



AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD

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

January 6, 2011 – Thursday

10:00 a.m.

1. Pledge of Allegiance
2. Swearing in of Liz Kniss (Representing the Santa Clara Valley Transportation Authority)
3. Call to Order/Roll Call
4. Public Comment
Public comment by each individual speaker shall be limited to two minutes
5. 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 December 2, 2010
 - b) Adoption of the Amended Conflict of Interest Code
6. Chairperson's Report
 - a) Appointment of Nominating Committee for 2011 Officers
7. MTC Liaison Report
8. Report of the Citizens Advisory Committee
9. Report of the Executive Director
 - a) Caltrain Performance Report – November 2010
 - b) Peninsula Rail Program Update
10. Acceptance of Statement of Revenues and Expenses for November 2010 MOTION
11. Authorize Amending the Fiscal Year 2011 Operating Budget by \$1,342,325 from \$100,869,615 to \$102,211,940 RESOLUTION
12. Authorize Award of Contract to GTSI Corporation for Installation and Integration of a Closed-Circuit Television, Security Video System (CCTV-SVS) at the Centralized Equipment and Maintenance Operations Facility (CEMOF) for a Total Estimated Cost of \$633,512 RESOLUTION

Peninsula Corridor Joint Powers Board
January 6, 2011 Agenda

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|--|---------------|
| 13. Update On Clipper on Caltrain | INFORMATIONAL |
| 14. Adoption of 2011 State and Federal Legislative Program | MOTION |
| 15. Legislative Update | INFORMATIONAL |
| 16. Correspondence | |
| 17. Board Member Requests | |
| 18. General Counsel Report | |
| 19. Date/Time of Next Meeting: Thursday, February 3, 2011, 10 a.m. at San Mateo County
Transit District Administrative Building, Bacciocco Auditorium, 2 nd Floor, 1250 San Carlos
Avenue, San Carlos, CA 94070 | |
| 20. Adjourn | |

INFORMATION FOR THE PUBLIC

All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

If you have questions on the agenda, please contact the JPB Secretary at 650.508.6242. Agendas are available on the Caltrain website at www.caltrain.com.

Location, Date and Time of Regular Meetings

Regular meetings are held at the San Mateo County Transit District Administrative Building located at 1250 San Carlos Ave., San Carlos, which is located one block west of the San Carlos Caltrain Station on El Camino Real. The building is also accessible by SamTrans bus Routes: 260, 295, 390, 391, and KX.

The JPB meets regularly on the first Thursday of the month at 10 a.m. The JPB Citizens Advisory Committee meets regularly on the third Wednesday of the month at 6 p.m. at the same location. Date, time and place may change as necessary.

Public Comment

If you wish to address the Board, please fill out a speaker's card located on the agenda table and hand it to the JPB Secretary. If you have anything that you wish distributed to the Board and included for the official record, please hand it to the JPB Secretary, who will distribute the information to the Board members and staff.

Members of the public may address the Board on non-agendized items under the Public Comment item on the agenda. Public testimony by each individual speaker shall be limited to two minutes and items raised that require a response will be deferred for staff reply.

Accessibility for Individuals with Disabilities

Upon request, the JPB will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and a preferred alternative format or auxiliary aid or service at least two days before the meeting. Requests should be mailed to the JPB Secretary at Peninsula Corridor Joint Powers Board, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or emailed to board@caltrain.com; or by phone at 650.508.6242, or TDD 650.508.6448.

Availability of Public Records

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that the public records are distributed or made available to the legislative body.

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

Draft

**Minutes
December 2, 2010**

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

MTC LIAISON: S. Lempert

STAFF PRESENT: J. Cassman, A. Chan, B. Doty, E. Goode, G. Harrington, C. Harvey, R. Haskin, R. Lake, M. Lee, M. Martinez, N. McKenna, D. Miller, S. Murphy, M. Scanlon, M. Simon

Chair Sean Elsbernd called the meeting to order at 10:06 a.m. Director Don Gage led the Pledge of Allegiance.

PUBLIC COMMENT

George Burgess, Belmont, asked if the Board is studying and analyzing the economic and financial impacts of High Speed Rail (HSR) on cities and businesses along the Peninsula. He asked if guidance will be offered on how to enter into discussions about obtaining rights to the land that will be underneath the aerials or over the tunnels.

