



**AGENDA**  
**PENINSULA CORRIDOR JOINT POWERS BOARD**  
Bacciocco Auditorium, 2<sup>nd</sup> Floor  
1250 San Carlos Avenue, San Carlos CA 94070

February 4, 2010 – Thursday

10:00 a.m.

1. Pledge of Allegiance
2. Call to Order/Roll Call
3. Public Comment  
Public comment by each individual speaker shall be limited to two minutes
4. Consent Calendar RESOLUTION  
Members of the public or Board may request that an item under the Consent Calendar be considered separately
  - a) Approval of Minutes of January 7, 2010
  - b) Acceptance of Statement of Revenues and Expenses for December, 2009
  - c) Authorize the Filing of Federal Transit Administration (FTA) Applications
5. Chairperson’s Report
6. MTC Liaison Report
7. Report of the Citizens Advisory Committee
8. Report of the Executive Director
  - a) Caltrain Performance Report – December 2009
  - b) Peninsula Rail Program Update
9. Authorize Award of Contract to Wilbur Smith Associates to Provide On-call Transportation Planning and Program Support for up to \$1,500,000 Over a Three-year Period RESOLUTION
10. Authorize Award of Contract to BECI Electric, Inc. for the Advanced Traveler Information System – Visual Message Sign Upgrade at Five Caltrain Stations for a Total Amount of \$380,000 RESOLUTION
11. Authorize Award of Contract to Disney Construction, Inc. for the San Bruno Grade Separation Box Culvert Reconstruction Project for a Total Amount of \$1,841,650 RESOLUTION

- 12. Authorize Award of Contract to VAE Nortrak North America, Inc. for  
 Furnishing and Delivering Two New Power Crossovers for the San Bruno Grade  
 Separation Project for a Total Price of \$881,601 RESOLUTION
- 13. Authorize Approval of Updates to JPB’s Procurement Policy to Incorporate  
 Provisions of Assembly Bill 116 RESOLUTION
- 14. Acceptance of the Quarterly Investment Report and Fixed Income Market  
 Review and Outlook for the Quarter Ended December 31, 2009 MOTION
- 15. Legislative Update INFORMATIONAL
- 16. Correspondence
- 17. Board Member Requests
- 18. Date/Time of Next Meeting  
 Thursday, March 4, 2010, 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

- 19. General Counsel Report
  - a) Closed Session: Real Estate Negotiations – Pursuant to Government Code  
 54956.8:  
 Agency Negotiators: David J. Miller and Brian Fitzpatrick  
 Under Negotiation: Price and Terms of Purchase  
 Property and Negotiating Parties:

Owner	Address/Location	APN
Welch Family Partnership	104 San Bruno Avenue	020-111-150
Usman and Fatima Shaikh	111 San Bruno Avenue	020-121-360
Federick J.Firpo Trust	Huntington Avenue	020-111-140
Lester and Rhoda Kaplan	222 San Bruno Avenue	020-193-360
Paul and Rita Kaplan		
Artichoke Joes	659 Huntington Avenue	020-131-570
Artichoke Joes	205 Angus Avenue	020-131-410
City and County of San Francisco	Angus and Huntington Avenue	SBE 845-41-5
	San Mateo and Huntington Avenues	SBE 846-41-5

- 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 two minutes and items raised that require a response will be deferred for staff reply.

### **Accessibility for Individuals with Disabilities**

Upon request, the JPB will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and a preferred alternative format or auxiliary aid or service at least two days before the meeting. Requests should be mailed to the JPB Secretary at Peninsula Corridor Joint Powers Board, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or emailed to [board@caltrain.com](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.

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

**Minutes  
January 7, 2010**

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

**MEMBERS ABSENT:** None

**MTC LIAISON:** S. Lempert

**STAFF PRESENT:** A. Chan, G. Harrington, C. Harvey, R. Haskin, R. Lake, M. Martinez, N. McKenna, D. Miller, S. Murphy, M. Scanlon, M. Simon, D. Spaethling

Chair Don Gage called the meeting to order at 10 a.m.

Director Omar Ahmad (City of San Carlos) representing the City Selection Committee of San Mateo County was sworn-in.

**REPORT OF THE NOMINATING COMMITTEE AND ELECTION OF 2010 OFFICERS**

Director Lloyd reported the Nominating Committee recommends Sean Elsbernd as chair and Mark Church for vice chair. The motion (Lloyd/Cisneros) was unanimously approved.

Director Gage turned the gavel over to Chair Elsbernd.

**PUBLIC COMMENT**

Vaughn Wolffe, Pleasanton, said he has been reading many articles on the California High Speed Rail (CHSRA) program that contain too many errors that need to be addressed.

Andy Thornley, San Francisco Bicycle Coalition (SFBC), thanked the staff and Board for their work to enhance onboard bike capacity in 2009. A thank you card signed by the bicycle community was presented to Chair Elsbernd. Mr. Thornley said Caltrain has the best bicycle capacity in the world.

Gary Mello, Pleasanton, a former city council member, said he attends many public meetings and has not seen a body that is more understanding, accommodating and sincere in listening to the needs of the people.

Steven Stupp, San Carlos, offered several suggestions for technology that can be placed on trains to reduce suicides and accidents, including microwave technology, a high-powered fire hose and an egg-carton-like shock-absorber system.

Ed DeLanoy, San Carlos, said he would like to remind the Board of his previous remarks that the Chicago Climate Exchange could provide an open-market way of pricing emission credits.

### **CONSENT CALENDAR**

The Board approved the following items:

- a) Approval of Minutes of December 3, 2009 (Ahmad abstained)
- b) Acceptance of Statement of Revenues and Expenses for November 2009
- c) Authorize Award of Contract to CAPtech, Inc. to Provide Coin Changers and Bill Vaults for a Firm Fixed-price of \$341,814

### **CHAIRPERSON'S REPORT**

#### Resolution of Appreciation to Outgoing Chair Don Gage

Chair Elsbernd presented outgoing Chair Gage with a resolution and thanked him for his efforts during a tough budget year and for increasing bicycle capacity.

Director Gage said without such an outstanding Board and community input, nothing would be accomplished. He said staff has been outstanding to work with and he is honored to accept the resolution. Director Gage said tough times are ahead, but the JPB will be stronger in the long term.

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

### **METROPOLITAN TRANSPORTATION COMMISSION (MTC) LIAISON REPORT**

MTC Liaison Sue Lempert reported:

- MTC is on a vigorous search for advisory committee members and the deadline to apply is February 1.
- MTC has decided to change the design of the TransLink card and rename it "The Clipper."
- Dumbarton Rail Policy Committee met in December. The committee has asked staff to come back with a more vigorous plan for future Dumbarton Rail service.

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

Chair John Hronowski reported on the December meeting:

- Elections were held and Mr. Hronowski was elected chair and Brian Wilfley vice chair for 2010.
- A presentation was given on the Holiday Train.
- Director of Rail Transportation Michelle Bouchard gave a review of 2009 accomplishments.

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

Mr. Scanlon:

- Congratulated Chair Elsbernd and Vice Chair Church on their elections and welcomed Director Ahmad.
- Thanked Director Gage for his leadership last year.

#### Resolution of Appreciation to Doug Johnson

Mr. Scanlon read a resolution congratulating Mr. Johnson for his rescue efforts in saving a woman who fell on the Caltrain tracks as a train was approaching.

A motion (Cisneros/Church) to approve a Resolution of Appreciation for Mr. Johnson's rescue efforts was approved unanimously by roll call.

Mr. Johnson thanked everyone and appreciates the recognition.

Mr. Scanlon said 2009 was the second deadliest year on Caltrain tracks with 19 incidents.

#### Suicide Prevention Update

Executive Officer Public Affairs Mark Simon reported:

- He has joined a Santa Clara County suicide prevention task force and will be joining a task force being formed in San Mateo County.
- He has been in touch with Florence Fee, founder and president of San Francisco-based No Health Without Mental Health, an organization committed to the core goal of openly talking about mental health issues and educating people on services available that can provide help and hope.
- Community Relations Specialist Kelly Green has joined the Palo Alto working group, which consists of a wide range of mental health specialists, educators, city leaders and community activists.
- With the Palo Alto group, Public Information Officer Christine Dunn and Ms. Green are organizing a media information workshop that will feature Karen Marshall of the American Association of Suicidology. Ms. Marshall, who is conducting the first-ever Federal Transit Administration (FTA) study on rail suicides, will talk to editors and news directors about their coverage of this issue and how they can contribute to making this problem better.
- Staff continues to work with the City of Palo Alto to install lights at the Palo Alto crossing.
- Operation Lifesaver Safety training was conducted by Ms. Green for the volunteers and guards who are sitting vigil at the Palo Alto crossing.
- The Mineta Transportation Institute is continuing with its study of fatalities on the right of way to determine if there are any identifiable trends that can guide Caltrain's policies and practices.
- Chief of Protective Services Dave Triolo and the Transit Police continue to enforce safety laws and provide a high-visibility presence at key locations.

#### **REPORT OF THE EXECUTIVE DIRECTOR (continued)**

- Thanked the Santa Clara Valley Transportation Authority (VTA) for awarding a contract to Shimmick Construction for grade crossing safety improvements along the right of way in Santa Clara County.
- Monthly Performance Statistics – November 2009
  - a. Total Ridership was 950,672, a decrease of 5.6 percent.
  - b. Average Weekday Ridership was 36,775, a decrease of 7.5 percent.
  - c. Total Revenue was \$3,315,349, a decrease of 0.8 percent.
  - d. On-time Performance was 92 percent, a decrease of 4.5 percent.
  - e. Caltrain Shuttle Ridership was 5,270, a decrease of 28.8 percent.
- Year-to-date Performance Statistics ending November 2009
  - f. Total Ridership was 5,186,665, a decrease of 9.7 percent.
  - g. Average Weekday Ridership was 39,149, a decrease of 9.6 percent.
  - h. Total Revenue was \$18,299,906, a decrease of 4.6 percent.
  - i. On-time Performance was 93.7 percent, a decrease of 0.4 percent.

- j. Caltrain Shuttle Ridership was 4,377, a decrease of 32.5 percent.
- The electrification project reached a significant milestone with staff receiving the Findings of No Significant Impact (FONSI) Report from the FTA, which will put Caltrain in a much better position for American Recovery Reinvestment Act (ARRA) funding.
  - Staff will focus on the State environmental certification now that FONSI has been received.
  - The Holiday Train was enormously successful this year. More than 4,000 toys were collected and the nine-year toy total is 43,750. This event would not be possible without sponsors and all the staff and volunteers who spent many weekends decorating the train.
  - Special service for this year's Emerald Bowl was up 27 percent from last year and New Year's Eve ridership was up 52 percent from last year.
  - The Martin Luther King Jr. Freedom Train will run on January 18.
  - Annual passenger counts will begin later this month and go through February.

#### Peninsula Rail Program Update

CHSR Project Manager Dominic Spaethling reported:

- Staff working on the San Francisco-to-San Jose section will deliver their report to the CHSRA Board on February 4 in San Diego. The document will be put out shortly after the meeting for public review. Staff for the San Jose-to-Merced section is in the process of reviewing their draft document and hope to have it out on the street by late February or early March.
- The technical team is working hard on solutions that will have minimal impact on the right of way.
- The outreach process for the public to hear schedules and ideas begins this month. The south section teams are holding alternative analysis public workshops in Gilroy January 11; January 12 in San Jose and January 14 a joint meeting with the San Francisco-to-San Jose, San Jose-to-Merced and Altamont teams at Bellermine College Preparatory in San Jose.
- In December the CHSRA submitted its business plan to the Legislature and it is currently under review.
- Staff is very excited about the prospects of the ARRA funding and should receive notice at the end of the month or early February.

Ms. Lempert asked about the alternatives analysis and if staff will present what is technically possible and what will be ruled out. Mr. Spaethling said a wide variety of alternatives are being looked at and staff will be discussing things that work from a technical perspective.

Mr. Scanlon said there is an additional public meeting being scheduled in Santa Clara County through Director Ash Kalra's office.

Director Ken Yeager said there is a Turkey Trot run in San Jose by the Caltrain Diridon Station and this might be a good event to promote as this past event drew 10,000 participants.

#### Public Comment

Paul Wendt, Belmont, represents BayRail Alliance and appreciates the encouraging news on electrification.

**AUTHORIZE AMENDING AND INCREASING THE FISCAL YEAR 2010 CAPITAL BUDGET BY \$73,625,000 FOR THE SAN BRUNO GRADE SEPARATION PROJECT AND THE SAN MATEO GRADE CROSSING SAFETY IMPROVEMENT PROGRAM FROM \$85,236,042 TO \$158,861,042**

Director of Budgets and Grants April Chan said this item is to increase the Fiscal Year 2010 capital budget by \$73 million for the San Bruno Grade Separation Project and \$625,000 for the San Mateo Grade Crossing Safety Improvement Program. The Board previously authorized \$27 million for the San Bruno Grade Separation Project. Ms. Chan said the scope of the project includes grade separating in three areas, adding a pedestrian underpass and a new elevated station between San Bruno and San Mateo avenues to replace the current station at Sylvan Avenue. The design of the project will allow staff to do a two-track grade separated project, but will be within a footprint to accommodate HSR when all the alternative analysis are done. The total estimated cost for this project is \$165 million and staff is asking the Board to increase the budget by \$73 million allocated as follows: \$3 million from Proposition 1B money from the Grade Separation Program already programmed by the California Transportation Commission (CTC); \$10 million in Public Utilities Commission (PUC) 190 Funds; \$6.6 million in FTA money, which was originally programmed for the rail car purchase in 2007, but staff was able to purchase the rail cars with farebox revenue bonds, so this is just a fund swap; and finally \$26.4 million that staff will be asking the San Mateo County Transportation Authority (TA) to approve in Measure A funding on January 13 and this will bring the total authorized budget for the San Bruno Grade Separation Project to \$100 million.

Ms. Chan said the second item is \$625,000 for the San Mateo Grade Crossing Safety Improvement Project. The Board previously approved \$17.2 million and this action will bring the project up to \$17.825 million. The project is adding some additional safety features at a number of crossings. Ms. Chan said funding for this is coming from Measure A funds.

Neither project requires any JPB member contributions.

Public Comment

Jim Bigelow, Redwood City-San Mateo County Chamber of Commerce, said the Chamber strongly supports this project and moving ahead with HSR and electrification. This particular project really presents an example for cities on how to work with transportation agencies to get something done.

A motion (Ford/Lloyd) to amend and increase the FY2010 capital budget was approved unanimously by roll call.

**AUTHORIZE THE FILING OF AN APPLICATION IN THE AMOUNT OF \$19,203,000 TO REQUEST 2010 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM FUNDS FOR THE SAN BRUNO GRADE SEPARATION PROJECT**

Ms. Chan said this item is directly related to the previous item and asked the Board to authorize staff to submit an application for \$19.2 million in Regional Improvement Program Funds for the San Bruno Grade Separation Project and authorize staff to submit certification and assurances to the MTC in order to program this funding.

Director Ahmad would like to request a walk-through of the site in San Bruno and possibly in

coordination with the San Bruno City Council. He also would like to see if there is a coordination plan between the City of San Bruno and the JPB in terms of how customer and construction calls come in.

Mr. Scanlon said staff would arrange a walk-through for Board members and that an extensive community construction outreach program has been developed.

A motion (Ford/Lloyd) to file an application to request 2010 Regional Transportation Improvement Funds was approved unanimously by roll call.

### **ADOPTION OF 2010 STATE AND FEDERAL LEGISLATIVE PROGRAM**

Manager Government Affairs Seamus Murphy said every year the Board adopts a program that outlines the JPB's legislative priorities and guides staff's public policy advocacy efforts. The program is organized into a number of State and Federal issue areas with corresponding objectives, plus a series of strategies related to those objectives. Mr. Murphy said the program is intended to be sufficiently broad to encompass a wide variety of issues in the coming year and flexible enough to allow staff and legislative advocates to respond quickly to any anticipated challenges. Mr. Murphy said much of staff's focus is carried over from last year's program and the objectives and strategies have been revised since most of these issues have evolved significantly in 2009. He said with alarming new State budget shortfalls the State program is centered around a variety of strategies that support the JPB's ongoing need to protect existing sources of transit funding while advocating for the restoration of funding that has been cut or diverted in the past. Mr. Murphy said staff also will work to take advantage of opportunities associated with climate change regulations and funding available through the State for HSR. He said in addition to annual appropriations issues and new economic recovery opportunities, the Federal program identifies several areas including climate change legislation and service transportation authorization that have been delayed as a result of the ongoing healthcare debate in Congress. Since the bulk of new funding opportunities exist at the Federal level, staff's early focus will involve working with JPB's legislative advocate and partners at the American Public Transportation Association (APTA) to ensure these issues are on Congress's agenda in 2010.

