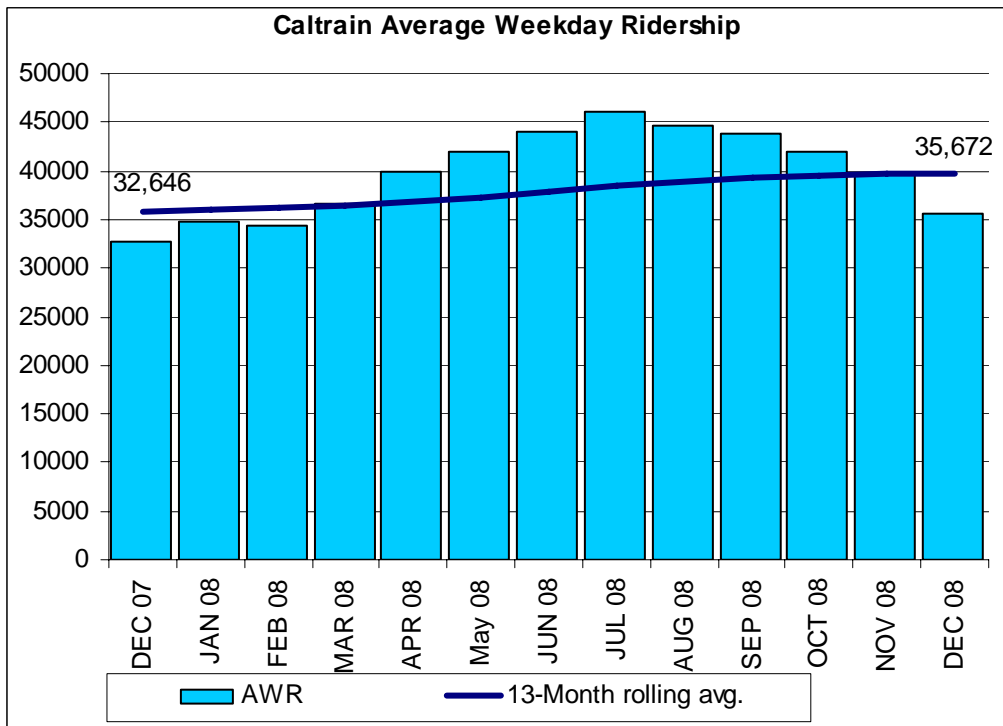
	<b>Year to Date</b>		
	<b>FY 08</b>	<b>FY 09</b>	<b>%Change</b>
Total Ridership	5,868,492	6,710,055	14.3%
Average Weekday Ridership	37,097	41,990	13.2%
Total Revenue	\$19,652,683	\$22,393,616	13.9%
On Time Performance	93.52%	94.14%	0.7%
Caltrain Shuttle Ridership	5,094	6,318	24.0%

## Graph A

### November



### December



**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon  
Executive Director / CEO

FROM: Virginia Harrington  
Chief Financial Officer

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

**ACTION**

Staff Coordinating Council (SCC) recommends that the Board accept and enter into the record the Quarterly Investment Report and Fixed Income Market Review and Outlook for the quarter ended December 31, 2008.

**SIGNIFICANCE**

The Joint Powers Board's (JPB) Investment Policy contains a requirement for a quarterly report to be transmitted to the Board within 30 days of the end of the quarter. This staff report was forwarded to the Board of Directors under separate cover on January 21, 2009 in order to meet the 30 day requirement.

**BUDGET IMPACT**

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

**BACKGROUND**

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

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



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

A schedule, which addresses the requirements of 1, 2, and 3 above, is included in this report on page 6. The schedule separates the investments into three groups: The Investment Portfolio which is managed by Tamalpais Wealth Advisors (TWA); Liquidity funds which are managed by JPB staff; and Trust funds which are managed by third party trustees. The Investment Policy governs the management and reporting of the Investment Portfolio and Liquidity funds while the bond covenants govern the management and reporting of the Trust funds.

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

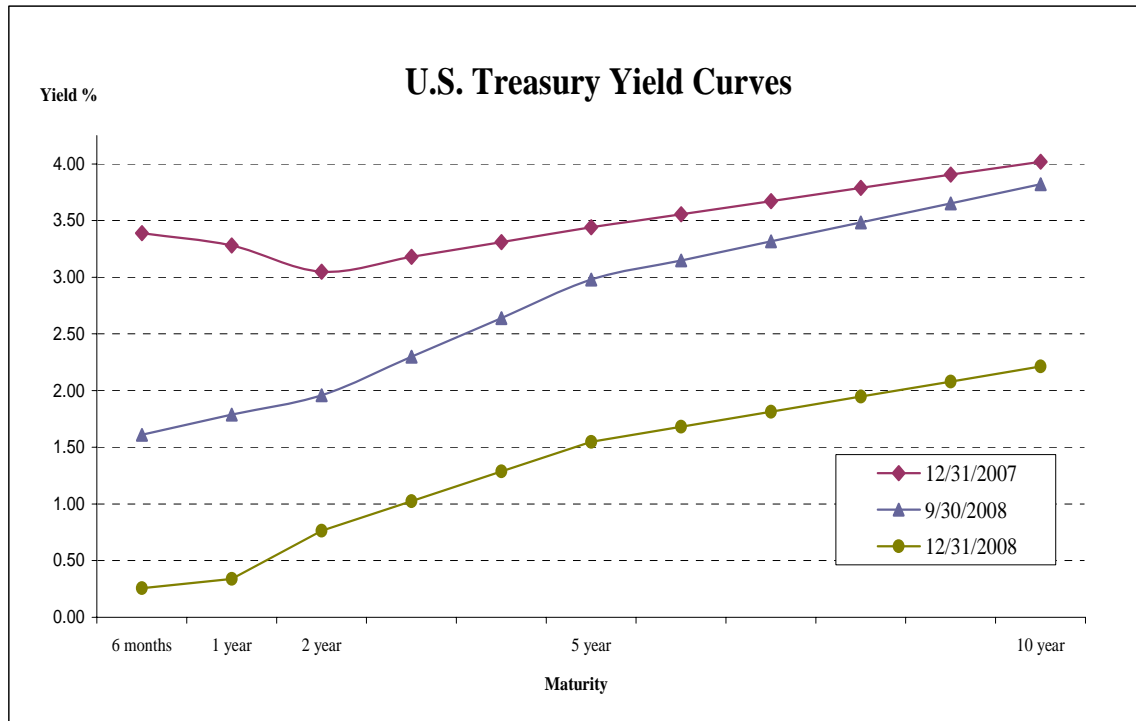
Due to the nature of securities which are bought and sold in a principal market, such as fixed income securities, multiple market values may exist for a given security at any given time. TWA has chosen IDC as an unbiased estimator of these prices based on their leading role as a provider of end of the day pricing, an evaluation of their methodology and the experience of their evaluation staff.

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

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

## DISCUSSION

### Market Review and Outlook



Data Source: Bloomberg

The fourth quarter of 2008 began with steep drops in U.S. Treasury rates and dramatic increases in spreads. At various points in time during the quarter, the markets for commercial paper, high and low grade corporate bonds, commercial mortgages, U.S. Agency debentures, municipal bonds and asset-backed securities were virtually frozen. By quarter's end, efforts by the Federal Reserve and Treasury helped restore at least some semblance of normalcy in a few critical areas of the market, allowing investors to begin the process of distinguishing between good and bad credits.