Shirley Johnson, San Francisco Bicycle Coalition (SFBC), said, as chair of the Bicycle Advisory Committee (BAC), she is concerned that bicycle bumps continue at an alarming rate. Cyclists reported more than 200 bumps in both September and October. Ms. Johnson said Caltrain's Bike Count Study missed 90 percent of bumps due to limited sampling and 90 percent of bumps go unreported by cyclists. She said bumps may actually be 10 times higher than reported by cyclists in the correspondence packets. Ms. Johnson requested that the Board direct staff to prioritize funding to increase bike capacity.

Jeff Carter, Burlingame, wished Directors Gage and Mark Church good luck with their future endeavors. He hopes there is some progress on Caltrain's upcoming budget crisis for Fiscal Year (FY) 2012.

Pat Giorni, Burlingame, congratulated Directors Church and Gage on their new positions. Ms. Giorni asked that since the JPB has lobbyists in Sacramento and Washington, D.C. to lobby for funding for Caltrain capital projects, can they lobby for operating funding?

Ed DeLanoy, San Carlos, said he noticed there is a new train schedule. He said in today's *Wall Street Journal* there was an article on a petroleum shortage.

Yoriko Kishimoto, Friends of Caltrain, said the goal of this group is to educate the public about Caltrain and to help secure a permanent and dedicated source of funding. She said the first educational forum was very successful with more than 100 attendees that included staff from the Metropolitan Transportation Commission (MTC), Director Art Lloyd and JPB staff.

Ms. Kishimoto said the message the group is spreading is Caltrain is a top performing transit agency with a 43 percent farebox recovery, but doesn't have a permanent, dedicated source of funding. Ms. Kishimoto said the group is reaching out to all the grass roots organizations, Silicon Valley Leadership Group, transit agencies, environmental agencies and neighborhood groups. She invited everyone to the next forum on January 29, 2011.

Chair Elsbernd thanked her, on behalf of the Board, for the work she is doing.

CONSENT CALENDAR

Chair Elsbernd noted there are revised minutes with a minor correction on page 5, striking Tamalpais Wealth Management and replacing it with CSI Capital Management.

- a. Approval of Minutes of November 4, 2010
- b. Authorize Approval of Third Amendment to the Bylaws of the Caltrain Centralized Equipment Maintenance and Operations Facility (CEMOF) Monitoring Committee

The Board approved the consent calendar (Gage/Lloyd).

CHAIRPERSON'S REPORT

Appointment of Nominating Committee for 2011

Chair Elsbernd said, due to the change in membership on the Board, he is requesting the appointment of a nominating committee be moved to the January meeting.

Resolution of Appreciation to Outgoing Board Member, Mark Church

A motion (Lloyd/Cisneros) to approve a Resolution of Appreciation for Director Church was approved unanimously by roll call.

Resolution of Appreciation to Outgoing Board Member, Don Gage

A motion (Lloyd/Cisneros) to approve a Resolution of Appreciation for Director Gage was approved unanimously by roll call.

Chair Elsbernd presented Directors Church and Gage with framed Resolutions of Appreciation and train plaques.

Director Church thanked everyone for the presentation and said it is with mixed emotions that he is leaving, but is looking forward to moving on to his new position as Chief Elections Officer for the County of San Mateo. He said it has been a privilege and honor to work with each Board member. Director Church thanked the staff for all their hard work and the community for being involved and engaged.

Director Gage said he is grateful for having served on the Board. He is very impressed with the staff, as well as the community that attends monthly meetings. Director Gage said it is going to take caring and passion from the Board to resolve the financial problems Caltrain faces. His only regret leaving the Board is that his path won't cross with many of the people he sees at these meetings.

MTC LIAISON REPORT

MTC Commissioner Sue Lempert reported:

- Congratulated Directors Church and Gage.

- At the last MTC Programming and Allocations meeting, a report was given on Regional Measure 2.
- Ms. Lempert said she represents MTC on the Dumbarton Rail Policy Committee and the last committee meeting was a positive one.

REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)

CAC Chair John Hronowski reported on the November 17 meeting:

- Congratulated Directors Church and Gage on their future endeavors.
- The CAC continued their discussion on bicycle capacity. A memo summarizing the CAC's recommendation is in the Board reading file.