A motion (Gage/Lloyd) to adopt the 2010 State and Federal Legislative Program was approved unanimously.

### **STATE AND FEDERAL LEGISLATIVE UPDATE**

Mr. Murphy made the following report:

#### **State Level**

- The ballot measure being sponsored by the California Transit Association (CTA), the League of California Cities and the Alliance for Jobs received Title and Summary from the attorney general's office. This language clears the campaign to begin collecting signatures and place the measure on the ballot in November. More than 700,000 signatures have to be submitted by April 23 in order for the measure to qualify.
- The Superior Court finally issued a judgment on December 9 requiring the State to restore \$1.19 billion in spillover funding diverted from the public transportation account in 2007 and 2008. The State has set aside \$1.9 billion for this account, but has indicated they are already looking for legal ways to use these funds for general fund purposes, despite the court's decision. The State promptly moved to vacate the judgment. The

final result of this lawsuit will have a great impact on budget negotiations over transportation funding.

- It is expected the governor will call an emergency 45-day budget session to address the current year's \$6.3 billion shortfall. The governor's budget is rumored to include a proposal to eliminate the sales tax on gasoline and diesel fuel and replace it with an increase in the State's excise tax on gasoline. This would allow the State to spend these revenues on General Fund needs.

#### Federal level

- Congress approved a final appropriations package that included a third extension of SAFETEA-LU. This extension runs to the end of February.
- The House approved a \$75 billion Jobs for Main Street Act which would use the Trouble Asset Relief Program funds to stimulate job creation. The FTA funds available as part of this act is similar to the funds that were available in last year's Recovery Act at \$8.4 billion. This also allows for 10 percent of the funding to be used to meet operating costs and grants a longer one-year extension of SAFETEA-LU in an attempt to provide more reliable transportation funding in the absence of a full six-year reauthorization.

### **FISCAL YEAR 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

Deputy CEO Gigi Harrington said the auditors gave the District a good review.

### **CORRESPONDENCE**

None.

### **BOARD MEMBER REQUESTS**

None.

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

Thursday, February 4, 2010, 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

### **GENERAL COUNSEL REPORT**

- d) Closed Session: Real Estate Negotiations – Pursuant to Government Code 54956.8:  
Agency Negotiators: David J. Miller and Brian Fitzpatrick  
Under Negotiation: Price and Terms of Purchase  
Property and Negotiating Parties:

Owner	Address/Location	APN
Welch Family Partnership	104 San Bruno Avenue	020-111-150
Usman and Fatima Shaikh	111 San Bruno Avenue	020-121-360
Federick J. Firpo Trust	Huntington Avenue	020-111-140
Lester and Rhoda Kaplan	222 San Bruno Avenue	020-193-360
Paul and Rita Kaplan		
Huntington Park Realty Company	25 foot strip adjacent to Westerly of First Avenue and Easterly of RR tracks	NA

Artichoke Joes	659 Huntington Avenue	020-131-570
Artichoke Joes	205 Angus Avenue	020-131-410
City and County of San Francisco	Angus and Huntington Avenue	SBE 845-41-5
	San Mateo and Huntington Avenues	SBE 846-41-5

Legal Counsel David Miller said this item, which relates to the San Bruno Grade Separation Project can be deferred to the February meeting. Mr. Miller said last month the Board authorized staff and Counsel to engage in negotiations on the parcels listed on the agenda. Mr. Miller said the deadline for concluding the transactions, either by actual acquisition or obtaining the rights of possession is June 30, 2010.

A motion (Gage/Ford) to defer this item to the February meeting was approved unanimously.

**ADJOURNED**

Adjourned at 11:11 a.m.

PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT

TO: Joint Powers Board

THROUGH: Michael J. Scanlon  
Executive Director

FROM: Gigi Harrington  
Deputy CEO

SUBJECT: **STATEMENT OF REVENUE AND EXPENSE FOR THE PERIOD  
ENDING DECEMBER 31, 2009 AND SUPPLEMENTAL INFORMATION**

**ACTION**

Staff proposes that the Board of Directors accept and enter into the record the Statement of Revenue and Expense for the month of December 2009 and supplemental information.

**SIGNIFICANCE**

**Revenue:** For December of Fiscal Year 2010, *Total Operating Revenue* (line 7) is \$151,725 or 0.6 percent **better** than budget. This is due to *Other Income* (line 5) which is **better** than budget by \$672,691 or 89.5 percent mainly due to an unbudgeted increase in shared track revenue and is offset by lower than anticipated *Farebox Revenue* (line 1) and *Parking Revenue* (line 2) which together were \$479,567 or 2.1 percent **worse** than budget. Compared to the prior year, *Total Operating Revenue* (line 7) is \$875,677 or 3.6 percent **higher**, due to *Other Income* (line 5) which is \$1,860,437 or 426.2 percent **higher** and is offset by *Farebox Revenue* (line 1) which is \$988,835 or 4.4 percent **lower**.

**Expense:** *Grand Total Expenses* (line 44) show a favorable variance of \$5,206,453 or 10.8 percent. *Total Operating Expense* (line 31) is \$4,610,219 or 10.8 percent **better** than budget. Within total operating expense *Contract Operating & Maintenance* (line 23) is \$2,067,887 or 6.9 percent **better** than budget and *Fuel* (line 25) is **better** than budget by \$1,882,461 or 27.2 percent. *Total Administrative Expense* (line 40) is \$596,234 or 12.2 percent **better** than budget.

Compared to prior year, *Grand Total Expenses* (line 44) are \$1,877,498 or 4.2 percent **lower**. The decrease in expense over the prior year is mainly due to *Fuel* (line 25) which is \$1,859,833 or 27.0 percent **lower** than the prior year.

**Budget Revisions:** There are no budget revisions this month.

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 2010

DECEMBER 2009

% 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	3,105,282	22,394,023	21,405,188	21,654,888	98.8%	43,762,048	43,762,048	48.9%
2	Parking Revenue	194,543	1,041,870	1,069,576	1,299,443	82.3%	2,598,890	2,598,890	41.2%
3	Shuttles	89,748	536,148	523,354	549,252	95.3%	1,098,504	1,098,504	47.6%
4	Rental Income	136,973	836,736	825,899	841,400	98.2%	1,682,800	1,682,800	49.1%
5	Other Income	220,777	(436,516)	1,423,921	751,230	189.5%	1,492,090	1,492,090	95.4%
6									
7	<b>TOTAL OPERATING REVENUE</b>	<b>3,747,323</b>	<b>24,372,261</b>	<b>25,247,938</b>	<b>25,096,213</b>	<b>100.6%</b>	<b>50,634,332</b>	<b>50,634,332</b>	<b>49.9%</b>
8									
9	<b>CONTRIBUTIONS:</b>								
10	AB-434-Peninsula Feeder Shuttle	83,333	517,178	500,000	500,000	100.0%	1,000,000	1,000,000	50.0%
11	Operating Grant	16,835	68,222	62,903	62,903	100.0%	2,316,867	2,316,867	2.7%
12	JPB Member Agencies	3,284,715	19,708,295	19,708,296	19,708,320	100.0%	39,416,585	39,416,585	50.0%
13	Other Sources	0	0	0	2,848,878	0.0%	3,787,512	3,787,512	0.0%
14									
15	<b>TOTAL CONTRIBUTED REVENUE</b>	<b>3,384,883</b>	<b>20,293,695</b>	<b>20,271,198</b>	<b>23,120,101</b>	<b>87.7%</b>	<b>46,520,964</b>	<b>46,520,964</b>	<b>43.6%</b>
16									
17	<b>GRAND TOTAL REVENUE</b>	<b>7,132,206</b>	<b>44,665,956</b>	<b>45,519,136</b>	<b>48,216,313</b>	<b>94.4%</b>	<b>97,155,296</b>	<b>97,155,296</b>	<b>46.9%</b>
18									
19									
20	<b>EXPENSE</b>								
21									
22	<b>OPERATING EXPENSE:</b>								
23	Contract Operating & Maintenance	4,644,111	27,859,572	27,961,056	30,028,943	93.1%	60,425,885	60,425,885	46.3%
24	Shuttles (Including Peninsula Pass)	243,718	1,470,054	1,430,362	1,462,810	97.8%	2,926,620	2,926,120	48.9%
25	Fuel	894,754	6,897,175	5,037,342	6,919,803	72.8%	13,839,649	13,839,649	36.4%
26	Timetables & Tickets	34,154	94,938	91,862	97,817	93.9%	210,000	210,000	43.7%
27	Insurance	369,691	2,463,402	2,214,393	2,267,484	97.7%	4,535,000	4,535,000	48.8%
28	Facilities and Equipment Maintenance	84,214	567,592	512,146	710,736	72.1%	1,595,296	1,595,296	32.1%
29	Utilities	96,866	598,044	489,372	747,847	65.4%	1,502,400	1,502,400	32.6%
30	Services	67,351	423,975	444,640	555,953	80.0%	1,155,630	1,156,130	38.5%
31	<b>TOTAL OPERATING EXPENSE</b>	<b>6,434,858</b>	<b>40,374,752</b>	<b>38,181,174</b>	<b>42,791,393</b>	<b>89.2%</b>	<b>86,190,480</b>	<b>86,190,480</b>	<b>44.3%</b>
32									
33	<b>ADMINISTRATIVE EXPENSE:</b>								
34	Wages & Benefits	433,153	2,569,816	2,959,926	3,164,431	93.5%	6,318,279	6,323,513	46.8%
35	Board Of Directors	1,244	4,288	5,683	6,900	82.4%	12,300	12,300	46.2%
36	Professional Services	95,389	867,453	618,429	891,026	69.4%	1,976,628	1,951,594	31.7%
37	Communications/Marketing	29,223	95,963	98,660	134,972	73.1%	265,000	265,000	37.2%
38	Other Office Expense and Services	88,248	726,283	594,551	676,153	87.9%	1,289,734	1,309,534	45.4%
39									
40	<b>TOTAL ADMINISTRATIVE EXPENSE</b>	<b>647,257</b>	<b>4,263,803</b>	<b>4,277,248</b>	<b>4,873,482</b>	<b>87.8%</b>	<b>9,861,941</b>	<b>9,861,941</b>	<b>43.4%</b>
41									
42	Long Term Debt Expense	91,906	248,803	551,438	551,438	100.0%	1,102,875	1,102,875	50.0%
43									
44	<b>GRAND TOTAL EXPENSES</b>	<b>7,174,021</b>	<b>44,887,358</b>	<b>43,009,860</b>	<b>48,216,313</b>	<b>89.2%</b>	<b>97,155,296</b>	<b>97,155,296</b>	<b>44.3%</b>

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



BOARD OF DIRECTORS 2009

DON GAGE, CHAIR  
 SEAN ELSBERND, VICE CHAIR  
 MARK CHURCH  
 JOSSE CISNEROS  
 NATHANIEL P. FORD, SR.  
 JIM HARTNETT  
 ASH KALFA  
 ARTHUR L. LLOYD  
 KEN YEAGER

MICHAEL J. SCANLON  
 EXECUTIVE DIRECTOR

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**INVESTMENT PORTFOLIO**

**AS OF DECEMBER 31, 2009**

TYPE OF SECURITY	MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (Restricted)	Liquid Cash	0.569%	\$ 2,000,000	\$ 2,001,896
Local Agency Investment Fund (Unrestricted)	Liquid Cash	0.569%	12,066,227	12,077,664
Investment Portfolio (Unrestricted)	Liquid Cash	1.955%	13,826,739	13,971,285
			\$ 27,892,966	\$ 28,050,845
Accrued Earnings for December 2009	\$29,667.41	(1)		
Cumulative Earnings FY2010	\$163,338.87			

(1) Earnings do not include prior period adjustments

\* The market value of Local Agency Investment Fund (LAIF) was derived from the fair value factor of 1.000947825 as reported by LAIF for quarter ending December 31, 2009.

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

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

**TO:** Joint Powers Board

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

**FROM:** Gigi Harrington  
Deputy CEO

**SUBJECT: AUTHORIZING THE FILING OF FEDERAL TRANSIT ADMINISTRATION  
(FTA) APPLICATIONS**

**ACTION**

Staff Coordinating Council (SCC) recommends the Board authorize the Executive Director, or his designee, to submit grant applications to the Federal Transit Administration (FTA) and to file and execute certifications, assurances and grant agreements required to receive Federal financial assistance for transportation projects.

**SIGNIFICANCE**

The JPB annually submits applications for Federal financial assistance with the FTA. Approval of this item will meet the FTA's requirement that the Executive Director, or his designee, be authorized to file applications, and to execute annual certifications, assurances and grant agreements in order to receive financial assistance for transportation projects.

**BUDGET IMPACT**

There is no budget impact related to this action.

Projects that are included in the JPB's annual applications with the FTA are already approved by the Board as part of the adoption and/or amendments to the annual budgets. In general, Federal financial assistance requires a 20 percent match in local funds, which amounts are addressed and programmed in the JPB's annual budgets.

**BACKGROUND**

The JPB receives Federal financial assistance from the FTA in support of the programs that are part of the JPB's adopted capital and operating budgets. The FTA requires applicants to obtain a certified resolution authorizing the filing of applications and the filing and execution of certifications, assurances and grant agreements in order to be eligible to receive financial assistance. Historically, the JPB has adopted new resolutions providing this authority every year. Annual adoption of new resolutions is not required, however, and the FTA has provided sample language for resolutions that grant this authority indefinitely, which language is included in the attached resolution. After adoption by the Board, the certified resolution will be filed with the FTA.

**RESOLUTION NO. 2010**

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

\* \* \*

**AUTHORIZING THE FILING OF APPLICATIONS WITH THE U.S. DEPARTMENT  
OF TRANSPORTATION, FEDERAL TRANSIT ADMINISTRATION AND  
EXECUTION OF CERTIFICATIONS, ASSURANCES AND GRANT AGREEMENTS  
REQUIRED TO RECEIVE FEDERAL FINANCIAL ASSISTANCE FOR CALTRAIN  
TRANSPORTATION PROJECTS**

**WHEREAS**, the Federal Transit Administration, an operating administration of the United States Department of Transportation, has been delegated authority to award Federal financial assistance for transportation projects, and does provide Federal transportation assistance authorized by 49 U.S.C. chapter 53, title 23 United State Code, and other Federal statutes administered by the Federal Transit Administration;

**WHEREAS**, the Peninsula Corridor Joint Powers Board is an eligible Applicant for Federal financial assistance for transportation projects;

**WHEREAS**, the Peninsula Corridor Joint Powers Board has received authority from the Metropolitan Transportation Commission (MTC), which is the Designated Recipient as defined by 49 U.S. C. Section 5307(a)(2), to apply for Urbanized Area Formula Program Assistance;

**WHEREAS**, grants or cooperatives agreement for Federal financial assistance do and will impose certain obligations upon the Peninsula Corridor Joint Powers Board, and may require the Peninsula Corridor Joint Powers Board to provide a local share of project costs; and

**WHEREAS**, the Peninsula Corridor Joint Powers Board has and will provide all annual certifications and assurances and other documents to the Federal Transit Administration that are required for the application for and receipt of grants or cooperative agreements.

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

1. Authorizes the Executive Director, or his designee, to execute and file applications on behalf of the Peninsula Corridor Joint Powers Board with the U.S. Department of Transportation, Federal Transit Administration for Federal financial assistance;

2. Authorizes the Executive Director, or his designee, to execute and file with its applications the annual certifications and assurances and other documents the federal Transportation Administration requires before awarding a Federal assistance grant or cooperative agreement; and

3. Authorizes the Executive Director, or his designee, to execute grant and cooperative agreements with the Federal Transit Administration on behalf of the Peninsula Corridor Joint Powers Board, and to take any other such actions as may be necessary to give effect to this resolution.

Regularly passed and adopted this 4th day of February 2010, 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  
Deputy CEO

**SUBJECT: KEY CALTRAIN PERFORMANCE STATISTICS DECEMBER 2009**

For December 2009, Caltrain average weekday ridership (AWR) decreased 8.7 percent when compared to December 2008. AWR based on ticket sales was 32,597 for December 2009, a decrease of 3,113 compared to December 2008. The total number of passengers for the month of December 2009 was 888,790. This is an 8.1 percent decrease from last year's December total of 967,037. The declining economy is continuing to negatively impact ridership.

In December 2009, on-time performance was 93.4 percent, as compared to 94.5 percent in December 2008. This represents a decline of about 1 percent and is short of achieving the JPB goal of 95 percent on-time. OTP for the month was impacted by four fatalities.

Average weekday shuttle ridership was estimated at 5,171. Marguerite shuttle ridership reporting has continued to be irregular as they are transitioning back to a manual counting method and have changed their management and shuttle service provider. It is estimated that non-Marguerite shuttle ridership is down about 13 percent from December 2008. There are large variations among individual shuttles that reflect the local area economy impact on companies directly served by these shuttles. For the station shuttles, the Millbrae-Broadway shuttle averaged 92 daily riders. The Tamien-San Jose shuttle averaged 44 riders per Saturday/Sunday. The Belmont-Hillsdale shuttle averaged 47 daily riders.