For the quarter as a whole, U.S. Treasury rates fell by over 1.00 percent to lows never before witnessed. The desire to dress up balance sheets for the end of the year even led some to accept negative yields on U.S. T-Bills. An announcement toward the end of November by Treasury Secretary Paulson that the Treasury would be purchasing as much as \$600 billion worth of agency debentures and agency mortgage-backed securities helped dramatically narrow the spreads between Treasury and agency securities and bring conventional mortgage rates to their lowest levels in over 30 years. Other sectors of the bond market, however, such as commercial mortgage-backed securities, credit card asset-backed securities and high yield bonds did not fair as well, falling in price to their lowest levels of the year.

Economists widely believe we are entrenched in the most serious economic decline since the Great Depression. While TWA believes this claim to be somewhat exaggerated, there is no denying the current economic problems are severe. Forecasts of economic growth for the past quarter vary widely, but there are several economists who expect the economy to have declined at a greater than 5.0 percent rate. The next several months are likely to bring continued economic weakness, replete with higher unemployment and declining GDP. It is also likely to bring continued economic stimulus, driven by a new leadership team built to more capably deal with the ongoing crisis. The new economic team announced by President-elect Obama during the quarter was well received by the markets and is positioned to move quickly once their term begins.

When contemplating the future, we must not only consider our current economic woes, but the policy response as well. The Obama team has already started painting a picture of what the world might look like on the other side of this recession. This includes a plan to produce over three million new jobs through infrastructure projects, aid to states, and a focus on renewable energy. It is also apparent that tax cuts may play a bigger role than previously thought. As this picture comes into clearer focus, TWA believes the financial markets will improve. When they do, TWA expects interest rates to rise and spreads to narrow. Between then and now a lot could happen.

This makes the job of managing fixed income portfolios particularly difficult at present. TWA's outlook favors investments of high credit quality and short durations. Unfortunately, the yields on these types of securities are quite low. However, accepting a lower yield in the short run may be the best course of action in the long run.

### **Strategy**

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

During the quarter, TWA began to help JPB invest its portfolio. Initial investments were focused on the longer term portion of the portfolio, where the best opportunities were at the time. Subsequent investments will be in securities with shorter maturities. As of the end of the quarter, the JPB's portfolio consisted of approximately 13.5 percent Corporate Bonds, 57.7 percent Agency Securities, 28.8 percent US Treasury securities, 0 percent Commercial Paper and 0 percent Cash Equivalents; see Exhibit 5.

**Budget Impact**

The portfolio's performance is reported on a total economic return basis. This method includes the coupon interest, amortization of discounts and premiums, capital gains and losses and price changes (i.e., unrealized gains and losses). From the inception date of November 13, 2008 to the end of the quarter on December 31, the portfolio returned **3.35** percent. This compares to the benchmark return of **0.76** percent. The Performance graph in Exhibit 3 shows the relative performance of each fund which will eventually be for a trailing 24-month period. The Growth of a Thousand Dollars graph in Exhibit 4 shows the cumulative performance over this same time frame for the consolidated portfolio.

The portfolio's yield to maturity, the return the portfolio will earn in the future if all securities are held to maturity is also reported. This calculation is based on the current market value of the portfolio including unrealized gains and losses. For the quarter ending December 31, the portfolio's yield to maturity was 1.75 percent. The benchmark's yield to maturity was 0.43 percent.

Another method of measuring the portfolio's yield to maturity is the yield of the portfolio at cost. This calculation is based on the value of the portfolio at cost and does not include any unrealized gains or losses as part of its computation. As of the end of the quarter the portfolio's rate of return on investments, at cost, was 2.59 percent.

**PENINSULA CORRIDOR JOINT POWERS BOARD  
REPORT OF INVESTMENTS  
FOR QUARTER ENDED DECEMBER 31, 2008**

<u>TYPE</u>	<u>DATE OF MATURITY</u>	<u>PAR VALUE</u>	<u>CARRYING AMOUNT</u>	<u>MARKET VALUE</u>	<u>ACCRUED INTEREST</u>	<u>MARKET VALUE +ACCR. INT.</u>
<b><u>FUNDS MANAGED BY TAMALPAIS WEALTH ADVISORS:</u></b>						
<b><u>INVESTMENT PORTFOLIO:</u></b>						
<b>CORPORATE BONDS</b>						
JP Morgan Chase & Co.	12-01-10	500,000	507,000	510,038	547	510,585
Bank of America Corp.	12-23-10	500,000	500,000	501,483	189	501,672
<b>GOVERNMENT BONDS</b>						
FHLB	07-16-10	2,000,000	2,065,360	2,068,000	1,556	2,069,556
FNMA	11-15-11	2,000,000	2,131,400	2,209,375	12,812	2,222,187
<b>TREASURY INFLATION PROTECTED SECURITIES</b>						
US Inflation Indexed	04-15-10	2,301,440	2,133,507	2,152,427	1,051	2,153,478
<b>TOTAL FUNDS MANAGED BY TAMALPAIS WEALTH ADVISORS</b>		<b>7,301,440</b>	<b>7,337,267</b>	<b>7,441,323</b>	<b>16,155</b>	<b>7,457,478</b>

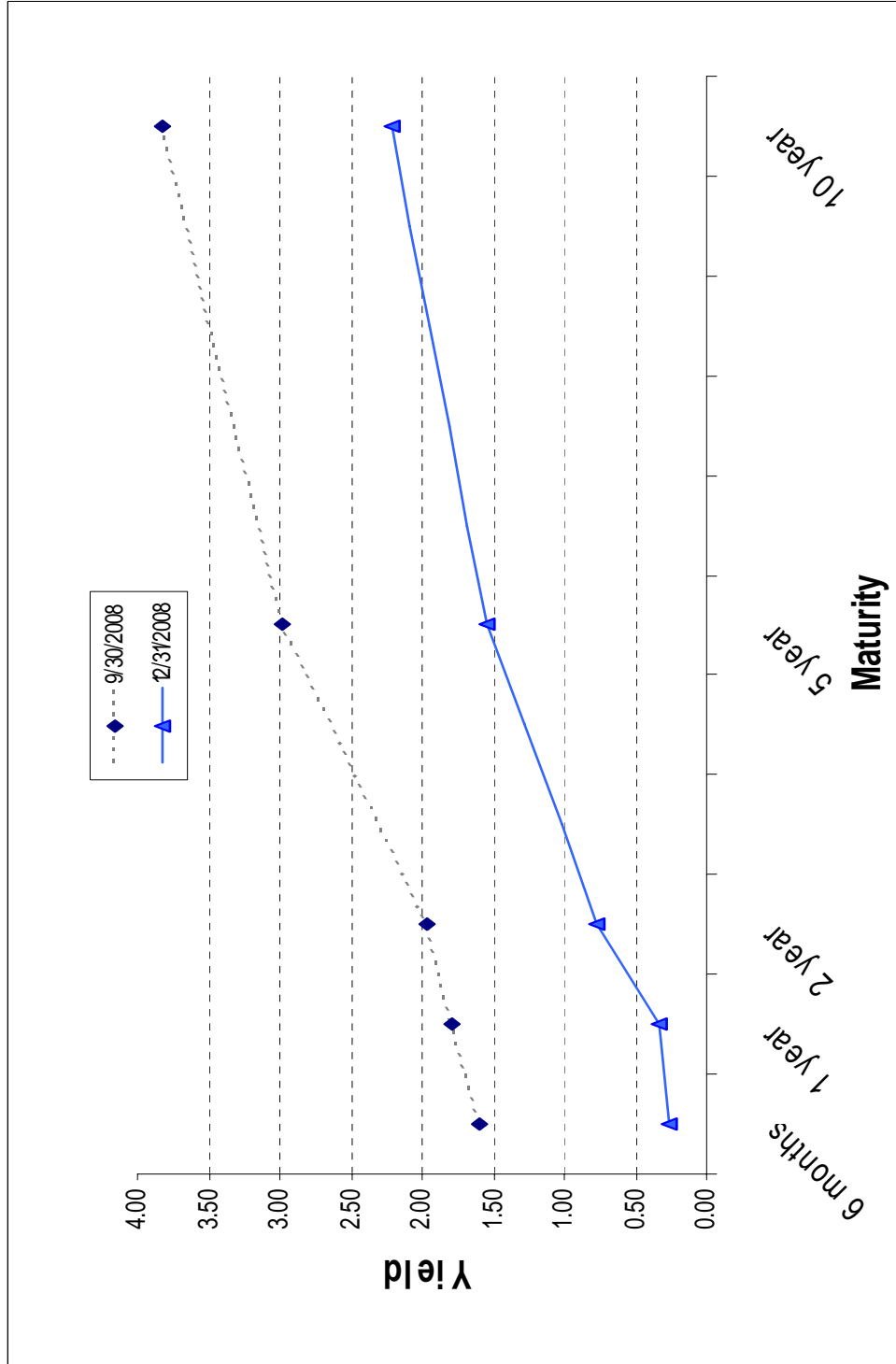
**LIQUIDITY FUNDS MANAGED BY DISTRICT STAFF:**