Public Comment

Shirley Johnson, SFBC, said the memo the CAC wrote makes a recommendation not to increase bike capacity. This is disturbing because it is completely counter to public input. She said the SFBC provided detailed commentary to the CAC pointing out flaws in its draft memo.

Ms. Johnson said the CAC disregarded the SFBC's input and proceeded with the memo unchanged. She said a member of the CAC ad hoc subcommittee wrote a dissenting opinion because he believes Caltrain should improve its service. Ms. Johnson said she is concerned the CAC is not representing public sentiment.

Jeff Becker, San Mateo, said the CAC memorandum uses averages and not actual numbers during the peak load.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Michael Scanlon reported:

- On behalf of staff, expressed sincere thanks and best wishes to Directors Church and Gage.
- Monthly Performance Statistics – October 2010 compared to October 2009
 - a. Total Ridership was 1,126,012, an increase of 8.3 percent.
 - b. Average Weekday Ridership was 42,437, an increase of 11.2 percent.
 - c. Total Revenue was \$4,172,550, an increase of 17.4 percent.
 - d. On-time Performance was 93 percent, a decrease of 1.4 percent.
 - e. Caltrain Shuttle Ridership was 5,787, a decrease of 2.5 percent.
- Year-to-Date Performance Statistics – October 2010 compared to October 2009
 - f. Total Ridership was 4,387,420, an increase of 3.6 percent.
 - g. Average Weekday Ridership was 41,346, an increase of 4 percent.
 - h. Total Revenue was \$16,234,093, an increase of 8.3 percent.
 - i. On-time Performance was 93.2 percent, a decrease of 0.9 percent.
 - j. Caltrain Shuttle Ridership was 5,428, a decrease of 4.9 percent.
- Caltrain is the only Bay Area transit agency without dedicated funding and staff is very thankful for the work Friends of Caltrain is doing.
- Director Omar Ahmad and Rosanne Foust, Chair of the San Mateo County Transportation Authority, were thanked for attending the kick-off event for the San Bruno Grade Separation Project.
- The November Bicycle Advisory Committee (BAC) meeting had to be rescheduled to December 13 due to a lack of a quorum.
- Caltrain carried double the number of daily riders for the Giants parade and revenue tripled for the day.
- The service to Stanford football games carried an additional 5,650 passengers throughout the season.

- Sharks have had seven home games and ridership is off about 16 percent.
- An additional 119 passengers were carried on special service for the Turkey Trot in San Jose on Thanksgiving Day.
- A modified schedule ran the day after Thanksgiving Day and the same schedule will be used for Christmas Eve and New Year's Eve. The customary additional service will be provided in the evening of New Year's Eve and the early morning of New Year's Day.
- The emergency train response drill in San Francisco was very successful. Staff from the Federal Railroad Administration (FRA), California Public Utilities Commission and Homeland Security were in attendance.
- Staff is working diligently on the fare and service changes effective January 1.
- A 90-day weekend Baby Bullet service pilot program will start on January 1.
- On December 6 from 5-6 p.m. staff will be holding a Transit Toy Drive with refreshments, music and a visit by Santa in the lobby of this building. Staff is requesting people bring an unwrapped toy or book for the Toys for Tots program.
- The reading file contains the October Safety & Security Report.

Peninsula Rail Program (PRP) Update

PRP Director Bob Doty reported:

- The California High Speed Rail Authority (CHSRA) is meeting today to decide the initial segment for construction.
- Over the past several months there has been a debate within the CHSRA organization about the sequencing of building HSR. The three choices were north to south, south to north or central outward. Staff made considerable progress with the Peninsula cities; in August the CHSRA unanimously agreed to a fully integrated system along the corridor that included improvements to Caltrain. The fundamental issue is risk. The money associated with the American Recovery and Reinvestment Act (ARRA) is time-stamped and must be executed by a strict schedule and the determination was the Central Valley was the best location to meet the funding deadline.
- Caltrain did receive some money allocated through ARRA for work on the corridor. Staff has met with the FRA about how to use the money and is proposing a joint letter from CHSRA Chief Executive Officer Roelof van Ark and Mr. Scanlon to address this issue within the next month. The money will be awarded in January.
- The consequence of this is the ARRA list that included Peninsula corridor programs that benefit Caltrain no longer exists. The sequences are going to start all over again, and no section has an advantage over another section. The program will resequence its schedule and reissue the guidelines for deadlines for documents.
- Mr. van Ark spent more than six hours listening to city issues and staff has become very aware of the east/west issues.