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

## Caltrain Promotions – December 2009

**Holiday Train** - The Holiday Train promotion kicked off in November and continued into December with print and radio ads, the distribution of posters to specific locations, a Web button, news release, the cover photo of Caltrain's *Weekend Edition* and the distribution of thousands of Holiday Train brochures throughout the Peninsula. The train is the combined effort of hundreds of volunteers and corporate sponsors and operated Dec 5 and 6. The Holiday Train event collected more than 4,000 for the Toys for Tots program.

**Clear Channel Commuter Appreciation Day** – Staff from Clear Channel radio stations and Caltrain greeted early morning commuters at the San Francisco and San Jose stations with goodie bags. The event was promoted on radio stations Star 101.3, Wild 94.9, KMEL, Kiss and Green 960. AC Transit, VTA, ACE and Muni also participated in the promotion.

**Stanford Football** – The hope of a promising season came to fruition for the Cardinal as well as Caltrain as a way to get to the gridiron. This year's promotion included a take one (paid for by Stanford), a button on the Caltrain Web site and ads on the radio stations that broadcast Stanford and Cal games.

**Emerald Bowl at AT&T Park** – The 2009 Emerald Bowl was a match up of east versus west as the Eagles of Boston College took on the mighty Trojans of the University of Southern California in the eighth annual holiday classic Dec. 26. In addition to its regular service, Caltrain operated special train service into and out of San Francisco for the game. Caltrain carried more than 4,600 hundred fans on its extra service, a 27 percent increase from last year.

**New Year's Eve** – The Bay Area welcomed the New Year with a bang with fireworks in San Francisco. This year's special service was promoted with radio ads, which mentioned the free fare after 11 p.m., and a Web button on the Caltrain site. The special service included expanded inbound service and four 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 more than 6,700 passengers, a 52 percent increase compared to 2008's New Year's Eve service.

**San Jose Sharks** – The San Jose Sharks have picked up where they left off last season and are battling for the division lead. This year's cooperative promotion with the Sharks includes a print campaign in local newspapers, adcards on the trains and a Web button on the Caltrain Web site. In addition, the Sharks have purchased a train wrap to promote the team. To date, Caltrain has carried a total of 4,912 additional passengers for Sharks games, a 15.8 percent increase over last year.

Prepared by: Patrick Boland, Marketing Manager  
Ted Yurek, Senior Planner

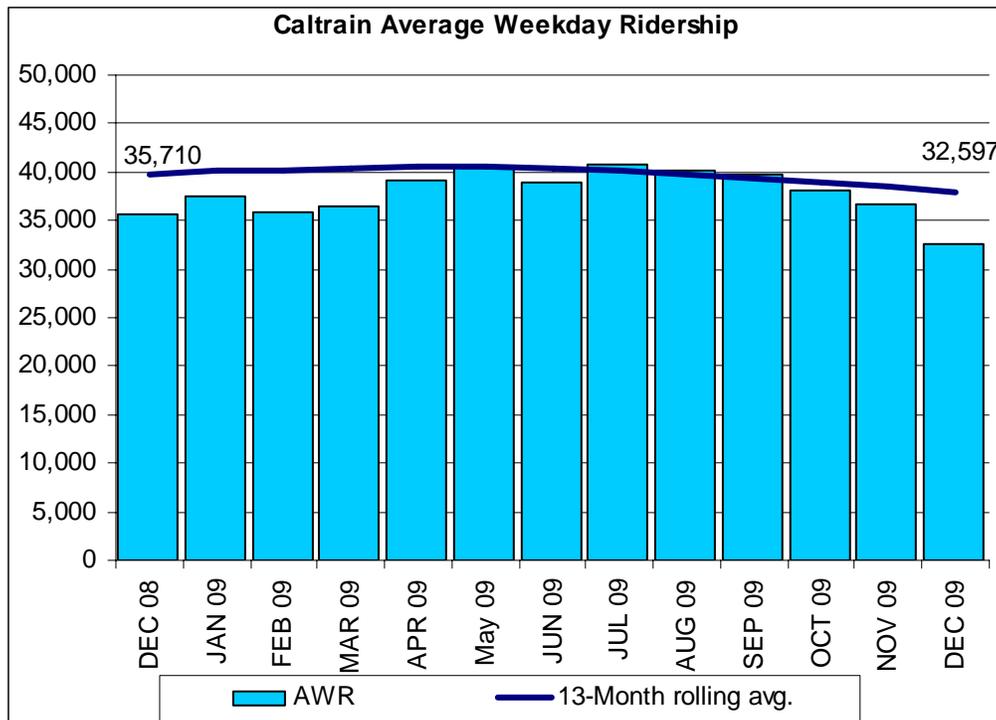
650.508.6245  
650.508.6471

**Table A**

	<b>December 2009 FY2009</b>	<b>FY2010</b>	<b>%Change</b>
Total Ridership	967,037	888,790	-8.1%
Average Weekday Ridership	35,710	32,597	-8.7%
Total Revenue	\$3,208,464	\$3,105,282	-3.2%
On-time Performance	94.5%	93.4%	-1.2%
Caltrain Shuttle Ridership	5,466	5,171	-5.4%

	<b>Year to Date FY2009</b>	<b>FY2010</b>	<b>%Change</b>
Total Ridership	6,710,055	6,075,455	-9.5%
Average Weekday Ridership	42,041	38,057	-9.5%
Total Revenue	\$22,393,616	\$21,405,188	-4.4%
On-time Performance	94.1%	93.6%	-0.5%
Average Caltrain Shuttle Ridership	6,318	4,509	-28.6%

**Graph A**



**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon  
Executive Director

FROM: Gigi Harrington  
Deputy CEO

Marian Lee, Executive Officer  
Planning and Development

SUBJECT: **AWARD OF A CONTRACT TO PROVIDE ON-CALL  
TRANSPORTATION PLANNING AND PROGRAM SUPPORT**

**ACTION**

Staff Coordinating Council (SCC) recommends that the Board:

1. Award a contract to Wilbur Smith Associates of San Francisco, CA, to provide on-call transportation planning and program support services for up to \$1,500,000 over a three-year base period to be shared in the aggregate with any other on-call contract awards resulting from the same solicitation.
2. Authorize the Executive Director or his designee to execute a contract with Wilbur Smith Associates in full conformity with the terms and conditions of the solicited documents and negotiated agreement.
3. Authorize the Executive Director or his designee to exercise up to two additional one-year option terms with the above firm for up to \$375,000 for each option term, to be shared in the aggregate with any other firms awarded from the same solicitation.

**SIGNIFICANCE**

Approval of the above actions will provide transportation planning and program support services.

**BUDGET IMPACT**

Work Directives issued under this contract will be funded by a mix of Federal, State, regional, and/or local revenues and grants on a project basis. Funds for Work Directives will come from approved Peninsula Corridor Joint Powers Board (JPB) planning and capital project budgets.

**BACKGROUND**

A Request for Proposals (RFP) to provide on-call transportation planning and program support services was issued as a joint procurement detailing the scope of services for the San Mateo County Transit District, the JPB, and the San Mateo County Transportation Authority. The solicitation included two categories of services: Transportation Planning and Program Support, and Environmental Planning. The Board approved rejection of all proposals for Environmental Planning in December 2009.

The solicitation information was advertised in a newspaper of general circulation and on the JPB's procurement Web site. Solicitation notices also were sent to interested firms, small business enterprises, and disadvantaged business enterprises (DBEs).

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

- Team Organization and Staffing Approach 0-25 points
- Lead Firm Qualifications and Past Performance 0-25 points
- Contract Manager and Key Staff Qualifications and Experience 0-20 points
- Project Management Approach and Quality Control Assurance 0-15 points
- Understanding of Scope of Services 0-15 points

After review, evaluation, and initial scoring of proposals, firms were invited for interviews. Following interviews, the Committee completed the final evaluation and consensus ranking.

The Committee is considering on-call contract awards to three consultants in the competitive range; however, negotiations with firms other than Wilbur Smith Associates have not been finalized at this time. Because planning services are needed immediately, recommendation for only one award is being made at this time. Staff intends on recommending up to two additional firms for contract award in the near future as negotiations with other qualified firms are completed..

The Committee determined that Wilbur Smith Associates, the highest-ranked firm, is qualified to be selected for contract award. The firm possesses the requisite depth of experience, has the required qualifications to successfully perform the scope of services defined in the solicitation documents, and is fully capable of providing the specified services at a fair and reasonable price. Wilbur Smith Associates included 11 subconsultants in its consulting team, including three DBE firms for transportation planning, financial planning and market analysis services.

The contract will be for on-call services and as such, work will be authorized on a Work Directive-basis. There is no guarantee of any specific amount of on-call work to be authorized under the contract and the total cost will be shared in the aggregate among any other contract awards resulting from the same solicitation. Before issuance of any Work Directive for which \$250,000 or more cumulatively in State or Federal funds will be used, the firm may be required to undergo a post-award audit, which will be performed by Caltrans or a designated outside auditor.

Transportation planning and program support services are currently being provided under General Engineering Consulting (GECs) Contracts.

Contract Officer: Evelyn Marcal 650.508.7958  
Project Manager: Hilda Lafebre, Manager, Environmental Planning 650.622.7842

**RESOLUTION NO. 2010 -**

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

\* \* \*

**AUTHORIZING AWARD OF CONTRACT  
TO WILBUR SMITH ASSOCIATES  
FOR ON-CALL TRANSPORTATION PLANNING AND PROGRAM SUPPORT  
FOR UP TO  
\$1,500,000 FOR A THREE-YEAR TERM**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (JPB) has solicited competitive proposals to provide on-call transportation planning and program support for three agencies, San Mateo County Transit District, Peninsula Corridor Joint Powers Board (JPB), and San Mateo County Transportation Authority; and

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

**WHEREAS**, an Evaluation Committee has reviewed and scored proposals, conducted interviews with four firms in the competitive range, ranked the proposals according to the evaluation criteria set forth in the Request for Proposals (RFP), and has determined that Wilbur Smith Associates of San Francisco, CA received the highest consensus ranking; and

**WHEREAS**, staff and Legal Counsel have reviewed the Wilbur Smith Associates proposal and determined that it complied with the requirements of the solicitation documents; and

**WHEREAS**, Staff Coordinating Council recommends that a contract for on-call transportation planning and program support be awarded to Wilbur Smith Associates for a three-year base term for up to \$1,500,000, which amount will be shared in the aggregate among any other JPB contracts awarded from the same solicitation once negotiations with other qualified firms are complete.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors (Board) of the JPB hereby awards a contract for on-call transportation planning and program support to Wilbur Smith Associates of San Francisco, CA, for a three-year base term for up to \$1,500,000, which price is to be shared in the aggregate among any other JPB contracts awarded from the same solicitation; 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 Wilbur Smith Associates, in a form approved by legal counsel; and

**BE IT FURTHER RESOLVED** that the Board authorizes the Executive Director, or his designee, to exercise up to two additional, one-year option terms to the contract with Wilbur Smith Associates in an amount of up to \$375,000 for each option year, which will be shared in the aggregate among any other JPB contracts awarded from the same solicitation, if in the best interest of the JPB.

Regularly passed and adopted this 4<sup>th</sup> day of February 2010 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, Peninsula Corridor Joint Powers Board

ATTEST:

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JPB Secretary



Work under this project includes removal of existing VMS and associated equipment and materials; and furnishing, installing, testing, and cutover to the new VMS and related equipment and materials. The communications network to the VMS also will be reconfigured.

Invitations for Bids (IFBs) were distributed throughout the construction industry. The solicitation was advertised in a newspaper of general circulation and on the JPB's procurement Web site. Solicitation notices also were sent to potential bidders and disadvantaged business enterprises (DBEs). Eight bids (including two from DBEs) were received and opened publicly on November 24, 2009. The four lowest bids are listed below:

	<b>Company</b>	<b>Total Bid Amount</b>
	<i>Engineer's Estimate</i>	<i>\$782,451</i>
1.	BECI Electric, Inc. (a DBE firm)	\$380,000
2.	Steiny and Company, Inc.	\$403,502
3.	Fluoresco Lighting	\$414,000
4.	Nema Construction	\$414,000

Staff reviewed the bids and determined that all of the bidders were responsive to the solicitation requirements. BECI Electric, Inc. was deemed to be the apparent low bidder with a bid that was 51 percent lower than the engineer's estimate. The low bids received can be attributed to favorable market conditions and the economic downturn.

Staff and legal counsel determined that BECI Electric, Inc. submitted a complete bid package and satisfied all of the applicable legal requirements. BECI is an established Bay Area contractor. Company reference checks confirm that BECI is an experienced and competent contractor. BECI is currently a subcontractor to ACS for the SamTrans Predictive Arrival/Departure System (PADS) and is performing satisfactorily. They are installing the electronic signs and providing electrical power to the signs at five SamTrans locations. Therefore, staff concludes that BECI is appropriately qualified and capable of meeting the requirements of the contract and is therefore the lowest responsive, responsible bidder.

BECI Electric, Inc. is a certified DBE firm, and it intends to perform all of the services required in this contract with its own labor force. Its participation will support the JPB's overall DBE program objectives.

Contract Officer: Helen Hoang  
 Project Manager: Robert Tam

650.508.7964  
 650.508.7969

**RESOLUTION NO. 2010-**

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

\* \* \*

**AUTHORIZING AWARD OF CONTRACT TO  
BECI ELECTRIC, INC. FOR  
THE ADVANCED TRAVELER INFORMATION SYSTEM-VISUAL MESSAGE SIGN  
UPGRADE AT FIVE STATIONS PROJECT AT A TOTAL COST OF \$380,000**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (JPB) solicited bids for the Advanced Traveler Information System -Visual Message Sign Upgrade at Five Stations Project; and

**WHEREAS**, in response to the JPB's invitation for bids, eight 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, BECI Electric, Inc. of Oakland, California, whose bid meets the requirements of the contract documents.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract to BECI Electric, Inc. of Oakland, California, for the Advanced Traveler Information System -Visual Message Sign Upgrade at five stations for a total cost of \$380,000; and

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

Regularly passed and adopted this 4<sup>th</sup> day of February, 2010 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: Gigi Harrington C.H. (Chuck) Harvey  
Deputy CEO Deputy CEO

SUBJECT: **AUTHORIZING AWARD OF A CONTRACT TO DISNEY  
CONSTRUCTION, INC. FOR THE SAN BRUNO GRADE SEPARATION  
BOX CULVERT RECONSTRUCTION PROJECT**

**ACTION**

Staff Coordinating Council (SCC) recommends that the Board award the subject contract to the lowest, responsive and responsible bidder, Disney Construction, Inc. of Burlingame, CA, in the total amount of \$1,841,650.

**SIGNIFICANCE**

Award of this construction contract will provide for reconstruction of the existing Belle Air box culvert in San Bruno which must be completed before commencement of the main San Bruno Grade Separation project.

**BUDGET IMPACT**

Funding for this contract has been approved in the Fiscal Year 2010 Caltrain Capital Budget. No additional funding is required at this time.

**BACKGROUND**

This procurement is part of the San Bruno Grade Separation project which calls for the grade separation of San Bruno, San Mateo and Angus avenues in San Bruno. This project consists of the reconstruction of a portion of the existing Belle Air box culvert, which is located between the east side of the Caltrain Main Track 1 (MT1) and First Avenue in San Bruno. Reconstruction of the box culvert, a passage below ground level to permit the flow of water, is required to increase its current capacity, and to allow for the construction of a two-track shoo-fly as part of the main grade separation project. The current proposed contract is a precursor to the full grade separation work, which is scheduled to begin construction in mid-2010.

Invitations for Bids (IFBs) were distributed throughout the construction industry. The solicitation was advertised in a newspaper of general circulation and on the JPB's procurement Web site. Solicitation notices also were sent to potential bidders and disadvantaged business

enterprises (DBEs). Seventeen bids were received and opened publicly on December 22, 2009. The three lowest bids are listed below:

	<b>Company</b>	<b>Total Bid Amount</b>
	<i>Engineer's Estimate</i>	\$2,928,109
1.	Disney Construction, Inc.	\$1,841,650
2.	HSR, Inc.	\$1,857,777
3.	Tucker Engineering	\$1,900,725 *

\*Bid price form corrected calculation error

Staff reviewed the bids and determined that all of the bidders were responsive to the solicitation requirements. Disney Construction, Inc. was deemed to be the apparent low bidder with a bid that was 37 percent lower than the engineer's estimate. Staff attributes the low bids to: 1) the downturn in the economy which drove contractors to seek diverse types of work, which provides a larger pool of bidders for public works than is ordinarily expected (the majority of bidders on this project are building contractors), and 2) the economic downturn has decreased the number of projects being bid, especially projects of this size.