<b>BANK OF AMERICA CHECKING</b>						
LAI			4,764,716	4,764,716	7	4,764,723
SAN MATEO COUNTY POOL			3,450,000	3,450,000	76,960	3,526,960
CD ACCT REGISTRY SERVICE ("CDARS")	01-22-09		0	0	30,568	30,568
BANK OF AMERICA CD	03-19-09		3,950,000	3,950,000	313	3,950,313
<b>TOTAL FUNDS MANAGED BY DISTRICT STAFF</b>			<b>16,114,716</b>	<b>16,114,716</b>	<b>108,095</b>	<b>16,222,811</b>

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

First American Treas. Oblig. Cl D Corp Tr			3,375,044	3,375,044	56	3,375,100
Uninvested Cash			0	0	0	0
<b>TOTAL FUNDS MANAGED BY THIRD PARTY TRUSTEE</b>		<b>0</b>	<b>3,375,044</b>	<b>3,375,044</b>	<b>56</b>	<b>3,375,100</b>
<b>TOTAL AS OF DECEMBER 31, 2008</b>		<b>7,301,440</b>	<b>26,827,027</b>	<b>26,931,083</b>	<b>124,306</b>	<b>27,055,389</b>

Peninsula Corridor Joint Powers Board  
Historical Yield Curve

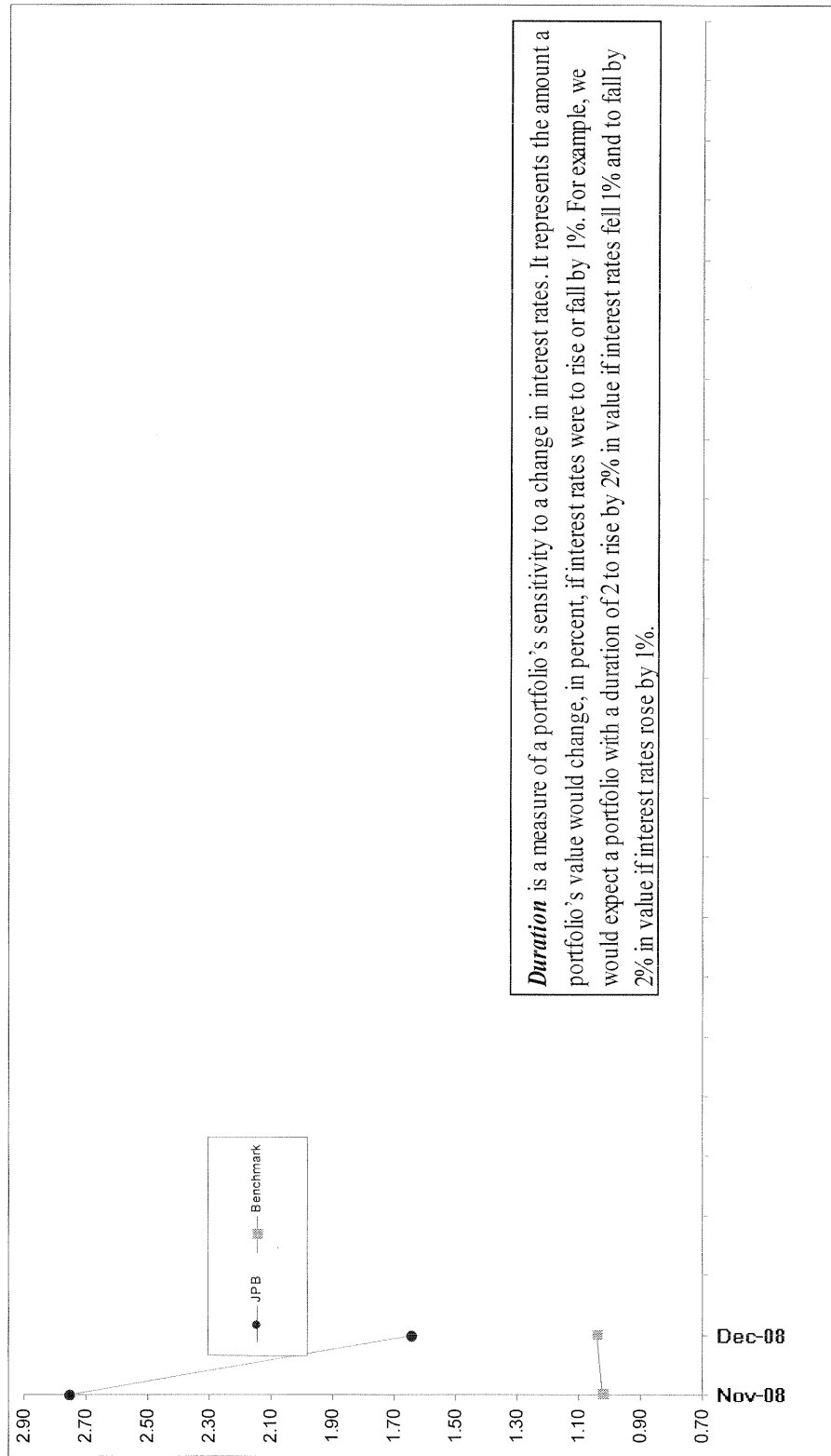


Data Source: Bloomberg

Tamalpais Wealth Advisors

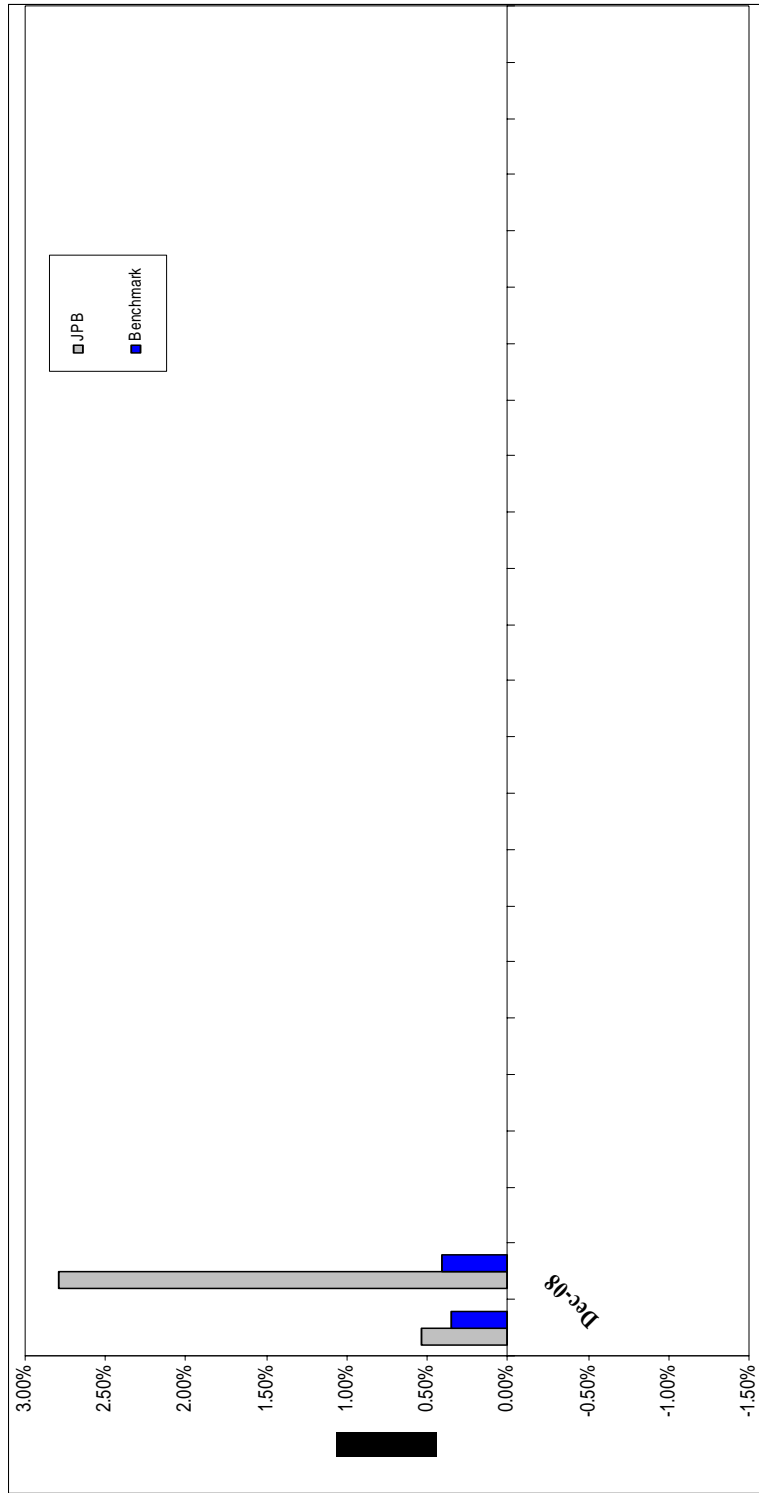
EXHIBIT 2

Peninsula Corridor Joint Powers Board  
Duration vs. Benchmark



Tamalpais Wealth Advisors

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



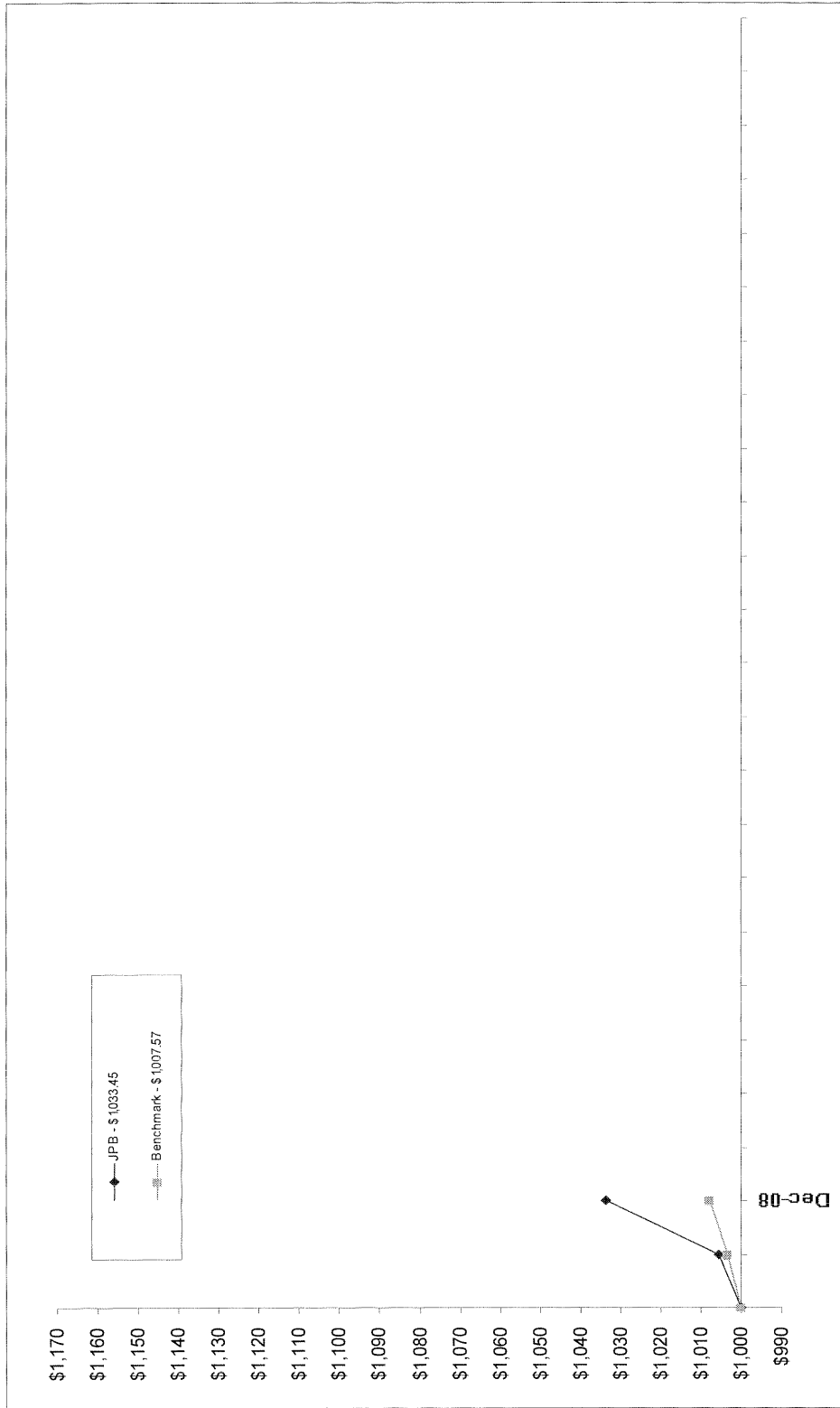
Trailing 12 Months	Nov-08	Dec-08
<b>MONTHLY PERFORMANCE DATA</b>		
JPB	0.54%	2.79%
Benchmark	0.35%	0.41%
		<b>Trailing 12</b>
		3.35%
		0.76%