Director Art Lloyd asked if the track being proposed from Madera to Corcoran is still accurate. He said it looks like a test track is being built.

Mr. Doty said staff is working with CHSRA to create a joint program because it not only benefits construction locally, but would be used in that area to allow initial operations before the system is fully electrified.

Director Ahmad asked if Mr. Doty could spell out the acronyms for people in the audience and what is the money potentially going to be used for in the Peninsula corridor.

Mr. Doty said the FRA is not only the regulatory body, but the funding body, which is a new role for them and the Department of Transportation (DOT) guidelines require that the money is spent by 2017. If the money is not spent by 2017 it goes back to the DOT. There is another element to this and that is the states must be able to match it to a certain percent. Mr. Doty said many states are giving up their money and it is going back into the pool. This is good news for Caltrain.

Ms. Lempert said the prospects for funding HSR nationally are not important to many in Congress and so much of Caltrain's future and salvation lies in HSR. She said if this does not happen for quite sometime where does it leave Caltrain? Ms. Lempert said the communities don't understand the connection between Caltrain and HSR.

Mr. Scanlon said Caltrain is poised to be broke. He said come July if there is no additional source of funding the service on the railroad will become half. Mr. Scanlon said the future of Caltrain is linked to HSR. He said if HSR can provide the resources to do electrification then that will drive the costs down and revenue up. Mr. Scanlon said if electrification can't move forward in a meaningful timeframe there are huge decisions that will have to be made on the future of Caltrain. He said there is rolling stock and locomotives that are coming to the end of their useful lives.

Mr. Scanlon said investment in HSR is the right thing to do environmentally and economically. He said in January there is a brand new Congress and most of them have never thought of infrastructure as an investment.

Mr. Scanlon wished everyone a healthy and Happy New Year.

Public Comment

Jeff Carter, Burlingame, said regardless of HSR, Caltrain needs to move ahead with electrification. He said a lot of blogs talk about the compatibility of HSR and Caltrain's electrified trains. Mr. Carter said tunnels should be out of the question and there should be grade separation. He said grade separation did not split the cities of Belmont or San Carlos. Mr. Carter doesn't understand why Belmont would insist on an underground tunnel when they are already on a separated berm.

Andy Chow, Bay Rail Alliance, said the issue of electrification and HSR is going to be an issue Caltrain is going to have to tackle with the new Congress.

Jim Bigelow, Belmont, said he lived in Belmont when there was no grade separation and it was difficult to get from one side of the track to the other. He said the new station is much quieter, you don't hear the whistles, there are no fatalities and passengers don't have an issue of getting from the northbound and southbound tracks. Mr. Bigelow said the Peninsula has lost out on the current HSR funding because of a lack of consensus among the cities.

Director José Cisneros left at 11:17 a.m.

ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR OCTOBER 2010

Deputy CEO Gigi Harrington said the operating revenue is over budget by \$1 million. There are savings on the expense side in the fuel budget and operating contract budget. Last week, fuel

was \$2.37 per gallon and year-to-date it is at \$2.29 a gallon. The fuel hedge was tripped in October by a small amount.

A motion (Gage/Ford) to accept the October 2010 statement was approved unanimously.

AUTHORIZE AMENDING AND INCREASING PARKING FINE VIOLATION SCHEDULE FROM \$45 TO \$48

Manager of Budgets Eva Goode said Staff Coordinating Council is recommending the Board amend and increase the parking fine schedule to include an additional \$3 surcharge mandated by the State under SB857. She said this surcharge is effective December 7.

A motion (Ford/Ahmad) to amend and increase the parking fine violation was approved unanimously by roll call.