Disney Construction, Inc., the apparent low bidder, listed several different subcontractors on their Subcontractor List bid form for the dewatering/bypass work without indicating whether a bid was accepted for this work or not. However, Disney confirmed that they are willing and able to self-perform the dewatering/bypass work with its own forces. Based on this clarification, staff and legal counsel determined that Disney Construction, Inc. submitted a complete bid package and satisfied all of the applicable legal requirements. Disney Construction is an established Bay Area contractor. Company reference checks confirm that Disney Construction, Inc. is an experienced and competent contractor. Therefore, staff concludes that Disney Construction, Inc. is appropriately qualified and capable of meeting the requirements of the contract and is therefore the lowest responsive, responsible bidder.

The DBE Office reviewed the IFB for subcontracting possibilities prior to release and encouraged bidders to provide subcontracting opportunities to small businesses, including DBEs. Disney Construction, Inc. intends to engage eight subcontractors, including three minority and DBE firms. The level of minority and DBE participation is stated to be approximately 12.2 percent, slightly less than the JPB's overall annual agency goal of 13 percent. Nevertheless, the anticipated level of DBE participation will assist the JPB in meeting its overall DBE program objectives.

Contract Officer: Alicia Fraumeni  
Project Manager: Rafael Bolon

650.508.6442  
650.622.7805

**RESOLUTION NO. 2010-**

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

\* \* \*

**AUTHORIZING AWARD OF CONTRACT TO  
DISNEY CONSTRUCTION, INC.  
FOR THE SAN BRUNO GRADE SEPARATION BOX CULVERT RECONSTRUCTION  
PROJECT AT A TOTAL COST OF \$1,841,650.**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (“JPB”) solicited bids for the San Bruno Grade Separation Box Culvert Reconstruction Project; and

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

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

**WHEREAS**, the Staff Coordinating Council recommends that a contract be awarded to the lowest responsive, responsible bidder, Disney Construction, Inc., whose bid meets the requirements of the contract documents.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract to Disney Construction, Inc. of Burlingame, CA, for the San Bruno Grade Separation Box Culvert Reconstruction Project for a total cost of \$1,841,650; 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 Disney Construction, Inc., in full conformity with all of the terms and conditions of the contract documents.

Regularly passed and adopted this 4<sup>th</sup> day of February, 2010 by the following vote:

AYES:

NOES:

ABSENT:

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

ATTEST:

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

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon  
Executive Director

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

SUBJECT: **AWARD OF CONTRACT FOR FURNISHING AND DELIVERING TWO  
NEW POWER CROSSOVERS FOR THE SAN BRUNO GRADE  
SEPARATION PROJECT**

**ACTION**

Staff Coordinating Council (SCC) recommends that the Board:

1. Waive the competitive bidding requirements and award a contract to VAE Nortrak North America, Inc. (Nortrak) of Seattle, WA, for two New Power No. 20 Crossovers (crossovers) for a total price of \$881,601.
2. Authorize the Executive Director or his designee to execute a contract with Nortrak for this procurement in a form approved by legal counsel.

**SIGNIFICANCE**

Construction of the San Bruno Grade Separation Project is expected to begin in October 2010. There is currently no ability to switch trains between the two mainline tracks on the section of track at the project site. In order to reduce train delays during construction, the first order of work must be to install crossovers near Scott Avenue that will allow trains to be switched between mainline tracks.

Crossovers are custom pieces of equipment requiring advance manufacturing time. In order to ensure that the crossovers are manufactured in time for installation when project construction begins, award of a contract is necessary now. For the reasons described below under "Background," staff has determined that the waiver of competitive bidding requirements for this procurement is legally and fiscally justified and appropriate.

**BUDGET IMPACT**

Funding for this material is included in the previously approved Fiscal Year 2010 Capital Budget.

## **BACKGROUND**

In 2005, the JPB went through a competitive bid process to procure specially designed crossovers. The contract was awarded to Nortrak, the lowest responsible responsive bidder. The JPB has 52 crossovers on its property and all were supplied by Nortrak. Some were supplied under the 2005 contract and some were supplied as part of the CTX project. These are installed in the mainline tracks and are performing as designed, with minimal maintenance.

JPB now needs two more crossovers for the project. These crossovers must be identical to those provided earlier by Nortrak. Unfortunately, the 2005 contract has expired, requiring the JPB to seek alternate methods of procuring the necessary crossovers. Staff recommends that the JPB procure the crossovers directly from Nortrak without a further competitive process for the following reasons:

1. Metrolink, a southern California provider of commuter rail service, recently awarded a contract to Nortrak for very similar crossovers, based on a competitive bid process in which Nortrak was the lowest responsible and responsive bidder. If the JPB places an order with Nortrak now, it will be able to participate in the manufacturing schedule for the Metrolink crossovers and will receive the same pricing as the Metrolink bid price. Staff has estimated the effort required to manufacture only two crossovers and has concluded that the JPB would not be able to gain such favorable pricing if it were to procure only two crossovers through its own procurement. The Metrolink contract does not include any contractual options that could be assigned to the JPB, but the JPB may nevertheless gain the price benefits of Metrolink's competitive process by "piggybacking" on Metrolink's order and manufacturing schedule.
2. While another company might be able to manufacture the custom crossovers, there would be additional, and unnecessary, time and expense for such a firm to redevelop all of the custom features that Nortrak has already designed and developed pursuant to the requirements of the CTX project. It is doubtful that such a process could even be completed in time to accommodate the project schedule.
3. The JPB already went through a competitive process in 2005, with the result that Nortrak was the lowest responsible and responsive bidder. The price available now pursuant to the Metrolink contract described above is even lower than the price the JPB could have obtained had the 2005 contract not expired. Nortrak has been the low bidder in two recent competitive processes and would likely be the low bidder again should the JPB go through such a process.
4. There are no Federal funds being used that would trigger any Federal procurement requirements. However, Federal procurement rules, acknowledged as best procurement practices, recognize as a justification for a sole source procurement the avoidance of duplication of costs in the continued production of specialized equipment, as well as the avoidance of unacceptable delay in the case of a follow-on contract for the production and development of highly specialized equipment like crossovers. State law recognizes an exception from the competitive bidding requirement when such a process would be unavailing and not in a public agency's best interests.

Because of (1) the apparent unique capability of Nortrak to provide the custom crossovers at a

reasonable price and in time to accommodate the project schedule, (2) the existence of more than one competitive process that confirms the likelihood that Nortrak is still the lowest priced vendor available to provide this specialized equipment, and (3) Staff's independent assessment that Nortrak's proposed price is lower than anything that could be expected as a result of a competitive process, a competitive bidding process would serve no useful purpose.

Contract Officer: Brian Geiger

650.508.7973

Project Manager: Rafael Bolon, Project Manager, Consultant

650.622.7805

**RESOLUTION NO. 2010-**

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

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**AUTHORIZING AWARD OF CONTRACT TO VAE NORTRAK NORTH AMERICA,  
INC. FOR FURNISHING AND DELIVERING TWO NEW POWER CROSSOVERS FOR  
THE SAN BRUNO GRADE SEPARATION PROJECT  
AT A TOTAL COST OF \$881,601.32**

**WHEREAS**, construction of the San Bruno Grade Separation project (project) is expected to begin in October, 2010; and

**WHEREAS**, in order to reduce train delays during construction, the Peninsula Corridor Joint Powers Board (JPB) must purchase and install two crossovers that will allow trains to be switched between mainline tracks near Scott Avenue at the project site; and

**WHEREAS**, because crossovers are custom pieces of equipment requiring specialized design and advance manufacturing time, award of a contract is necessary now in order to have the crossovers in place for the beginning of project construction; and

**WHEREAS**, VAE Nortrak, Inc (Nortrak) is the manufacturer of the unique crossovers currently used on the Caltrain right of way pursuant to two previous competitively let contracts, both of which have expired; and

**WHEREAS**, any other vendor of crossovers would have to duplicate Nortrak's design and development of crossovers for the JPB, leading to unnecessary time and expense; and

**WHEREAS**, Nortrak was the low bidder on a competitive procurement recently let by Metrolink for similar crossovers, and Nortrak is willing to allow the JPB to participate in Metrolink's production schedule and will sell the JPB crossovers at its bid price for the Metrolink contract; and

**WHEREAS**, Staff has determined that the Metrolink bid price available to the JPB is lower than what the JPB could receive from a separate procurement process and is even lower than what the JPB would have paid under its own contract had it not expired; and

**WHEREAS**, State law recognizes an exception from the competitive bidding requirement when such a process would be unavailing and not in a public agency's best interests; and;

**WHEREAS**, Staff has determined, with the concurrence of legal counsel, that a competitive process would be unavailing as overwhelming evidence indicates that the price Nortrak is offering the JPB is less than anything it could expect from a competitive procurement process; and

**WHEREAS**, Staff Coordinating Council recommends that the JPB award a contract to Nortrak without engaging in a competitive procurement process.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby waives the requirement of a competitive process for the reasons recited above, and awards a contract to Nortrak for two crossovers for the total price of \$881,601.32, inclusive of sales tax and delivery; 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 Nortrak, in a form approved by legal counsel.

Regularly passed and adopted this 4th day of February, 2010 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 Scanlon  
Executive Director

FROM: Gigi Harrington  
Deputy CEO

SUBJECT: **APPROVAL OF UPDATES TO JPB PROCUREMENT POLICY**

**ACTION**

Staff Coordinating Council recommends that the Board approve updates to the JPB Procurement Policy (Attachment "A") to reflect recent changes in State law and parallel updates to the San Mateo County Transit District's (District) procurement policy.

**SIGNIFICANCE**

Approval of this action will update the Procurement Policy to reflect recently enacted State law that is reflected in recently adopted updates to the District procurement policy.

**BUDGET IMPACT**

Approval of this action will have no impact on Operating or Capital budgets.

**BACKGROUND**

Because The District is the managing agency for the JPB, the JPB's procurement policy is modeled after the District's. In 2004, the Board adopted a Procurement Policy that was essentially identical to the District's, and authorized the Executive Director to (1) utilize the Procurement Manual approved by the District, and (2) approve revisions to the Procurement Manual consistent with the Policy.

At its meeting on January 13, 2010, the District's Board of Directors approved updates to its Procurement Policy to conform to new State law, AB 116, which revised California Public Utilities Code Section 103222, governing the District's purchase of supplies, equipment and materials. As the District is the managing agency for the JPB, it makes sense that the JPB's Procurement Policy should now also be updated to mirror the changes recently adopted by the District.

The changes ushered in by AB 116 are outlined below. All the following rules applicable to the District will apply also to the JPB if the Board adopts the proposed updates to the Procurement Policy:

- The threshold for using formal (advertised) competitive bidding and a lowest responsible bidder basis of award has been raised. Instead of applying to procurement of equipment, supplies and materials that exceed \$25,000 the threshold has been changed to procurements exceeding \$100,000.
- The legislation grants the discretion to the District to award contracts for equipment, supplies or materials that exceed \$100,000 either on a lowest responsible bidder standard or to the bidder that submits the proposal that provides the “best value” to the District. Best value is defined in the new law as the “overall combination of quality, price, and other elements of a proposal that, when considered together, provide the greatest overall benefit in response to the requirements described in the solicitation documents.”
- Notice of the request for bids for procurements in excess of \$100,000 may now be satisfied by posting the notice on the District’s Web site coupled with one publication in a newspaper of general circulation at least 10 days before the deadline for bids. The current statutory notice requirement calls for publication for two successive weeks in a newspaper of general circulation, and does not recognize the prevalence of Web site communication.
- When the estimated expenditure for equipment, supplies, or materials is between \$2,500 and \$100,000, the new law requires that the District obtain, when practical, a minimum of three quotations, either written or oral, that permit comparison on the basis of prices and other terms. This is the same process the District currently uses for procuring goods costing less than \$25,000.
- AB 116 does not alter in any way the rules for awarding public works/construction contracts. Public works/construction contracts that exceed \$10,000 must still be let by formal competitive bidding.

Other transit agencies including BART, Golden Gate Bridge, Highway and Transportation District, Los Angeles Metropolitan Transit Authority, Valley Transportation Authority and AC Transit have \$100,000 thresholds for formal competitive bidding. The Federal government also has the same threshold as a ceiling for its use of its small purchasing procedures. The ability to use a “best value” approach for procurement of supplies, material and equipment will also allow the JPB to participate in many more cooperative purchasing agreements that increasingly have been based upon “best value” approaches where other factors besides price were taken into consideration in determining the award.

In addition to those changes necessitated by AB 116, the District Board adopted revisions to its Procurement Policy including:

- Utilizing a formal competitive proposal process to retain professional services when the estimated expenditure exceeds \$100,000.

- Authorizing the General Manager/CEO to act for the Board for procurements of equipment, supplies, and materials under \$100,000 and to review and determine bid protests concerning contracts awarded within such authority.
- Authorizing the General Manager/CEO to determine the manner of disposition of surplus equipment, supplies and materials whose original acquisition cost exceeds \$50,000 but is less than \$100,000.
- Authorizing the Director of Contracts and Procurement to determine the manner of disposition of surplus equipment, supplies and materials whose original acquisition cost does not exceed \$50,000.
- Adding new provisions to the Procurement Policy regulating (1) the execution of contract documents, and (2) revenue generating contracts/concessions.

Prepared by: Cheryl Cavitt, Director of Contracts and Procurement

650.508.7963

**RESOLUTION NO. 2010-  
BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD  
STATE OF CALIFORNIA**

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**APPROVING UPDATES TO THE PROCUREMENT POLICY**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (JPB) is organized pursuant to Government Code Section 6500, *et seq.* and is comprised of three member agencies, the City and County of San Francisco, the Santa Clara Valley Transportation Authority, and the San Mateo County Transit District (District); and

**WHEREAS**, the JPB has an obligation to establish an efficient procurement process that protects the public investment, and that is transparent, consistent, and treats all vendors equally; and

**WHEREAS**, the District is the managing agency for the JPB and provides all procurement support functions for the acquisition of such property, facilities, equipment, materials, supplies, and services as may be deemed necessary to carry out the JPB's duties; and

**WHEREAS**, on June 3, 2004, the Board (1) adopted a Procurement Policy that mirrored that of the District, (2) authorized the Executive Director to implement the JPB's Procurement Policy by utilizing the Procurement Manual developed by the District, and (3) authorized the Executive Director to approve subsequent revisions to the Procurement Manual made in accordance with the Procurement Policy; and

**WHEREAS**, the District recently updated its procurement policy to reflect changes in State law enacted through AB 116; and

**WHEREAS** because the District is the managing agency for the JPB, it is appropriate to similarly modify the JPB's Procurement Policy to conform to that of the District, while at the same time promoting the greatest economy and efficiency to the JPB, and maintaining appropriate safeguards to preserve fairness and accountability in all of the JPB's procurement activities.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby adopts an updated Procurement Policy that includes the following revisions:

1. Formal competitive bidding procedures using the lowest responsible bidder standard as the basis of award will typically apply to purchases of equipment, supplies, or materials over \$100,000, but a “best value” approach may be used in circumstances where it is determined to be in the best interest of the JPB.
2. An informal procurement method may be utilized for the purchase of equipment, supplies, or materials when the estimated expenditure is between \$2,500 and \$100,000. To the extent practicable, such a method shall involve obtaining a minimum of three quotations, either written or oral, that permit prices and other terms to be compared. Adequate outreach will be made to ensure open and free competition, and that small businesses, including Disadvantaged Business Enterprises (DBE) are afforded opportunities to submit quotations. To the extent practicable, the JPB will strive to obtain at least one of the three minimum quotations from a small business.
3. Formal competitive proposals will be used to retain professional services when the estimated expenditure exceeds \$100,000.
4. The Executive Director shall be authorized to act for the Board for procurements of equipment, supplies, and materials under \$100,000 and shall be authorized to review and determine bid protests concerning contracts awarded within such authority.
5. The Executive Director shall be authorized to determine the manner of disposition of surplus equipment, supplies and materials whose original

acquisition cost exceeds \$50,000 but is less than \$100,000. The Director of Contracts and Procurement shall determine the manner of disposition of surplus equipment, supplies and materials whose original acquisition cost does not exceed \$50,000.

6. Provisions regulating the execution of contract documents, revenue generating contracts/concessions, and implementation of the Procurement Policy shall be added to the Procurement Policy.

**BE IT FURTHER RESOLVED**, that the Board adopts the restated Procurement Policy attached to this Resolution as Attachment A, which gives effect to the modifications called for in AB 116 and the revisions and additions already adopted by the District; and

**BE IT FURTHER RESOLVED**, that the Board reaffirms its authorization to the Executive Director to approve revisions or updates to the District's Procurement Manual for use by the JPB, if deemed in the JPB's best interest.