*Tamalpais Wealth Advisors*



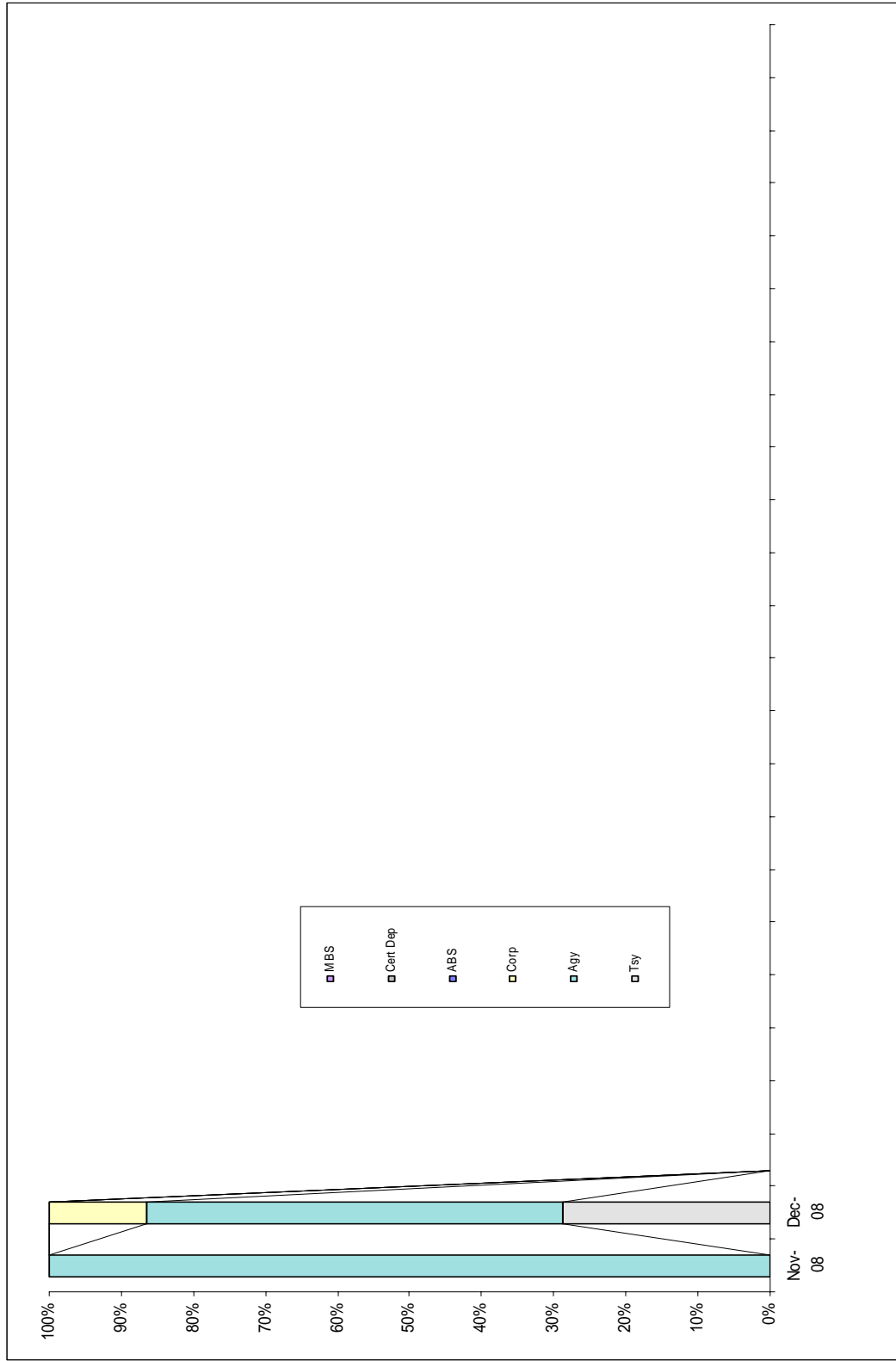
**EXHIBIT 4**

**Peninsula Corridor Joint Powers Board  
Growth of a Thousand Dollars**  
*Rolling 24 Months*



*Tamalpais Wealth Advisors*

# Peninsula Corridor Joint Powers Board Percent of Assets Held by Type



**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon  
Executive Director

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

SUBJECT: **UPDATE ON BICYCLE CAPACITY**

**ACTION**

Staff Coordinating Council (SCC) recommends that the Board review and consider for formal action, staff analysis and proposals presented at the meeting, concerning on-board bicycle service and related activities.

**SIGNIFICANCE**

At the November 6, 2008 Board meeting, Executive Director Michael J. Scanlon committed to a review of Caltrain's on-board bicycle service to identify potential opportunities to expand the service.

**BUDGET IMPACT**

The details of the analysis and proposals, including the budget impact, will be presented at the Board meeting.

**BACKGROUND**

Caltrain has been providing on-board bicycle service, in which bicycle-riding customers can bring their bikes on board and store them in bike racks, for 16 years. Recently, the number of customers attempting to board a train with a bicycle has exceeded the capacity available on some trains at peak-commute hours, resulting in some bicycling passengers being unable to board.

Staff has undertaken an extensive outreach to the cycling community, meeting with representatives of cycling organizations and individual Caltrain cycling customers and engaging in an e-mail-based dialogue with hundreds of Caltrain customers. In addition, hundreds of cyclists have sent e-mails to Caltrain staff and Board.

Prepared By:	Mark Simon, Special Assistant to the CEO	650.508.6340
	Chuck Harvey, Chief Operating Officer	650.508.7720
Project Manager:	Michelle Bouchard, Deputy Director, Rail Operations	650.508.6420

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

**TO:** Joint Powers Board

**THROUGH:** Michael J. Scanlon  
Executive Director

**FROM:** Ian McAvoy  
Chief Development Officer

**SUBJECT: 2009 CALTRAIN STATE AND FEDERAL LEGISLATIVE PROGRAM**

**ACTION**

Staff Coordinating Council (SCC) recommends the Board adopt the attached legislative program to guide the District's advocacy efforts in Sacramento and Washington D.C. over the course of the coming year.

**SIGNIFICANCE**

The 2009 State and Federal Legislative Program sets forth the principles that will guide Caltrain's advocacy efforts at the State and Federal levels during next year's session of the state Legislature and the 111<sup>th</sup> Congress. The program is intended to be broad enough to cover the wide variety of issues that may be taken up in Sacramento and Washington D.C., and flexible enough to allow Caltrain, its staff, and its legislative advocates to respond swiftly and effectively to unanticipated developments. Adoption of the program provides our legislative delegation and our transportation partners with a Board-approved statement of Caltrain's priorities.

The State Legislative Program is organized around five primary themes:

1. Financial stability for transportation
  - Preserve and protect State public transportation funds from General Fund diversion
  - Improve management of Proposition 1B transit funds
  - Encourage solution to remedy reduced access to credit markets
  - Enhance funding for public transit
2. State implementation of the American Economic Recovery and Reinvestment Plan
  - Encourage State implementation policies that provide maximum benefit to transit
  - Promote eligible Caltrain projects that meet specified ARRP criteria and goals
3. Project Delivery and Regulatory Reform
  - Seek reform of State policies to improve project delivery, financing and oversight
  - Oppose measures that would increase transit operating costs or undermine existing agreements
  - Seek passage of legislative measures that promote transit security

4. High Speed Rail
  - Support legislative actions consistent with the Guiding Principles of the Silicon Valley High Speed Rail Coalition
  - Work with the California High Speed Rail Authority on the continued funding, programming and planning efforts for HSR along the Caltrain corridor.
5. Greenhouse Gas reduction policy implementation
  - Promote policies that recognize the role of transit in GHG reduction
  - Monitor the implementation of State air quality regulations and their impacts on transit, and oppose actions that would unduly burden transit operators

The Federal Legislative Program is focused on the following seven primary themes:

1. American Economic Recovery and Reinvestment Plan
2. SAFETEA-LU Reauthorization
3. Fiscal Year 2009 and Fiscal Year 2010 Appropriations
4. Transit Homeland Security Funding
5. Climate Change and Energy Policy
6. Lease In/Lease Out (LILO) and Sale In/Lease Out (SILO) transactions
7. TARP Assistance for Local Governments Act of 2009

#### **BUDGET IMPACT**

There is no impact on the budget

#### **BACKGROUND**

Staff actively monitors State and Federal legislative activity, and will seek positions on selected bills as appropriate to further Caltrain's legislative objectives and to provide policy support for our advocacy efforts. Tracking legislative developments will provide the board an opportunity to amend positions on bills and to review whether bills have progressed, failed, or been modified in the legislative process.