Regularly passed and adopted this 4th day of February 2010, by the following vote:

AYES:

NOES:

ABSENT:

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Chair, Peninsula Corridor Joint Powers Board

ATTEST:

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JPB Secretary

**PROCUREMENT POLICY  
PENINSULA CORRIDOR JOINT POWERS BOARD**

The Peninsula Corridor Joint Powers Board (“JPB”) is organized pursuant to Government Code Section 6500, *et seq.* and comprised of three member agencies, the City and County of San Francisco, the Santa Clara Valley Transportation Authority, and the San Mateo County Transit District (“District”). The District provides personnel, administrative, and operational support for the JPB and District staff generally provides all procurement support functions for both agencies in order to acquire such property, facilities, equipment, materials, supplies and services as may be deemed necessary to carry out its duties.

The procedures governing procurements of the JPB are derived from State law and Federal law. By accepting State and Federal funding, the JPB is also obligated to comply with certain regulations in its procurement of goods and services. More specifically, certain standards, regulations, and other requirements for grants to local governments issued by the United States Department of Transportation apply to the JPB in connection with contracts financed in whole or in part with Federal funds. In the event of a conflict between the JPB’s Procurement Policy and State or Federal law, such State or Federal law shall supercede this Procurement Policy.

This Procurement Policy provides a broad overview of the standards and methods that will guide the JPB in obtaining goods and services. Whenever in this Procurement Policy, the Executive Director is designated authority, such authority shall be understood to include the designee of the Executive Director.

**A. Fundamental Principles**

The JPB’s Procurement Policy is guided by seven fundamental principles to:

1. Foster maximum open and free competition for JPB Contracts;
2. Promote the greatest economy and efficiency in JPB procurements;
3. Ensure adherence to proper standards of conduct by JPB board members, officers and employees;
4. Maintain procurement policies and procedures that guarantee compliance with applicable State and Federal laws and regulations;
5. Establish and maintain an arm's length relationship with all Contractors;
6. Treat all prospective Contractors, Consultants, and vendors, including Disadvantaged Business Enterprises (DBEs), in an equal and equitable manner; and
7. Provide guidance for remedy and resolution of Contract claims or disputes.

Based on these fundamental principles and the general standards of public sector procurement, the following set of procurement and contracting policies have been developed.

**B. Conflicts of Interest**

No director, officer, employee or agent of the JPB shall participate in any procedure, tasks, or decisions relative to initiation, evaluation, award, or administration of a contract if a conflict of interest, real or apparent, exists. Such a conflict of interest arises when (a) the director, officer, employee or agent, (b) any member of his or her immediate family, (c) his or her business associate, or (d) an organization which employs, or which is about to employ, any of the above described individuals has a financial or other interest in a firm that participates in a JPB procurement process or that is selected for an award. The standards governing the determination as to whether such an interest exists are set forth in the Political Reform Act (Section 81000 *et seq.* of the California Government Code) and in Sections 1090, 1091, and 1091.5 of the California Government Code.

**C. Methods of Procurement**

1. All purchases and contracts, whether by informal bidding, formal bidding or proposals, shall be made on a competitive basis to the greatest extent practicable.
2. The method of procurement, such as small purchases, informal bids or proposals, formal competitive bidding, requests for proposals, etc., shall be appropriate for the type of project or procurement and shall be in the best interest of the JPB.
3. Formal competitive bidding must be used for construction, repair, maintenance, alteration, and similar work whenever the estimated expenditure for such work exceeds \$10,000 or more. Alternative methods of procurement, such as a design build approach, may be utilized if authorized by state law and in full compliance with all applicable requirements.
4. Formal competitive bidding should be used when purchasing equipment, supplies, or materials over \$100,000, but a “best value” approach may be used in circumstances where it is determined to be in the best interest of the JPB. “Best value” means a process in which the overall combination of quality, price, and other elements such as reliability, standardization, vendor qualifications, warranty, life cycle costs, and sustainability issues are considered together to determine which proposal provides the greatest overall benefit to the JPB. On a case by case basis, and in particular when a procurement involves a combination of goods and services, the JPB Procurement Office, in consultation with the Project Manager or the department issuing the solicitation, shall make the determination of whether a “best value” approach is in the best interest of the JPB. In such circumstances, the determination will be documented in writing and a formal competitive proposal process will be utilized.
5. An informal procurement method may be utilized for the purchase of materials, equipment or supplies when the estimated expenditure is between \$2,500 and \$100,000. To the extent practicable, such a method shall involve obtaining a minimum of three quotations, either written or oral, that permit prices and other terms to be compared. The JPB will undertake adequate outreach to ensure open and free competition, and that small businesses, including Disadvantaged

Business Enterprises are afforded opportunities to submit quotations. To the extent practicable, the JPB will strive to obtain at least one of the minimum of three quotations from a small business. The JPB will utilize interested vendors based upon a review of trade sources, lists of certified DBEs and small businesses that have registered with the State, and vendors that have registered with the JPB to receive notice of contract opportunities. When appropriate to ensure satisfaction of the Fundamental Principles set forth in Section A of this Policy, such solicitations shall be advertised by the JPB. The JPB's informal bidding procedures using a lowest responsible bidder standard for bid comparison will serve as the typical standard on which to base the purchase of materials, equipment, or supplies, unless it is determined in writing that it is in the JPB's best interest to apply a "best value" approach, in which event, qualitative factors such as those set forth in paragraph C.4. above, in addition to price may be considered in making an award.

6. Formal competitive proposals, which consider and evaluate factors in addition to price, will be used to retain professional services when the estimated expenditure exceeds \$100,000. Specialized State and federal laws will apply to the procurement of architectural and engineering services as defined by applicable laws and regulations, regardless of the estimated expenditure.
7. In certain circumstances, a competitive negotiation process utilizing an RFP process may be necessary or appropriate to accomplish the JPB's procurement goals, such as to procure specialized equipment or computer software systems. The competitive negotiation process will be conducted pursuant to Public Contract Code §20216, *et seq.*
8. The use of appropriate intergovernmental agreements is encouraged in order to reduce duplicative effort and to achieve cost economies.
9. The JPB may purchase items on the open market under the following conditions: (a)(i) if the JPB rejects bids received in connection with a procurement of materials, supplies and equipment requiring formal competitive bidding, and (ii) the Board of Directors determines and declares by a two-thirds vote of all its members that in its opinion the supplies, equipment and materials may be purchased at a lower price in the open market; or (b) if the Board of Directors, or the Executive Director, within the Executive Director's procurement authority, has exercised discretion to waive the competitive process when permissible under applicable law and consistent with the fundamental principles of procurement set forth in this Policy. *See* Public Utilities Code §103223 and Section L "Discretion to Waive the Competitive Process" set forth below.

#### **D. Procurement Documentation and Consideration of Bids and Proposals**

1. Formal competitive bidding requires preparation of bid documents that clearly set forth all requirements which must be fulfilled in order for the bid to be responsive, advertisement in accordance with the law, and, once bids are received, an award, if made, to the lowest responsive and responsible bidder.

2. Formal competitive proposals, including the “best value” approach, require issuance of Requests for Proposals, which clearly set forth all the requirements, and state the qualitative factors, in addition to price, which will be used to evaluate and rank the Proposals. An award, if made, will be to the proposer receiving the highest consensus ranking, subject to successful negotiations with the JPB.
3. Any and all bids or proposals may be rejected by the JPB if it is in the JPB’s best interest to do so.
4. The JPB may only contract with persons, firms or entities that are qualified and possess the ability to perform successfully under the terms and conditions of the proposed procurement.

**E. Execution of Contract Documents**

1. All JPB contracts and amendments will be in writing and executed prior to beginning performance under the contract.
2. The Executive Director may execute all contracts on behalf of the JPB that are duly approved within the Executive Director’s authority. The President of the Board of Directors will sign contracts and leases that require approval by the Board, unless otherwise delegated to the Executive Director.

**F. Disadvantaged Business Enterprise Program**

The JPB is committed to a Disadvantaged Business Enterprise (“DBE”) Program for DBE participation in JPB contracting opportunities in accordance with 49 Code of Federal Regulations (CFR) Part 26, effective June 22, 2001, as may be amended. It is the policy of the JPB to ensure nondiscrimination on the basis of race, color, sex or national origin in the award and administration of U.S. Department of Transportation assisted and JPB contracts. It is the intention of the JPB to create a level playing field on which DBEs can compete fairly for contracts and subcontracts to provide the JPB’s public works, supplies, equipment, materials and services.

**G. Protest Procedures**

Bidders may protest contracts that are let through formal competitive bidding or competitive negotiations. The Executive Director is authorized to review and determine protests concerning contracts awarded within the Executive Director’s procurement authority. Bid protests for all other contracts not within the Executive Director’s procurement authority will be reviewed and determined by the Board of Directors upon recommendation by the Executive Director and the General Counsel. All protests will be in accordance with the written procedures set forth in the Procurement Manual.

**H. Executive Director’s Procurement Authority**

1. The Executive Director is authorized to purchase supplies, equipment and materials and to arrange for work in a manner consistent with this Procurement

Policy and written procedures as may be developed from time to time. The Executive Director is authorized to execute agreements and expend funds for procurements and activities included within the JPB's approved annual budget as follows: (1) up to \$100,000 for equipment, supplies, materials, or services and (2) up to \$10,000 for public works.

2. The Executive Director is authorized to modify and otherwise administer all contracts on behalf of the JPB. For all contracts, the Executive Director is authorized to issue contract change orders or amendments within any Board approved contingency. If the Board does not establish a contingency or in the event the contingency is exhausted, the Executive Director is authorized to issue contract change orders or amendments up to \$100,000 or up to 10% (cumulative) of the Contract Amount, whichever is greater. The Contract Amount shall equal the base amount of the contract, supplemented by (a) the amount of any exercised options, (b) the amount of any Board-authorized contingency, and (c) the amount of any previously Board-approved amendments or change orders.
3. The Executive Director is authorized to designate staff to oversee and monitor procurements and may delegate this contracting authority, which must be in writing, documented by the Director of Contracts and Procurement, and must specify defined monetary limits.
4. For award of contracts for materials, supplies and equipment over \$100,000, Board approval is required. For award of public works contracts over \$10,000, Board approval is required. The Board delegates to the Executive Director the signature authority for all such contracts for the purchase/lease of equipment, supplies, materials, and the procurement of services and public works.

#### **I. Emergency Contracts**

For procurements requiring competitive bidding and/or Board approval, in case of any sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services, the Board hereby designates the Executive Director to take all necessary and proper measures in emergency conditions to maintain the JPB's systems in operation. The Board also grants the Executive Director the authority to determine that there is insufficient time for competitive bidding and that public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property. If the Executive Director makes such a determination, the Executive Director may expend or enter into a contract involving the expenditure of any sum needed in such emergency without observance of the provisions requiring contracts, bids or notice. The Executive Director shall promptly report on the reasons and necessity for proceeding without a competitive solicitation for bids to the Board of Directors at the next available meeting, provided that the Executive Director reports to the Board no later than 14 days after the Executive Director takes such emergency action. Upon hearing the Executive Director's report, the Board shall determine, by a four-fifths vote, whether or not there is a need to continue the emergency action. The Board shall continue to evaluate the emergency action, determining whether or not the emergency procurement is still required, at every

regularly scheduled meeting thereafter until the action is terminated. *See* Public Contract Code §§ 20331 and 22050.

**J. Sole Source**

Regardless of the estimated cost of the procurement, the JPB is not required to engage in the competitive bidding process when procuring materials, equipment, supplies or services for which there exists only a sole source of supply. If more than one distributor of a product is available, the product is not exempt from competitive bidding as a sole source. A sole source decision is not permitted merely upon the grounds that the source demonstrates technical or administrative superiority, is the most convenient, or shows superior performance potential at lower costs. In all cases, the JPB must verify that the particular procurement meets the definition of a sole source and the JPB must perform a cost or price analysis to determine the fairness and reasonableness of the price of the sole source. The sole source determination will be reviewed by the Director of Contracts and Procurement in consultation with legal staff, as needed.

**K. Cooperative Purchasing Agreements**

To foster greater economy and efficiency, the JPB may avail itself of state and local intergovernmental agreements for procurement or use of common goods and services. Joint procurements, state cooperative purchasing programs, and assignment of existing contract rights (“piggyback” procurements) with other public agencies may be used when consistent with applicable state and federal statutory or grant requirements.

**L. Discretion to Waive the Competitive Process**

The Board of Directors or the Executive Director in the case of procurements within the Executive Director’s procurement authority may waive the requirements for formal competitive bidding or other procedures set forth in this Policy when permissible under applicable law, when a determination is made that the best interests of the JPB are served thereby, and provided there is adequate documentation of the need for such material, supplies, equipment, public works or services. These circumstances shall be evaluated on a case-by-case basis, keeping in mind the Fundamental Principles of procurement set forth in this Policy. The findings justifying the waiver must be documented in the record.

**M. Contract Administration**

The JPB shall administer all contracts to ensure that contractors conform with the terms, conditions, and specifications of all contracts and to ensure all purchases are received in a timely manner. Contract administration files shall contain documentation concerning the solicitation, contract costs, modifications and final disposition. All significant formal and informal communications on all contracts must be committed to written memoranda and promptly included in the contract file.

**N. Disposal of Surplus Property**

1. The Director of Contracts and Procurement shall determine the manner of disposition of surplus supplies, equipment and materials whose original acquisition cost does not exceed \$50,000. The Executive Director shall determine

the manner of disposition of surplus supplies, equipment and materials whose original acquisition cost exceeds \$50,000 but is less than \$100,000. The Board of Directors shall approve the disposition of any item having an original acquisition cost greater than \$100,000. In all cases, disposition or sale of rolling stock shall require approval of the Board. In the event the surplus item to be disposed of was purchased with federal funds, the JPB will comply with federal disposition requirements.

2. The method of sale or disposition of any surplus or scrap items shall depend upon the nature of the items. Such methods shall include: (1) transfer or sale to other public agencies, (2) trade-in as part of a new procurement, (3) sale by auction, advertisement for sealed bids, or negotiation, or (4) where appropriate, proper recycling or disposal.

**O. Revenue Generating Contracts/Concessions**

To the extent they are not otherwise governed by JPB policies, concession agreements are contracts where the JPB grants permission to use JPB facilities or property to vendors to sell products or services, for which the JPB receives a percentage of the proceeds and/or a flat rate of compensation. Generally, these arrangements are at no direct cost to the JPB.

Where it is determined that a number of potential vendors are available to provide similar products or services, a competitive negotiations procedure should be followed, and award made to the highest ranked proposer, taking into consideration the economic return to the JPB, quality of the product, service and experience of the vendor.

The Board of Directors shall approve revenue generating/concessions contracts that exceed \$100,000 in value.

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon  
Executive Director / CEO

FROM: Gigi Harrington  
Deputy CEO

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

**ACTION**

Staff Coordinating Council (SCC) recommends that the Board accept and enter into the record the Quarterly Investment Report and Fixed Income Market Review and Outlook for the quarter ended December 31, 2009.

**SIGNIFICANCE**

The Joint Powers Board's (JPB) Investment Policy contains a requirement for a quarterly report to be transmitted to the Board within 30 days of the end of the quarter. This staff report was forwarded to the Board of Directors under separate cover on January 19, 2010 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.

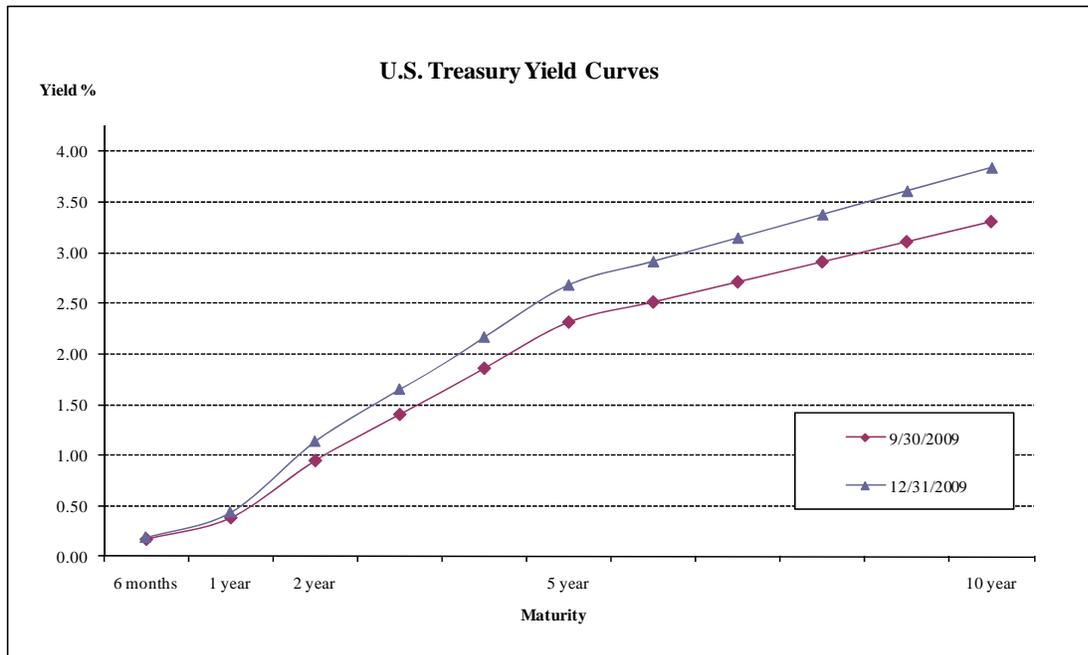
Due to the nature of securities which are bought and sold in a principal market, such as fixed income securities, multiple market values may exist for a given security at any given time. TWA has chosen IDC as an unbiased estimator of these prices based on their leading role as a provider of end of the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

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

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

## DISCUSSION

### Market Review and Outlook



Data Source: Bloomberg

Interest rates rose modestly in the last quarter of the year as the continued recovery in the economy increased the likelihood that the Fed would begin to raise interest rates by summer. Economists now expect the economy will grow at a pace of 2.5 percent over the course of 2010, and the unemployment rate will fall to 9.5 percent by the beginning of 2011. By historical standards, these expectations are exceptionally modest for a recovery, particularly given the magnitude of the recession that preceded it. Nevertheless, given their low starting level and the high financing needs of our government, interest rates are likely to continue to move gradually higher over the next few quarters.

At present, TWA cannot help but be impressed by the profound nature of our economic challenges and the wide array of possible outcomes. These are reflected in the exceptionally divergent opinions that are currently running through the financial press and academic blogs. The opinions of well-credentialed and highly regarded advisors, be they investors, strategists, economists or academics, vary widely regarding such issues as inflation, deficits, the dollar, the outlook for growth, whether the stock market is rich or cheap, the next bubble, the direction of interest rates and the need for additional stimulus. Serious economic imbalances, like our low savings rate and high deficits do remain and resolving them will be a challenge. Fortunately, the markets have already discounted some of the worst scenarios, leaving investors with ample selective opportunities.

Some of the more knowledgeable economists TWA follows maintain that the large correction we have just been through is unlikely to be repeated anytime soon. Rather, they make the case

for more truncated business cycles with frequent, shallow contractions. Given the amount of de-leveraging that has already occurred in the financial system in combination with the increased sensitivity to policy decisions, both fiscal and monetary, TWA favors this view.

Looking out beyond the next year or two, it is hard to envision a scenario that does not involve a higher pace of inflation. Our deficits are too large and our need for more jobs too great to not allow our economy some additional leeway to grow at a faster than sustainable pace.

Eventually, such a path will lead to a higher than normal rate of inflation. For the time being, however, the contraction in bank lending keeps deflation, not inflation, as the bigger near-term risk. Until bank credit begins to expand, or at least stop contracting, inflation is highly unlikely and any increases in interest rates are likely to remain modest.

### **Strategy**

Interest rates have begun to incorporate a modest increase in the Fed Funds Rate expected this summer. Risk yield-premiums for non-cash Treasury bonds continued to narrow during the quarter with high quality paper having returned to pre-crisis levels. Lower quality paper, such as high yield bonds, also improved but hasn't yet returned to pre-crisis levels.

Over the foreseeable future TWA expects interest rates to move gradually higher. Currently the portfolio's sensitivity to a change in interest rates is below that of the benchmark. The current 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 more than already anticipated by the market.

As of the end of the quarter, the JPB's portfolio consisted of approximately 10.1 percent FDIC guaranteed Corporate Bonds, 62.1 percent Agency Securities, 27.8 percent US Treasury securities and 0 percent Cash Equivalents; see Exhibit 6.

### **Budget Impact**

The portfolio's performance is reported on a total economic return basis. This method includes the coupon interest, amortization of discounts and premiums, capital gains and losses and price changes (i.e., unrealized gains and losses). For the quarter ending December 31, the portfolio returned 0.42 percent. This compares to the benchmark return of 0.04 percent.

The JPB's investment results are evaluated based on the following composite index developed by the JPB's investment advisor.

50% Merrill Lynch 0-1 Year U.S. Governments  
50% Merrill Lynch 1-3 Year U.S. Governments

This benchmark was developed around the JPB's need for consistent cash flow and the small relative size of the JPB's managed portfolio. Considering these requirements, TWA is comfortable with a conservative, nearly liquid portfolio having an average duration of less than one year. In light of the JPB's requirements and the current interest rate environment, it is difficult to find investments that meet the benchmark returns.

The Performance graph in Exhibit 3 shows the relative performance of the JPB's portfolio since inception. The Growth of a Thousand Dollars graph in Exhibit 5 shows the cumulative performance of the portfolio over this same time frame.

performance of the portfolio over this same time frame.

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 0.30 percent. The benchmark's yield to maturity was 0.71 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 2.03 percent.

Prepared by: Lori Snow, Treasury Manager

650.508.6425

## EXHIBIT 1

**PENINSULA CORRIDOR JOINT POWERS BOARD  
REPORT OF INVESTMENTS  
FOR QUARTER ENDED DECEMBER 31, 2009**

TYPE	DATE OF MATURITY	PAR VALUE	CARRYING AMOUNT	MARKET VALUE	ACCRUED INTEREST	MARKET VALUE +ACCR. INT.
<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	512,130	509,829	1,094	510,923
Bank of America Corp.	12-23-10	500,000	505,778	504,526	189	504,715
<b>GOVERNMENT BONDS</b>						
US Treasury Bill	09-18-09	500,000	499,950	499,950	0	499,950
FHLM	05-28-10	2,000,000	2,030,900	2,018,125	4,354	2,022,479
FHLB	07-16-10	2,000,000	2,050,625	2,033,750	32,083	2,065,833
FNMA	11-15-11	2,000,000	2,180,625	2,156,250	13,438	2,169,688
<b>TREASURY INFLATION PROTECTED SECURITIES</b>						
US Inflation Indexed	04-15-10	2,279,960	2,133,507	2,289,806	4,090	2,293,896
<b>TOTAL FUNDS MANAGED BY TAMALPAIS WEALTH ADVISORS</b>		<b>9,779,960</b>	<b>9,913,515</b>	<b>10,012,236</b>	<b>55,247</b>	<b>10,067,483</b>

**LIQUIDITY FUNDS MANAGED BY DISTRICT STAFF:**

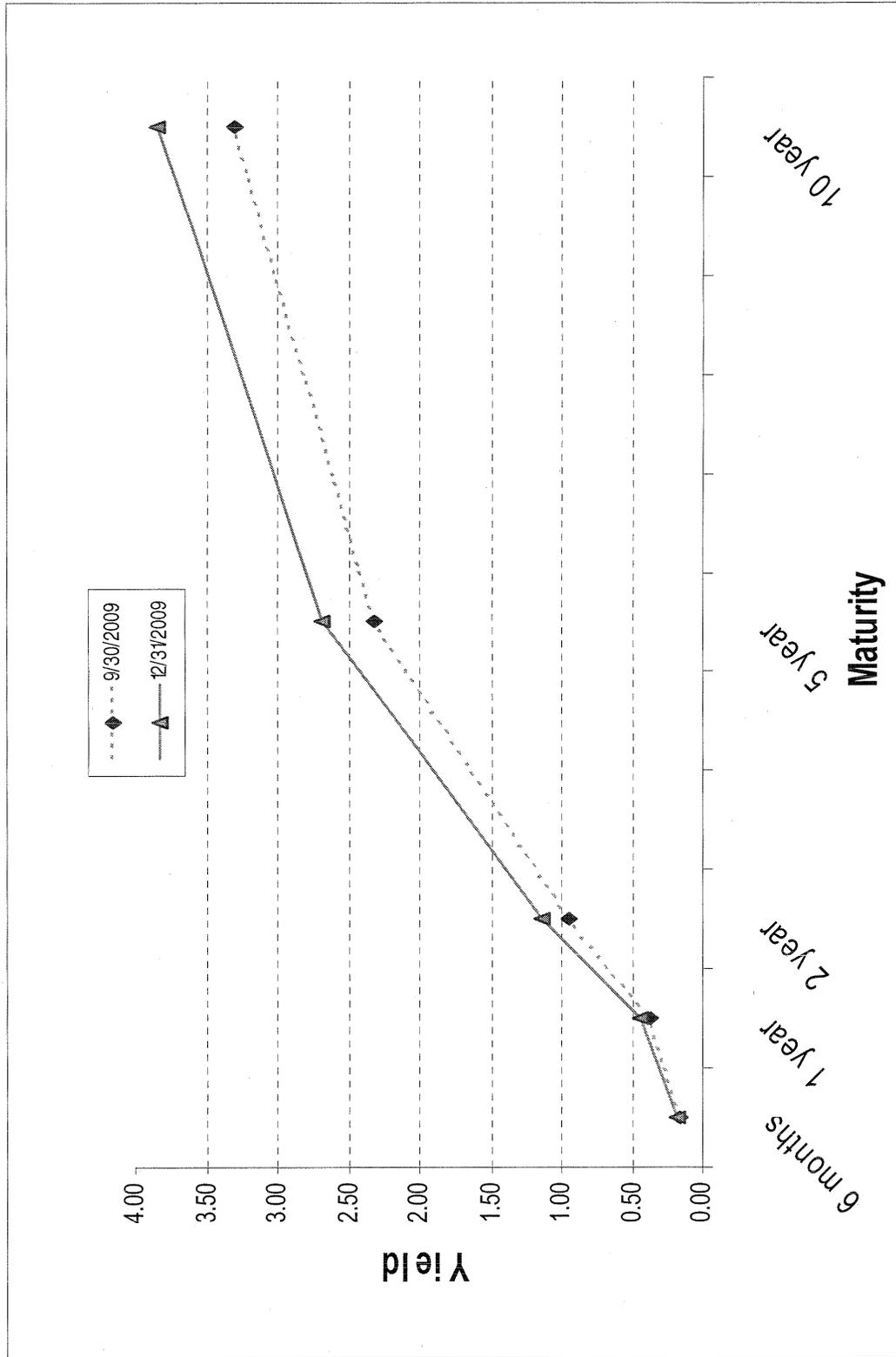
<b>BANK OF AMERICA CHECKING LAIF</b>			3,437,397	3,437,397	0	3,437,397
<b>SAN MATEO COUNTY POOL</b>			14,066,227	14,066,227	19,882	14,086,109
<b>BANK OF AMERICA CD</b>	12-18-09		0	0	0	0
<b>BANK OF AMERICA CD</b>	01-01-10		3,958,885	3,958,885	0	3,958,885
			3,959,050	3,959,050	71	3,959,121
<b>TOTAL FUNDS MANAGED BY DISTRICT STAFF</b>			<b>25,421,558</b>	<b>25,421,558</b>	<b>19,954</b>	<b>25,441,512</b>

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

First American Treas. Oblig. Cl D Corp Tr			1,259,014	1,259,014	0	1,259,014
<b>TOTAL FUNDS MANAGED BY THIRD PARTY TRUSTEE</b>		0	<b>1,259,014</b>	<b>1,259,014</b>	<b>0</b>	<b>1,259,014</b>
<b>TOTAL AS OF DECEMBER 31, 2009</b>			<b>36,594,087</b>	<b>36,692,808</b>	<b>75,201</b>	<b>36,768,008</b>

EXHIBIT 2

Peninsula Corridor Joint Powers Board  
Historical Yield Curve

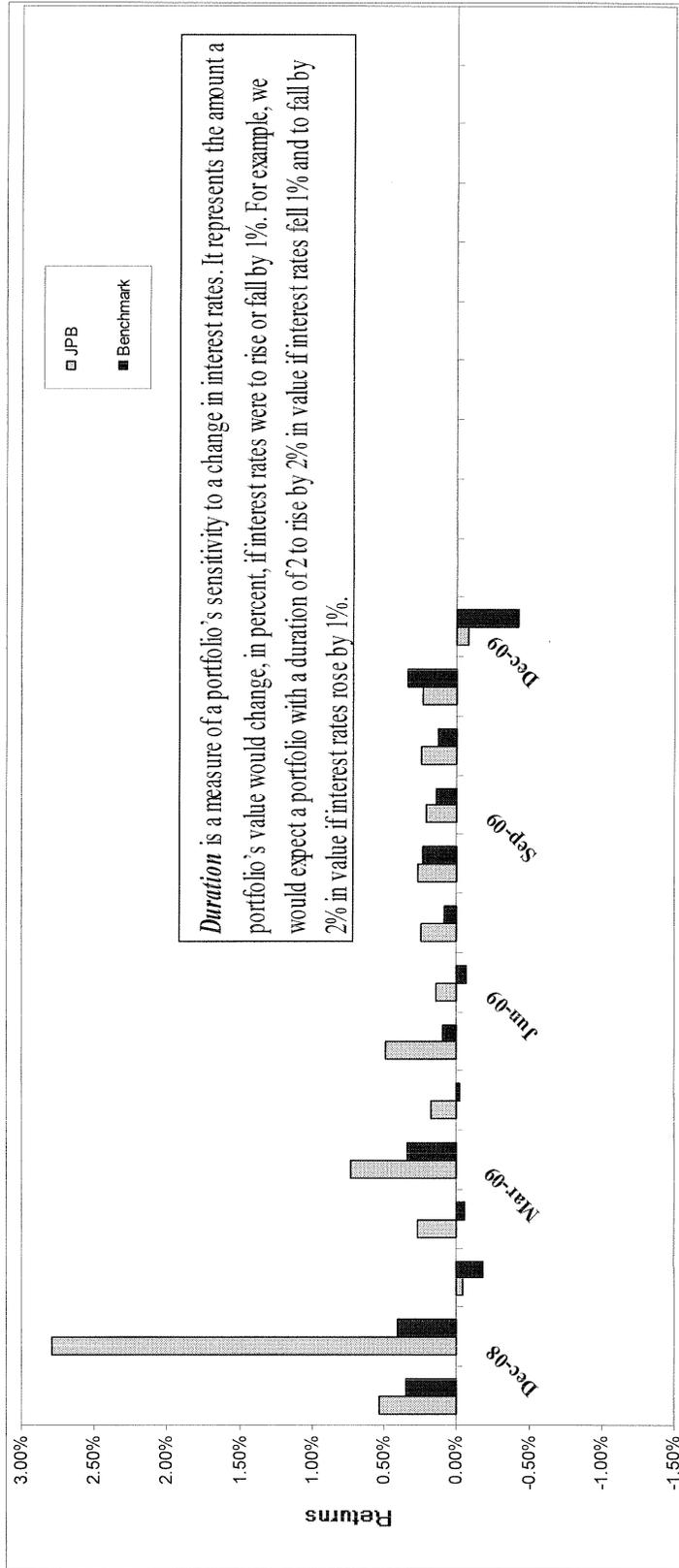


Tamalpais Wealth Advisors

Data Source: Bloomberg

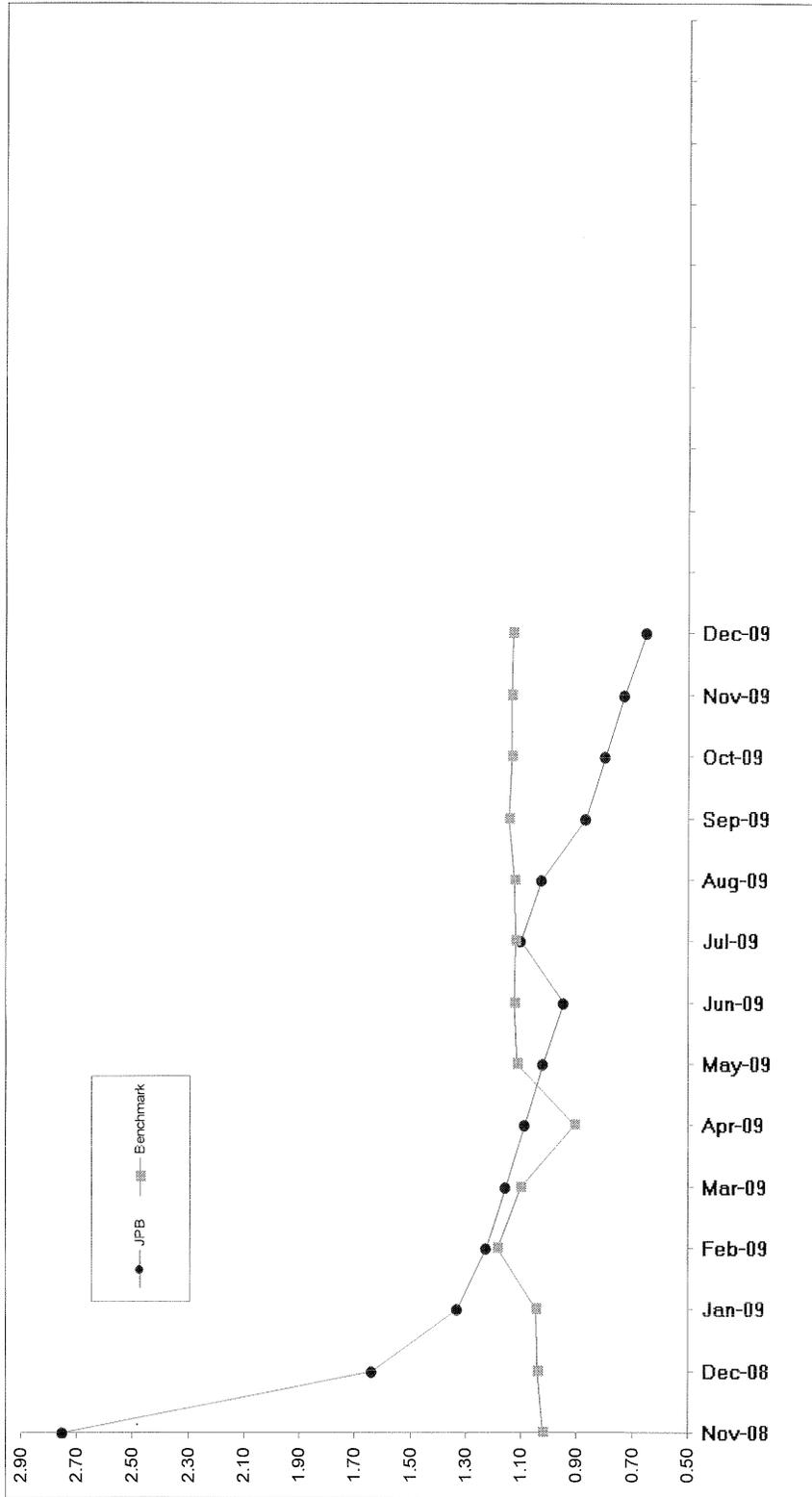
# Peninsula Corridor Joint Powers Board Monthly Review – Account vs. Benchmark *Rolling 24 Months*