Prepared by Seamus Murphy – Manager, Government Affairs

650.508.6388

## CALTRAIN 2009 STATE LEGISLATIVE PROGRAM

<i>Theme</i>	<i>Objective</i>	<i>Comments</i>
<b>1. Financial Stability for transportation</b>	A. Protect and preserve State public transportation funds from General Fund diversion	<p>The State is facing a \$14.8 billion shortfall in the current fiscal year and is expected to face an additional \$26.8 billion deficit in Fiscal Year 2009-2010. Recent budget proposals by the Governor and the Legislature have suggested substantial cuts to State transportation funding and the elimination of revenue sources that provide critical funding for mass transit.</p> <p>It will be essential for Caltrain to advocate aggressively for the preservation of existing transportation funding and for enhanced protections against future cuts. In particular, Caltrain will oppose efforts to reduce State Transit Assistance (STA) funding and will work with transportation coalitions to ensure that sales taxes on all motor vehicle fuel, including all future “spillover” revenues, are dedicated to transportation with guaranteed funding for transit.</p>
	B. Improve management of Prop 1B transit funds	<p>Proposition 1B infused \$19.9 billion of funding to improve the State’s transportation infrastructure. Of the \$19.9 billion, \$3.6 billion will be distributed by formula to transit operators statewide via the existing State Transit Assistance program formula, and Caltrain is slated to receive approximately \$40.4 million. These funds are to be provided over a 10-year period and are restricted to capital uses only. Other categories in Proposition 1B will benefit public transit as well, including \$1 billion for transit security, \$2 billion for the State Transportation Improvement Program, and \$1 billion for State Local Partnership Program.</p> <p>Caltrain will continue to closely monitor and support efforts in the development of statutory guidelines for a number of these categories to ensure the guidelines are developed in meeting public transit’s needs. Activities will include monitoring the allocation of funds from the Transit System Safety, Security and Disaster Response Account to protect transit facilities from potential natural disasters and terrorist activity; and providing an allocation scheme for the remainder of the Public Transportation Modernization, Improvement and Service Enhancement Account .</p>

## CALTRAIN 2009 STATE LEGISLATIVE PROGRAM

<i>Theme</i>	<i>Objective</i>	<i>Comments</i>
	C. Encourage a solution to remedy reduced access to credit markets	<p>With the ongoing financial crisis restricting access to credit markets, transit properties are facing increased cash flow and project financing challenges. Recently, the State suspended \$3.8 billion in financing for projects currently funded through general obligation bonds that flow through the Pooled Money Investment Account. Financing for Proposition 1B-funded projects will continue to be at risk while the state struggles to issue debt and individual agencies will face many of these same challenges themselves.</p> <p>Caltrain will advocate for legislative solutions that address the constrained credit markets and preserve the ability to proceed with projects and programs funded through voter-approved bonds and debt financing.</p>
	D. Enhance funding for public transit	<p>Caltrain will support efforts to increase funding levels for transportation and for public transit operations in particular. This could include initiatives such as indexing the gas tax to account for inflation, creating transit benefit assessment districts, or other measures. In addition, Caltrain will support efforts to increase flexibility for all existing and future transportation funds.</p>
<b>2. State implementation of the American Economic Recovery and Reinvestment Plan</b>	A. Encourage State implementation policies that provide maximum benefit to transit	<p>The proposed American Economic Recovery and Reinvestment Plan will likely provide several billion dollars in stimulus to the State for a variety of different purposes including transportation infrastructure. Caltrans will likely establish and implement policy that determines how funding will be allocated throughout the State.</p> <p>Caltrain will work with the California Transit Association to ensure that transit projects and operations are beneficiaries of this funding. This includes advocacy for funding formulas and structure that appropriately reflects transit's ability to fulfill the Plan's goals.</p>
	B. Promote eligible Caltrain projects that meet specified ARRP criteria and goals	<p>Federal policymakers have indicated that economic recovery priorities will include job creation, greenhouse gas emission reduction and a focus on growing industries. In addition, the Metropolitan Transportation Commission (MTC) has indicated that a process will be established that allows project sponsors to request additional funding.</p> <p>Caltrain will participate in this process and will promote projects that demonstrate benefits that are consistent with FRRP goals. Additionally, Caltrain will support funding proposals that provide maximum regional benefit to Caltrain projects and operations.</p>

## CALTRAIN 2009 STATE LEGISLATIVE PROGRAM

<i>Theme</i>	<i>Objective</i>	<i>Comments</i>
<b>3. Project Delivery and Regulatory Reform</b>	A. Improve project delivery, financing and oversight through reform of State policies	Caltrain will support efforts to expedite project delivery that apply to both transit and highway projects. In particular, Caltrain will seek reforms that allow public agencies to pursue innovative contracting methods such as design-build, construction manager at-risk, and job order contracting along with innovative financing mechanisms such as public private partnerships.
	B. Oppose measures that would increase transit operating costs or undermine existing agreements.	In the past years, Caltrain has worked to defeat a number of measures that, if enacted, would have increased operating and labor costs for transit operators statewide. One such bill would have limited the ability of transit operators to contract out service; another would have increased labor costs by overriding existing wage and benefit agreements. The next year may bring new legislative or regulatory proposals that would increase labor and operating costs for transit operators. Caltrain will continue to oppose the creation of state mandates that would hamper efforts to provide transit service to its customers in a cost-effective manner.
	C. Seek passage of legislative measures that promote transit security	In previous years, Caltrain has joined the California Transit Association in supporting legislation to strengthen the ability of transit operators to question persons present at transit facilities and stations in the interest of security. Caltrain will continue to support similar bills and explore other measures that could improve the District's ability to ensure the safety of passengers.



## CALTRAIN 2009 STATE LEGISLATIVE PROGRAM

<i>Theme</i>	<i>Objective</i>	<i>Comments</i>
<b>4. High Speed Rail</b>	A. Support legislative actions consistent with the Guiding Principles of the Silicon Valley High Speed Rail Coalition	<p>Caltrain passed a resolution at its December 8, 2005 meeting (which was reaffirmed at a September 6, 2007 meeting) to endorse the Guiding Principles of the Silicon Valley High Speed Rail Coalition, which includes the principle that the High Speed Rail line should travel along the Pacheco Pass alignment alternative. In July 2008, the Pacheco Pass alignment was selected by the California High Speed Rail Authority as the preferred route. The Board action further authorized joining the Coalition in support of the aforementioned Guiding Principles, subject to and conditioned upon adherence to the principle that the high speed rail system is designed, constructed and operated to be fully consistent with the goals and operational requirements associated with Caltrain and with the values of the cities on the Peninsula through which the system will be constructed and operated.</p> <p>Caltrain will continue to support such efforts to further the intent of this endorsement.</p>
	B. Collaborate with the California High Speed Rail Authority on the continued funding, programming and planning efforts for HSR along the Caltrain corridor.	<p>On November 4, 2008, California voters approved Proposition 1A, which authorized the sale of \$9.9 billion in general obligation bonds to complete the first phase of High Speed Rail service from San Francisco or Los Angeles/Anaheim. Of this amount, \$950 million will be allocated to intercity, commuter and urban rail systems for capital improvements associated with direct connectivity to the high speed rail system, its facilities, or as part of the construction of the system.</p> <p>Caltrain will advocate for funding to complete system-wide improvements associated with the construction and operation of high speed rail along the Caltrain right of way, consistent with the Guiding Principles of the Silicon Valley High Speed Rail Authority. These improvements may include electrification, positive train control and grade separations.</p>
<b>5. Greenhouse Gas Reduction Policy Implementation</b>	A. Support policies that recognize the role of transit in GHG reduction	<p>Caltrain will support policy initiatives that recognize the role of public transit in reducing greenhouse gas (GHG) emissions and vehicle miles traveled (VMT). Caltrain will advocate for policies that promote safe, reliable and efficient transit systems as a means of providing mobility alternatives that reduce traffic congestion and improve air quality.</p>