## EXHIBIT 3



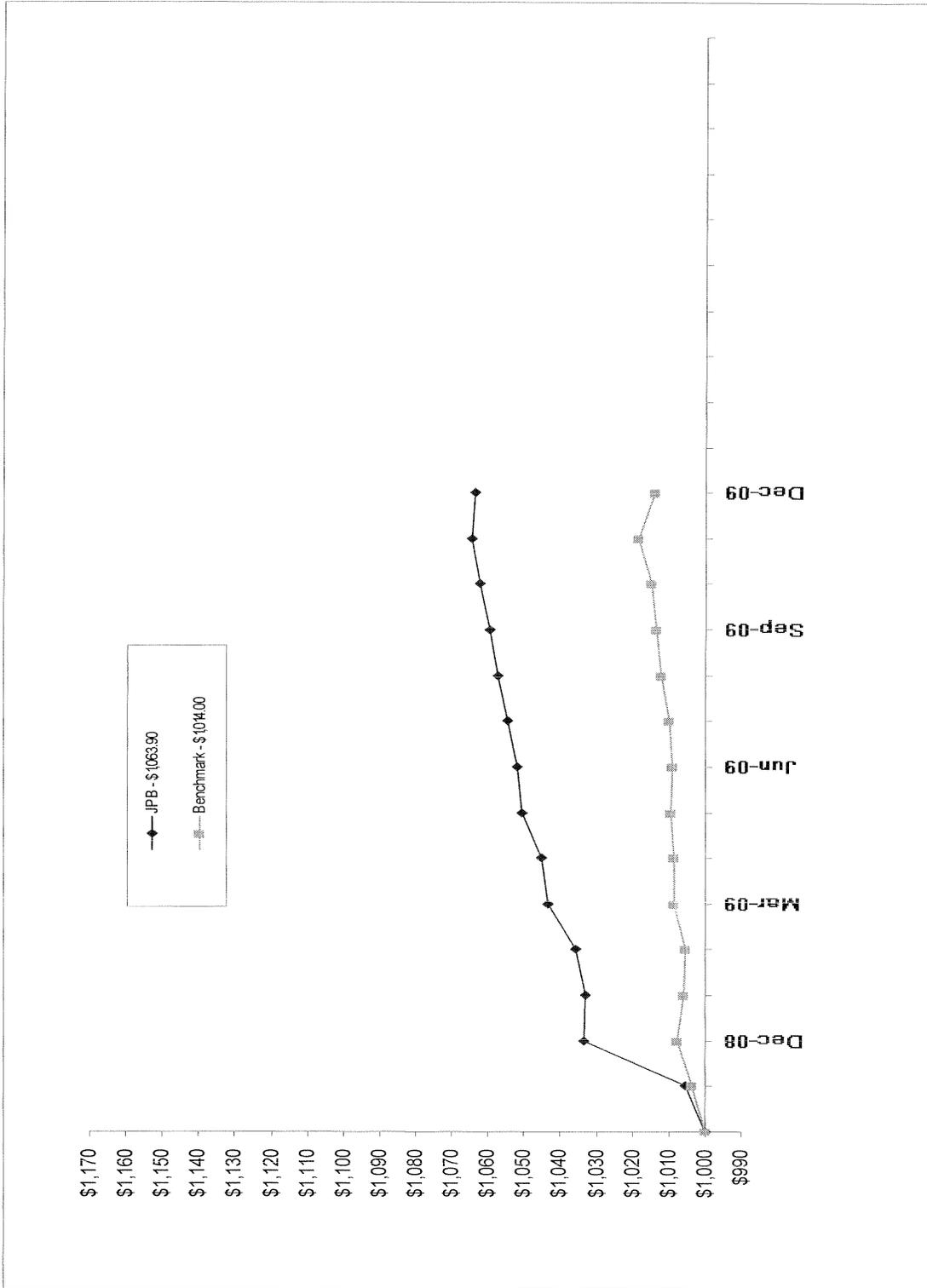
**EXHIBIT 4**

**Peninsula Corridor Joint Powers Board  
Duration vs. Benchmark**



**EXHIBIT 5**

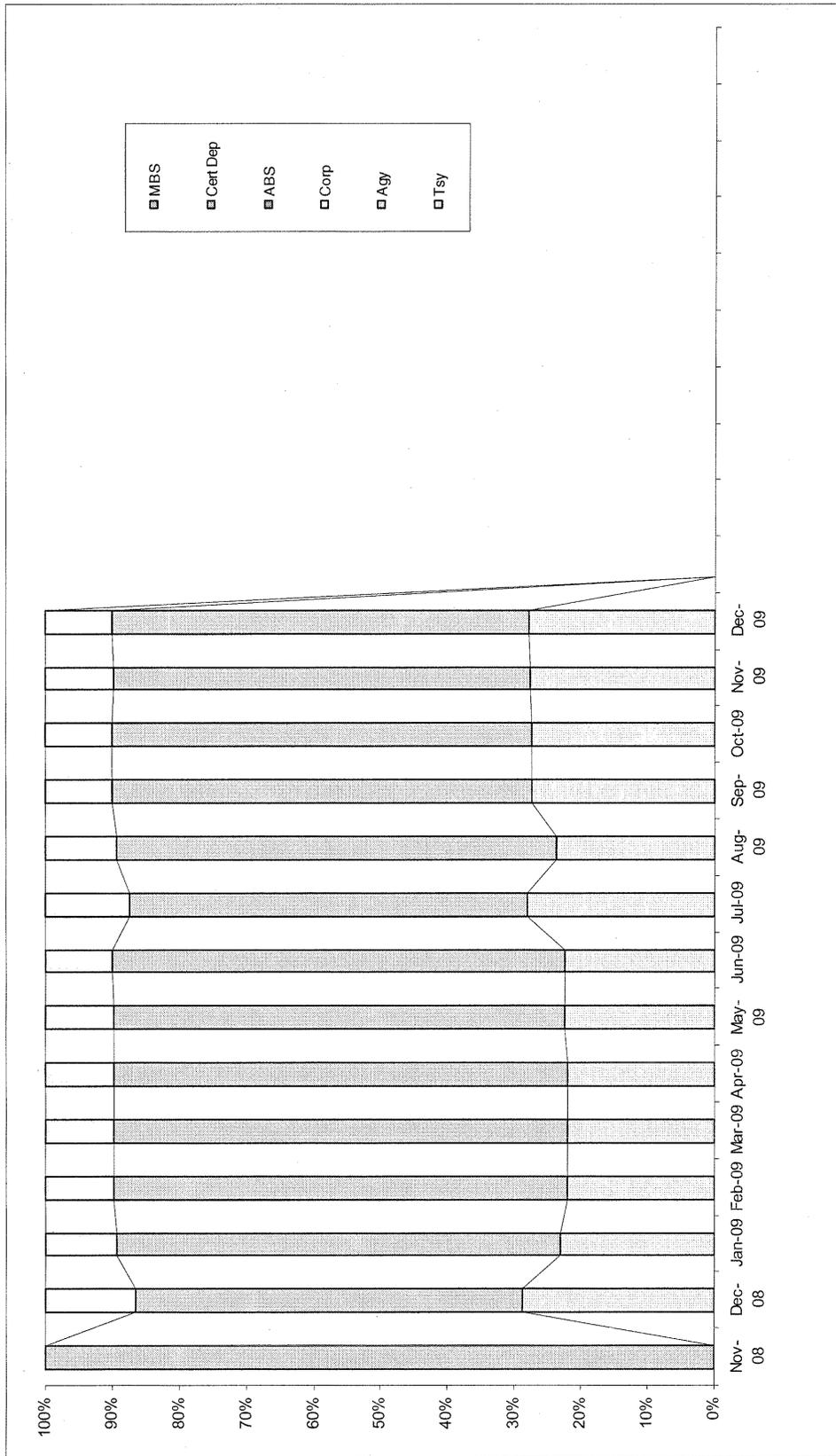
**Peninsula Corridor Joint Powers Board  
Growth of One Thousand Dollars  
Rolling 24 months**



**EXHIBIT 6**

*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: Mark Simon  
Executive Officer, Public Affairs

SUBJECT: **STATE AND FEDERAL LEGISLATIVE UPDATE**

**ACTION**

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

**SIGNIFICANCE**

Staff will provide regular updates to the Board consistent with the approved Legislative Program.

**STATE ISSUES**

**Budget**

On January 21, the Senate Budget and Fiscal Review Committee held a hearing to consider the Governor's proposal to circumvent the California Transit Association's (CTA) recent judicial victory, which compels the State to restore gasoline spillover funds to the Public Transportation Account (PTA). Staff coordinated testimony to oppose the gas tax swap proposal and joined the CTA and other transit agencies in conveying the impacts of the State's recent cuts to the State Transit Assistance (STA) program, including service cuts, fare increases and layoffs.

In addition to completely abandoning state support for regional and local transit systems and their riders, the Governor's proposal also spends down remaining PTA funds on transit bond debt service, which has traditionally been a General Fund obligation.

**California High-Speed Rail Authority (CHSRA)**

In accordance with language included in the FY 2009-10 budget revision that conditioned half of their current year budget on a revised business plan, CHSRA appeared at three legislative hearings in January including:

January 11 - Assembly Transportation

January 19, 21 - Senate Transportation and Housing and Senate Budget Subcommittee #2

Staff worked with local and regional organizations to support the appropriation of the remainder of CHSRA's current fiscal year budget in order to ensure continued planning for high-speed rail service and an electrified and modernized Caltrain on the Peninsula Corridor as a part of the Peninsula Rail Program (PRP).

### Proposition 1B

With lower than expected Proposition 1B bond sales, Caltrans' Division of Mass Transportation has made \$50 million available for the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA) despite an anticipated amount of \$350 million and actual requests totaling \$150 million. Caltrain has requested an appropriation for the Positive Train Control project based on our \$3.8 million share. Staff is advocating for a pro rata distribution of the funds based on formulas approved through the passage of AB 1072 (Eng) last year, which was a CTA-sponsored bill.

## **FEDERAL ISSUES**

### High-Speed Rail

On Thursday, January 27, the Administration is expected to announce grant awards for the \$8 billion in high speed and intercity passenger rail funding made available through the American Recovery and Reinvestment Act of 2009 (ARRA).

The State's applications total \$4.7 billion with \$980 million requested for the improvements between San Francisco and San Jose along the existing Caltrain corridor associated with the Peninsula Rail Program.

### Jobs Legislation

Following House approval of the Jobs for Main Street Act, the Senate is in the process of drafting its own job creation legislation. The House version includes \$8.4 billion in new transit formula funding and allows for 10 percent of this amount to be used for operating flexibility.

An early blueprint of the Senate's proposal includes \$7.5 billion in transit funding and \$2.5 billion in high speed and intercity passenger rail funding.

Prepared By: Seamus Murphy, Manager, Government Affairs

650.508.6388

**Peninsula Corridor Joint Powers Board  
Bill Matrix as of 1/ 19/ 10**

Bill ID/Topic	Location	Summary	Position
<p><a href="#">AB 231</a> <a href="#">Huffman</a> (D)</p> <p>California Global Warming Solutions Act of 2006: Climate Protection Trust Fund.</p>	<p>SENATE E.Q. 06/18/2009-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on EQ.</p>	<p>Requires that revenues collected pursuant to the California Global Warming Solutions Act of 2006 be deposited into a Climate Protection Trust Fund, and establishes parameters by which those funds can be distributed for the reduction of GHG and mitigation of climate change impacts.</p> <p><b>Last Amended on 06/26/2009</b></p>	
<p><a href="#">AB 266</a> <a href="#">Carter</a> (D)</p> <p>Transportation needs assessment.</p>	<p>SENATE RLS. 06/11/2009-Referred to Com. on RLS.</p>	<p>Requires the California Transportation Commission (CTC) to, on an every-5-year basis, to develop an assessment of the unfunded costs of programmed state projects and federally earmarked projects in the state, , as well as an assessment of available funding for transportation purposes and unmet transportation needs on a statewide basis.</p> <p><b>Last Amended on 04/20/2009</b></p>	
<p><a href="#">AB 289</a> <a href="#">Galgiani</a> (D)</p> <p>High-speed rail.</p>	<p>SENATE RLS. 08/17/2009-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on EQ. Withdrawn from committee. Re-referred to Com. on RLS.</p>	<p>Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes.</p> <p>This bill would require the High-speed Rail Authority, to the extent possible, to use the proceeds of bonds from the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to match federal funds made available from the American Recovery and Reinvestment Act of 2009. This bill contains other related provisions and other existing laws.</p> <p><b>Last Amended on 08/17/2009</b></p>	
<p><a href="#">AB 619</a> <a href="#">Blumenfield</a> (D)</p> <p>Transportation projects: federal funds: delays.</p>	<p>SENATE T. &amp; H. 06/17/2009-In committee: Set, first hearing. Hearing canceled at the request of author.</p>	<p>Existing law provides that the Department of Transportation has full possession and control of the state highway system. Existing law provides for allocation of federal transportation funds made available to the state.</p> <p>This bill would require the department to notify the Legislature within 30 days of making a determination that a project, including a project designated in the National Corridor Infrastructure Improvement Program, will be delayed beyond its scheduled completion date due to state cashflow or other funding issues, if the delay places at risk federal funds, including funds earmarked for the project.</p>	
<p><a href="#">AB 726</a> <a href="#">Nielsen</a> (R)</p> <p>Transportation capital improvement projects.</p>	<p>SENATE T. &amp; H. 06/16/2009-In committee: Set, first hearing. Hearing canceled at the request of author.</p>	<p>Existing law generally provides for allocation of transportation capital improvement funds pursuant to the State Transportation Improvement Program process. Existing law provides for 75% of funds available for transportation capital improvement projects to be made available for regional projects, and 25% for interregional projects. Existing law describes the types of projects that may be funded with the regional share of funds, and includes local road projects as a category of eligible projects.</p> <p>This bill would state that local road rehabilitation projects are eligible for these funds.</p>	

**Peninsula Corridor Joint Powers Board  
Bill Matrix as of 1/ 19/ 10**

<p><a href="#"><u>AB 732</u></a> <a href="#"><u>Jeffries</u></a> (R)</p> <p>Transportation projects: design-sequencing contracts.</p>	<p>SENATE APPR. SUSPENSE FILE 08/27/2009-In committee: Held under submission.</p>	<p>Existing law authorizes the Department of Transportation, until January 1, 2010, to conduct phase 2 of a pilot project through the utilization of design-sequencing contracts, as defined, for the design and construction of not more than 12 transportation projects, which are selected by the Director of Transportation taking into consideration specified geographical considerations.</p> <p>This bill would extend the operative date of those provisions until July 1, 2010, thereby extending the authority of the department to conduct phase 2 of the pilot project. The bill would instead specify that the pilot project consist of not more than 9 transportation projects.</p> <p><b>Last Amended on 06/16/2009</b></p>	
<p><a href="#"><u>AB 810</u></a> <a href="#"><u>Caballero</u></a> (D)</p> <p>Sales and use tax exemption: manufacturing equipment: research and development.</p>	<p>SENATE RLS. 01/14/2010-Re-referred to Com. on RLS.</p>	<p>The Sales and Use Tax Law imposes a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state, and provides various exemptions from the taxes imposed by that law.</p> <p>This bill would exempt from a specified portion of those taxes, for calendar years beginning on or after January 1, 2011, the gross receipts from the sale of, and the storage, use, or other consumption of, sustainable development equipment investments of tangible personal property purchased for use by a qualified person to be used in manufacturing or other processes, as specified, and tangible personal property purchased by a qualified person and used primarily during the research and development process for qualified research, as defined. This bill contains other related provisions.</p> <p><b>Last Amended on 01/13/2010</b></p>	
<p><a href="#"><u>AB 1375</u></a> <a href="#"><u>Galgiani</u></a> (D)</p> <p>High-speed rail.</p>	<p>ASSEMBLY APPR. 01/15/2010-From committee chair, with author's amendments: Amend, and re-refer to Com. on APPR. Read second time and amended.</p>	<p>Existing law, the California High-Speed Train Act, creates the High-Speed Rail Authority to develop and implement a high-speed train system in the state, with specified powers and duties. Existing law, the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes.</p> <p>This bill would revise and recast these provisions by repealing and reenacting the California High-Speed Train Act. The bill would continue the High-Speed Rail Authority in existence to make policy decisions relative to implementation of high-speed rail consistent with Proposition 1A. The bill would create the Department of High-Speed Trains within the Business, Transportation and Housing Agency, which would implement those policies. The bill would transfer certain of the existing powers and responsibilities of the authority to the department and would specify additional powers and duties of the authority and department relative to implementation of the high-speed rail project, including the annual submission of a 6-year high-speed train capital improvement program and progress report to the Legislature. The director of the department would be appointed by the Governor, who would serve at the pleasure of the authority, and the Governor would be authorized to appoint up to 10 executive employees of the department who would be exempt from civil service and serve at the pleasure of the director. The bill would provide for acquisition and disposition by the department of rights-of-way for the high-speed rail project. The bill would enact other related provisions. <b>Last Amended on 01/15/2010</b></p>	

**Peninsula Corridor Joint Powers Board  
Bill Matrix as of 1/ 19/ 10**

<p><a href="#"><u>AB 1405</u></a> <a href="#"><u>De Leon</u></a> (D)</p> <p>California Global Warming Solutions Act of 2006: Community Benefits Fund.</p>	<p>SENATE INACTIVE FILE 09/10/2009-To inactive file on motion of Senator Cedillo.</p>	<p>The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to adopt regulations to require the reporting and verification of emissions of greenhouse gases and to monitor and enforce compliance with the reporting and verification program, and requires the state board to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020. The act requires the state board to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions. The act authorizes the state board to include the use of market-based compliance mechanisms. The act authorizes the state board to adopt a schedule of fees to be paid by the sources of greenhouse gas emissions regulated pursuant to the act, and requires the revenues collected pursuant to that fee to be deposited into the Air Pollution Control Fund and be available, upon appropriation by the Legislature, for purposes of carrying out the act.</p> <p>This bill would establish the Community Benefits Fund, and would require a minimum of 30% of revenues generated pursuant to the act, including the fee discussed above, other than revenues collected for administrative purposes, to be deposited into that fund. The moneys in the fund would be used, upon appropriation by the Legislature, in the most impacted and disadvantaged communities in California to accelerate greenhouse gas emission reductions or mitigate direct health impacts of climate change in those communities. The state board would be required to develop a methodology to identify the most impacted and disadvantaged communities. The state board would be required to prepare a report by June 30, 2011, that describes how this bill will be implemented. The bill would require the report to provide for the formation of an independent panel to review, evaluate, and recommend approval of projects and programs solicited for funding. The state board would also be required to develop and adopt biennial plans for the use of funds. <b>Last Amended on 09/01/2009</b></p>	
<p><a href="#"><u>AB 1500</u></a> <a href="#"><u>Lieu</u></a> (D)</p> <p>High-occupancy lanes: single occupancy vehicles: sunset date.</p>	<p>SENATE INACTIVE FILE 09/11/2009-To inactive file on motion of Senator Florez.</p>	<p>Existing law authorizes the Department of Transportation to designate certain lanes for the exclusive use of high-occupancy vehicles (HOV), which lanes may also be used, until January 1, 2011, by certain low-emission and hybrid vehicles not carrying the requisite number of passengers otherwise required for the use of an HOV lane if the vehicle displays a valid identifier issued by the Department of Motor Vehicles. Existing law, until January 1, 2011, makes it a misdemeanor to illegally use a decal, label, or other identifiers issued by the department.</p> <p>This bill would extend the date, to January 1, 2014 , that specified low-emission vehicles can use high-occupancy lanes, the department can issue low-emission decals or other identifiers, and illegal use of a department-issued decal on a low-emission vehicle is considered a misdemeanor, creating a state-mandated local program. This bill contains other related provisions and other existing laws. <b>Last Amended on 07/14/2009</b></p>	
<p><a href="#"><u>ACA 9</u></a> <a href="#"><u>Huffman</u></a> (D)</p> <p>Local government bonds: special taxes: voter approval.</p>	<p>ASSEMBLY INACTIVE FILE 01/14/2010-To inactive file on motion of Assembly Member Torrico.</p>	<p>Creates an additional exemption to the 1% limit on the tax rate on real property for a rate imposed by a city, county, or city and county to service bonded indebtedness, incurred to fund specified public improvements, facilities, and housing, and related costs that is approved by 55% of the voters of the city, county, or city and county. <b>Last Amended on 06/26/2009</b></p>	

**Peninsula Corridor Joint Powers Board  
Bill Matrix as of 1/ 19/ 10**

<p><a href="#"><u>ACA 15</u></a> <b>Arambula (I)</b> Local government transportation projects: special taxes: voter approval.</p>	<p>ASSEMBLY INACTIVE FILE 06/01/2009-</p>	<p>Amends the California Constitution to change the two-thirds voter-approval requirement for transportation related special taxes to 55%.</p>	
<p><a href="#"><u>SB 31</u></a> <b>Pavley (D)</b> California Global Warming Solutions Act of 2006: revenue allocations.</p>	<p>SENATE 2 YEAR 06/08/2009-Failed Deadline pursuant to Rule 61(a)(8). (Last location was INACTIVE FILE on 6/3/2009)</p>	<p>Specifies certain uses for revenues collected pursuant to the California Global Warming Solutions Act of 2006.  <b>Last Amended on 05/05/2009</b></p>	
<p><a href="#"><u>SB 205</u></a> <b>Hancock (D)</b> Traffic congestion: motor vehicle registration fees.</p>	<p>ASSEMBLY APPR. 08/27/2009-Set, second hearing. Held in committee and under submission.  01/21/10 Upon adjournment of Session - Room 4202 ASM APPROPRIATIONS</p>	<p>Existing law provides for the imposition by certain districts and local agencies of fees on the registration of motor vehicles in certain areas of the state that are in addition to the basic vehicle registration fee collected by the Department of Motor Vehicles for specific limited purposes.  The bill would authorize a countywide transportation planning agency, by a majority vote of the agency's board, to impose an annual fee of up to \$10 on motor vehicles registered within the county for programs and projects for certain purposes. The bill would require voter approval of the measure. The bill would require the department, if requested, to collect the additional fee and distribute the net revenues to the agency, after deduction of specified costs, and would limit the agency's administrative costs to not more than 5% of the distributed fees. The bill would require that the fees collected may only be used to pay for programs and projects bearing a relationship or benefit to the owners of motor vehicles paying the fee and are consistent with a regional transportation plan, and would require the agency's board to make a specified finding of fact in that regard. The bill would require the governing board of the countywide transportation planning agency to adopt a specified expenditure plan. <b>Last Amended on 07/13/2009</b></p>	
<p><a href="#"><u>SB 425</u></a> <b>Simitjan (D)</b> Personal and corporate income taxes: deductions: parking: credits: ridesharing expenses.</p>	<p>SENATE APPR. SUSPENSE FILE 08/27/2009-Held in committee and under submission.</p>	<p>The Personal Income Tax Law and the Corporation Tax Law allow various deductions in computing the income that is subject to the taxes imposed by those laws. Existing law allows an employer to deduct its expenses in carrying out a parking subsidy and a parking cash-out program, as defined, for employees.  This bill would disallow a deduction for expenses of specified employers for parking subsidies unless all employees provided with a parking subsidy are offered a parking cash-out program in accordance with a specified statute. This bill contains other related provisions and other existing laws. <b>Last Amended on 07/23/2009</b></p>	
<p><a href="#"><u>SB 454</u></a> <b>Lowenthal (D)</b> Land use: zoning regulations.</p>	<p>SENATE APPR. 01/15/2010-Set for hearing January 19.</p>	<p>The Planning and Zoning Law authorizes the legislative body of a city or county to adopt zoning ordinances regulating, among other things, the use of buildings, structures, and land as between industry, business, residences, open space, and other uses.  This bill would delete the repeal of these provisions, thereby extending their operation indefinitely. This bill contains other existing laws. <b>Last Amended on 12/17/2009</b></p>	

**Peninsula Corridor Joint Powers Board  
Bill Matrix as of 1/ 19/ 10**

<p><a href="#"><u>SB 455</u></a> <a href="#"><u>Lowenthal</u></a> (D)</p> <p>High-speed rail.</p>	<p>ASSEMBLY INACTIVE FILE 07/24/2009-Placed on inactive file on request of Assembly Member Torrico.</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties relative to development and implementation of a high-speed train system. The authority is composed of 9 members, including 5 members appointed by the Governor.</p> <p>This bill would provide that the members of the authority appointed by the Governor are subject to appointment with the advice and consent of the Senate. The bill would require the members of the authority, at a scheduled board meeting, to cause to be prepared an overall project schedule with project delivery milestones on a quarterly basis, and to approve a quarterly contract status report, beginning at the first board meeting after March 1, 2010. The bill would also require the members of the authority to approve all contract amendments at a scheduled board meeting. This bill contains other related provisions and other existing laws. <b>Last Amended on 04/16/2009</b></p>	
<p><a href="#"><u>SB 476</u></a> <a href="#"><u>Correa</u></a> (D)</p> <p>Environment: California Environmental Quality Act: noncompliance allegations: public comment.</p>	<p>ASSEMBLY NAT. RES. 07/07/2009-Hearing postponed by committee. (Refers to 6/22/2009 hearing)</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA provides for a public review period for the public to review a draft EIR, proposed negative declaration, or proposed mitigated negative declaration. CEQA requires a lead agency to evaluate and respond to comments on a draft EIR, proposed negative declaration, or proposed mitigated negative declaration made during the public review period and authorizes a lead agency to evaluate and respond to comments made on a draft EIR when the comments are submitted after the public review period. CEQA requires an action or proceeding alleging noncompliance with its requirements to be based on grounds that were presented to the public agency orally or in writing by any person, and prohibits a person from maintaining an action or proceeding unless the person objected to the approval of the project orally or in writing, during the public comment period provided under CEQA or prior to the close of the public hearing on the project before the issuance of the notice of determination.</p> <p>This bill instead would prohibit these actions or proceedings unless the oral or written presentation or objection occurs during the public comment period provided under CEQA or prior to the close of the public hearing on the project before the filing, rather than issuance, of the notice of determination. <b>Last Amended on 04/30/2009</b></p>	

**Peninsula Corridor Joint Powers Board  
Bill Matrix as of 1/ 19/ 10**

<p><a href="#"><u>SB 535</u></a> <a href="#"><u>Yee</u></a> (D)</p> <p>Vehicles: high-occupancy vehicle lanes.</p>	<p>ASSEMBLY INACTIVE FILE 09/10/2009-Placed on inactive file on request of Assembly Member Torrico.</p>	<p>Existing law authorizes the Department of Transportation to designate certain lanes for the exclusive use of high-occupancy vehicles (HOVs), which lanes may also be used, until January 1, 2011, or until the Secretary of State receives a specified notice, by certain low-emission, hybrid, or alternative fuel vehicles not carrying the requisite number of passengers otherwise required for the use of an HOV lane, if the vehicle displays a valid identifier. A violation of provisions relating to HOV lane use by vehicles with those identifiers is a crime.</p> <p>This bill would revise that provision to provide that it shall remain in effect only until the Secretary of State receives that specified notice, with respect to a vehicle that meets California's super ultra-low exhaust emission standard and the federal inherently low-emission evaporative emission (ILEV) standard and a vehicle produced during the 2004 model-year or earlier that meets the California ultra-low emission vehicle standard and the ILEV standard. With respect to all other vehicles described above, this provision shall be operative only until January 1, 2011, or only until the Secretary of State receives that specified notice, whichever occurs first. This bill contains other related provisions and other existing laws.</p> <p><b>Last Amended on 09/04/2009</b></p>	
<p><a href="#"><u>SB 686</u></a> <a href="#"><u>DeSaulnier</u></a> (D)</p> <p>Environment: CEQA exemption: addition and deletion.</p>	<p>ASSEMBLY NAT. RES. 05/11/2009-To Com. on NAT. RES.</p>	<p>The California Environmental Quality Act requires the Office of Planning and Research to adopt guidelines that include criteria for public agencies to follow in determining whether or not a proposed project may have a significant effect on the environment and a list of classes of projects that are exempted from the act's requirements. The act establishes procedures for the certification and adoption of the guidelines. The act authorizes a public agency to request, in writing, the addition or deletion of a class of projects to the list. The office is required to review each request and, as soon as possible, submit its recommendation to the Secretary of Natural Resources Agency. This bill would make technical, nonsubstantive changes to the provision regarding the addition or deletion of a class of projects.</p>	

**Peninsula Corridor Joint Powers Board  
Bill Matrix as of 1/ 19/ 10**

<p><a href="#"><u>SB 722</u></a> <a href="#"><u>Steinberg</u></a> (D)  Greenhouse gas credits.</p>	<p>ASSEMBLY INACTIVE FILE 09/11/2009-Placed on inactive file on request of Assembly Member Torrico.</p>	<p>Under existing law, a person or entity that represents that a consumer good that it manufactures or distributes is not harmful to, or is beneficial to, the natural environment, through the use of specified environmental terms, is required to maintain in written form in its records information and documentation supporting the validity of the representation, as specified. Existing law provides that it is unlawful for a person to make any untruthful, deceptive, or misleading environmental marketing claim, whether explicit or implied. A violation of these requirements is a misdemeanor.</p> <p>This bill would make it unlawful for a person, as defined, to represent in an advertisement or in any other sales or promotional materials made available to the public for the sale of a greenhouse gas credit or emission reduction, that the credit or reduction reduces greenhouse gas emissions unless certain requirements are met. The bill would also require a person that represents in an advertisement or in any sales or promotional materials made available to the public for the sale of a greenhouse gas credit or emission reduction, that the credit or emission reduction results in a reduction of greenhouse gases to maintain in written form and make available to any member of the public who requests it certain information and documentation supporting the validity of that representation. A violation of these provisions would be punishable by a specified civil penalty and would create a civil cause of action. Reasonable attorney fees and costs would be available for any such action brought. These requirements would become operative on January 1, 2011, and would become inoperative if the Federal Trade Commission adopts binding and enforceable trade rules or regulations for claims or representations for greenhouse gas emission reduction credits or reductions to protect consumers.</p> <p><b>Last Amended on 06/25/2009</b></p>	
<p><a href="#"><u>SCA 15</u></a> <a href="#"><u>Calderon</u></a> (D)  State budget.</p>	<p>SENATE B. &amp; F. 04/13/2009-From committee with author's amendments. Read second time. Amended. Re-referred to Com. on B. &amp; F.R.</p>	<p>The California Constitution requires the Governor to submit to the Legislature by January 10 of each year a budget for the ensuing fiscal year, accompanied by a Budget Bill itemizing recommended expenditures. The Constitution requires specified bills, including a bill making a change in state taxes for the purpose of raising revenue, a bill containing an urgency clause, and a bill, including the Budget Bill, that makes certain appropriations from the General Fund, to be passed in each house of the Legislature by a 2/3 vote.</p> <p>This measure would exempt General Fund appropriations in the Budget Bill for the ensuing fiscal year from the 2/3 -vote requirement if the total amount of General Fund revenues estimated by the Legislative Analyst, on or after May 15, for the current fiscal year is at least 5% below the estimate of General Fund revenues set forth in the Budget Bill enacted for the current fiscal year. This bill contains other related provisions and other existing laws.</p> <p><b>Last Amended on 04/13/2009</b></p>	