## CALTRAIN 2009 STATE LEGISLATIVE PROGRAM

<i>Theme</i>	<i>Objective</i>	<i>Comments</i>
	<p>B. Monitor the implementation of state air quality regulations and their impacts on transit, and oppose actions that would unduly burden transit operators</p>	<p>Under the California Global Warming Solutions Act, The California Air Resources Board (CARB) is charged with developing and implementing policies to reduce the State's greenhouse gas emissions to 1990 levels by 2020.</p> <p>In addition, SB 375 (Steinberg) [Chapter 728, Statutes of 2008] makes numerous changes to the law governing regional transportation and land use planning, with the overall goal of reducing greenhouse gas emissions attributable to the transportation sector in California. Key provisions require the 17 metropolitan planning organizations statewide to factor in greenhouse gas emissions and regional housing needs assessments through what is referred to as the sustainable growth scenario, when constructing their regional transportation plans.</p> <p>Neither policy provides any funding mechanism to promote transit services or projects, nor do they include environmental streamlining for such projects. Caltrain will oppose the imposition of unfunded costs on public transportation providers in the implementation of this and other greenhouse gas emission reduction laws and regulations.</p>

## CALTRAIN 2009 FEDERAL LEGISLATIVE PROGRAM

<i>Theme</i>	<i>Objective</i>	<i>Comments</i>
<b>1. American Economic Recovery and Reinvestment Plan</b>	Promote the inclusion of maximum benefits to transit in any proposal for national economic recovery	<p>The incoming Administration has requested that Congress quickly approve an American Economic Recovery and Reinvestment Plan that is expected to exceed \$750 billion. Early indications of the plan's components indicate an immediate investment of \$25 billion infrastructure in projects that are currently underway, an additional \$12.5 billion for public transportation and the creation of a National Infrastructure Reinvestment Bank that will provide \$60 billion over 10 years for transportation infrastructure projects.</p> <p>Caltrain will work with the American Public Transportation Association (APTA) to advocate for the enactment and implementation of an economic recovery package that will create new jobs, preserve existing jobs, provide sustainable infrastructure and improve the economy through substantial investment in transit capital projects and operations.</p>
<b>2. SAFETEA-LU Reauthorization</b>	Ensure that the reauthorization is implemented in a manner that maximizes opportunities for maintaining and expanding public transportation.	Caltrain will work closely with APTA and other transportation interests as Congress and the Administration begin efforts to maximize opportunities for public transportation on the next surface transportation reauthorization bill. Caltrain will work with APTA and other transportation interests to insure that Federal rulemaking maximizes local flexibility and minimizes administrative burdens on transit operators.

## CALTRAIN 2009 FEDERAL LEGISLATIVE PROGRAM

<i>Theme</i>	<i>Objective</i>	<i>Comments</i>
<b>3. FY 2009 &amp; 2010 Appropriations</b>	Seek discretionary Federal funds for projects that are of benefit to San Mateo County.	<p>Caltrain identified one Fiscal Year 2009 candidate projects for Federal discretionary (“earmark”) programs. This request (Positive Train Control) made it into the House appropriations bill, which was included in a continuing resolution before the October 2008 deadline. Congress will send the final bill to the President once the new administration is in place. Caltrain will continue to work with legislative advocates and the congressional delegation to ensure that Caltrain priorities are preserved in the bill.</p> <p>The Fiscal Year 2010 Appropriations process will begin in March 2009. As in recent years, Caltrain will identify potential candidate projects for the various Federal discretionary (“earmark”) programs, and where appropriate, seek funding for these projects in collaboration with Caltrain’s congressional delegation. This includes potential funding for Positive Train Control, which would be awarded as a part of the Rail Safety Improvement Act of 2008.</p>
<b>4. Transit Security Funding</b>	Advocate for greater Federal funding for transit security programs, and support continuing efforts that would direct Department of Homeland Security funding to operators in high-threat urban areas.	<p>The Fiscal Year 2009 Homeland Security appropriations bill provided \$400 million in funding for transit security grants. The allocation to various transit systems focuses primarily on projects to reduce security risk and their overall effect on regional transit security. Members of Congress from California and other states with major urban centers have sought greater emphasis on risk factors when allocating Federal security funds.</p> <p>Caltrain will support efforts to increase the share of homeland security funds that are targeted towards high-threat states. Consistent with our view that homeland security is a Federal issue and the needs greatly exceed the funding currently dedicated to the effort, the District will continue to advocate measures to increase Federal funding for transit security.</p>
<b>5. Climate Change/Energy Policy</b>	Advocate for Federal policies and funding to further transit’s positive impact on GHG reduction	Caltrain will monitor Federal legislative proposals on climate change and energy policy to ensure that any legislation to reduce GHG emissions be structured in such a way as to assist Caltrain in furthering regional and Federal goals while not unduly burdening transit operations.

## CALTRAIN 2009 FEDERAL LEGISLATIVE PROGRAM

<i>Theme</i>	<i>Objective</i>	<i>Comments</i>
<b>6. Lease In/Lease Out (LILO) and Sale In/Lease Out (SILO) transactions</b>	Seek a legislative solution to challenges posed by the downgrade of financial institutions affecting Lease In/Lease Out (LILO) and Sale In/Lease Out (SILO) transactions;	<p>Due to the recent financial crisis, several large financial firms experienced an unanticipated downgrade of credit ratings. Some of these firms served as guarantors of LILO and SILO transactions now in default due to the reduced ratings. Many of these transactions were FTA-approved, and with dozens of transit agencies involved, legislative action is needed to resolve the situation without leaving transit agencies at risk.</p> <p>Caltrain will continue to work with a nationwide coalition of affected agencies to pursue a timely and effective legislative solution.</p>
<b>7. TARP Assistance for Local Governments Act of 2009</b>	Seek Troubled Assets Relief Program (TARP) relief for local governments impacted by the financial crisis	<p>With the failure of large financial institutions, nearly \$300 million in investments have been lost in California, compromising local government, including transit agencies. The Emergency Economic Stabilization Act of 2008 gave the Secretary of the Treasury authority to consider impacts on local governments when disbursing TARP funds. The TARP Assistance for Local Governments Act of 2009, authored by Senator Feinstein, would provide \$10 billion in relief to local governments that suffered losses. Caltrain will work with other affected local government entities and our Congressional delegation to seek passage of this bill.</p>

**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 EXERCISE OF A ONE-YEAR OPTION TO  
EXTEND THE CONTRACT WITH AMTRAK FOR PENINSULA  
COMMUTE SERVICE THROUGH JUNE 30, 2011**

**ACTION**

Staff Coordinating Council (SCC) recommends the Board authorize the exercise of the second one-year option to extend the contract with Amtrak for operation of commuter rail service and provision of capital/third-party construction support services through June 30, 2011.

**SIGNIFICANCE**

The three-year base term of the operating agreement with Amtrak ends June 30, 2009. At its January 3, 2008 board meeting, the JPB approved the exercise of the first one-year option with Amtrak, which will run from July 1, 2009 to June 30, 2010.

In accordance with the terms of the agreement, Amtrak submitted to the JPB its proposed General and Administrative Overhead rate and Fixed Fee for the second option year (Fiscal Year 2011). Amtrak proposed no increases to its G&A rate or Fixed Fee for the second option year. The G&A rate and Fixed Fee will be the same in both options years. Last year, as Amtrak had requested a 0.5 percent increase to the G&A rate from the initial three-year base of the contract (5.5 percent), JPB staff reviewed Amtrak's justification for the 6 percent G&A rate. As the costs identified by Amtrak were allowable under the agreement, the proposal was deemed fair and reasonable. Amtrak has proposed no further changes to the rates approved last year.

JPB staff feels it is important to maintain the stability and continuity of Caltrain service and operations during a time of continued growth. The exercise of the second option year allows the JPB to defer the significant procurement and mobilization costs of a new contract for this service and the potential transition to a new operator. Additionally, for projects that will span FY10 to FY11, the continuity by exercising this option year allows the agency to maintain the same work force and administration to help facilitate projects.

If the option is exercised, the agreement will extend through June 30, 2011. No additional option years will remain available to the JPB under the current contract.

**BUDGET IMPACT**

The above change has no effect on the overall authorized FY09 Operating Budget. The operating costs for FY11, the period covered by this option year, will not be added to the contract until that budget year.

**BACKGROUND**

The JPB approved the three-year extension of the operating agreement plus two option years with Amtrak under Board Resolution No. 2005-02 on January 6, 2005. The JPB approved the exercise of the first option year under Board Resolution No. 2008-03 on January 3, 2008. In accordance with the agreement, the JPB must give notice to Amtrak of its intent to exercise this second option year by July 1, 2009.

Prepared By: Jerry Willard, Deputy Director, Rail Administration      650.508.7975

**RESOLUTION 2009-  
BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD  
STATE OF CALIFORNIA**

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**AUTHORIZING THE EXERCISE OF THE SECOND YEAR OPTION TO EXTEND  
THE AGREEMENT FOR OPERATION OF COMMUTER RAIL SERVICE AND  
PROVISION OF CAPITAL/THIRD-PARTY CONSTRUCTION SUPPORT SERVICES  
WITH THE NATIONAL RAILROAD PASSENGER CORPORATION**

**WHEREAS**, by Resolution 2005-02, the Board of Directors of the Peninsula Corridor Joint Powers Board authorized the extension of the then current Agreement for Operation of Commuter Rail Service and Provision of Capital/Third-Party Construction Support Services with the National Railroad Passenger Corporation (“Amtrak”) for three years through June 30, 2009, with two successive one-year options to be exercised at the discretion of the Board of Directors; and

**WHEREAS**, over the course of the three-year base term extension, the annual budget adjustments to cover the operation of the Caltrain Service have brought the current total contract amount to \$433,900,018; and

**WHEREAS**, the extended Agreement provides for the parties to mutually agree on the financial terms applicable during the option term and requires the JPB to give notice of its exercise of the second-year option, if such a determination is made, by July 1, 2009; and

**WHEREAS**, by Resolution 2008-03, the Board of Directors authorized the exercise of the first one-year option extending the contract with Amtrak through June 30, 2010, and an increase in the General and Administrative Overhead Rate (“G&A Rate”) from 5.5% to 6% to be effective during the first option term commencing on July 1, 2009; and

**WHEREAS**, the JPB staff entered into negotiations with Amtrak regarding the potential exercise of the second one-year option during which Amtrak proposed no further changes to the G&A Rate or Fixed Fee in effect for the first option term; and



**WHEREAS**, in light of the foregoing and in the interest of continuity and stability in the provision of the Caltrain Service, the Staff Coordinating Council recommends that the Board of Directors authorize the exercise of the second one-year option under the Operating Agreement with Amtrak on the same terms and conditions in effect for the first option year.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby confirms and approves the total contract price in the amount of \$433,900,018 through the current third year of the base term extension, and authorizes the exercise of the second-year option commencing July 1, 2010, to extend the current Agreement for Operation of Commuter Rail Service and Provision of Capital/Third-Party Construction Support Services with the National Railroad Passenger Corporation on the basis of the same terms and conditions that will be in effect for the first option year that begins on July 1, 2009; and

**BE IT FURTHER RESOLVED** that the Board hereby authorizes the Executive Director to execute the amendment document giving full effect to the action contained herein.

Regularly passed and adopted this 5<sup>th</sup> day of February, 2009 by the following vote:

AYES

NOES:

ABSENT:

ABSTAIN:

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Chair, Peninsula Corridor Joint Powers Board

ATTEST

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JPB Secretary



Invitations for Bids (IFBs) were distributed throughout the construction industry. The solicitation was advertised in a newspaper of general distribution and on the Caltrain Web site. Solicitation notices were also sent to potential bidders and disadvantaged business enterprises (DBEs). Thirty firms downloaded the plans and specifications from the JPB's Web site. One bid was received and opened publicly with the following results:

	<b>Company</b>	<b>Total Bid Amount</b>
	<i>Engineer's Estimate</i>	<i>\$1,800,000</i>
1.	Clayborn Contracting Group, Inc.	\$2,120,436

Staff reviewed the bid and determined that the bidder was responsive to the solicitation requirements. Clayborn Contracting Group, (Clayborn) whose bid had no mathematical errors or minor irregularities, was deemed to be the apparent low bidder with a bid that was 18 percent higher than the engineer's estimate. Staff believes the difference between the Engineer's estimate and the bid amount is explained by the fact that this project involves specialized work with a limited number of qualified contractors that can perform the work and competition was therefore limited. The specialized nature of the work accounts for the fact that only a single bid was received. Although staff made every attempt to scope the project to attract as many bidders as possible, when staff made outreach to potential bidders to determine if they would bid, larger firms viewed the project as too small for their participation and conversely smaller firms viewed the job as too large for them to support.

Staff and legal counsel determined that Clayborn submitted a complete bid package and satisfied all of the applicable legal requirements. As there was only one bid received, staff conducted a cost analysis of the bid price submitted by Clayborn. Clayborn's proposal includes subcontracting bids from specialized signals vendors who provided higher quotes than were estimated by the JPB engineer. In addition, Clayborn elected to assign full time key positions such as Project Manager whereas the Engineer's estimate only accounted for a part time Project Manager. Staff believes a full time Project Manager may be beneficial to the project. These differences, along with minor differences in projected mobilization, insurance and bonding costs, explain the difference between the engineer's estimate and Clayborn's bid. Nonetheless, staff determined that the bid received by Clayborn is fair and reasonable.

The DBE Office reviewed the IFB prior to release and encouraged bidders to provide subcontracting opportunities to small businesses, including DBEs. Clayborn intends to engage four non-DBE subcontractors. Although there is no DBE participation, Clayborn has been responsive to the JPB's DBE requirements, demonstrating efforts to solicit and engage small businesses and DBEs.

Staff concludes that this firm possesses the requisite depth of experience and has the required qualifications to successfully perform the scope of work defined in the contract. Accordingly, Clayborn Contracting Group is both a responsive and a responsible bidder.

Contract Officer: Helen Hoang 650.508.7964  
 Project Manager: Hubert Chan, Engineer 650.508.7786

**RESOLUTION NO. 2009-**

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

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**AUTHORIZING AN AWARD OF A CONTRACT TO CLAYBORN CONTRACTING GROUP, INC.  
FOR THE SECOND ATCS CHANNEL PROJECT AT A TOTAL COST OF \$2,120,436.**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (JPB) solicited bids for the Second ATCS Channel Project; and

**WHEREAS**, in response to the JPB's invitation for bids, one firm submitted a bid; and

**WHEREAS**, staff and Legal Counsel have reviewed the bid; and

**WHEREAS**, the Executive Director recommends that a contract be awarded to the lowest responsive, responsible bidder, Clayborn Contracting Group, 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 Clayborn Contracting Group, Inc. of Auburn, CA, for the Second ATCS Channel Project for a total cost of \$2,120,436; 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 Clayborn Contracting Group, Inc., in full conformity with all the terms and conditions of the contract documents.

Regularly passed and adopted this 5<sup>th</sup> day of February, 2009 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, Peninsula Joint Powers Board

ATTEST:

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JPB Secretary