STATE AND FEDERAL LEGISLATIVE UPDATE

Government Affairs Manager Seamus Murphy said the House approved a continuing resolution yesterday that would extend Federal programs until December 18. The current extension expires December 3, 2010. Mr. Murphy said in order to continue funding for public transit, Congress will also need to extend authorization for surface transportation programs before the end of the year. He said there has been some discussion within Congress about their approach to the annual appropriations process next year. Mr. Murphy said in the past, Caltrain worked with the delegation to receive congressionally directed funding through the annual appropriations process. He said House Republicans have already decided that earmarked funding will not be included in any legislation when they take over next year. Mr. Murphy said the Senate, however, voted to preserve earmarks so it is unclear what will happen with congressionally directed funding next year. He said Caltrain's legislative advocates in Washington D.C. are charged with finding ways to secure some of the funds.

Director Ash Kalra left at 11:20 a.m.

QUARTERLY PROGRESS REPORT

No discussion

CORRESPONDENCE

In the reading file.

Public Comment

Shirley Johnson, SFBC, said a couple of emails she sent are not in the correspondence packet.

BOARD MEMBER REQUESTS

Director Ahmad would like to request that as the new Board is seated, a working retreat be scheduled to address the financial issues Caltrain is facing.

DATE/TIME/PLACE OF NEXT MEETING

Thursday, January 6, 2011, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070

GENERAL COUNSEL REPORT

Closed Session: Conference with Legal Counsel Pursuant to Government Code Section 54956.9(c) (One Potential Case)

The Board adjourned to closed session at 11:24 a.m.

The Board reconvened to open session at 11:30 a.m.

Legal Counsel David Miller said the Board met in closed session as permitted by the Brown Act to consider a matter of potential litigation and the motion before the Board is to authorize execution of a settlement agreement release with Wells Fargo Insurance Services USA, Inc.

A motion (Ford/Ahmad) to authorize execution of a settlement agreement release with Wells Fargo Insurance Services, Inc. was approved unanimously.

ADJOURNED

Adjourned at 11:33 a.m.

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Martha Martinez
JPB Secretary

SUBJECT: ADOPTION OF AMENDED CONFLICT OF INTEREST CODE

ACTION

Staff Coordinating Council (SCC) recommends the Board adopt the Amended Conflict of Interest Code, which was presented to the Board at its November 4, 2010 meeting.

SIGNIFICANCE

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

The attached Conflict of Interest Code has been revised by Staff and reviewed by Legal Counsel to incorporate requirements mandated by the State. The Appendix to the Code has been amended to reflect current job titles and responsibilities of positions that should be listed as “designated employees.”

A “Notice of Intention to Amend the Conflict of Interest Code,” providing for a 45-day written comment period, was posted following the November 4, 2010 meeting in accordance with the regulations of the Fair Political Practices Commission and no comments were received. After the Board adopts the Code, it will be sent to the Fair Political Practices Commission for review and approval.

BUDGET IMPACT

There is no impact to the budget.

BACKGROUND

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

Chief Administrative Officer
Chief Development Officer
Manager, Capital Contracts

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

Manager, Community Relations

Manager, Planning and Research

Manager, Programming and Monitoring

Staff Coordinating Council

Supervisor, Distribution

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

Deputy CEO, Finance and Administration (formerly Chief Financial Officer)

Deputy CEO, Operations and Engineering (formerly Chief Operating Officer)

Deputy Director, Sustainability (formerly Deputy Director Capital Program Support)

Director, Budgets and Grants (formerly Director, Capital Program Support)

Director, Rail Transportation (formerly Deputy Director, Rail Transportation)

Executive Officer, Customer Service and Marketing (formerly Chief Communications Officer)

Executive Officer, Planning and Development (formerly Director, Planning and Development)

Executive Officer, Public Affairs (formerly Special Assistant to the CEO)

Government Affairs Officer (formerly Government Relations Officer)

Manager, Budgets (formerly Manager, Financial Analyst and Projects)

Manager, Capital Projects & Environmental Planning (formerly Manager, Environmental Planning)

Manager, Customer Service (formerly Customer Service Manager)

Manager, Grants and Fund Programming (formerly Manager, Capital Programming and Grants)

Manager, IT Operations and Telecommunications (formerly Manager, Telecommunications)

Manager, Standards and Procedures (formerly Manager, Contract Planning)

Manager, Stations and Access (formerly Manager, Stations and Parking)

Peninsula Rail Program Director (formerly Rail Transformation Chief)

Program Manager, Engineering and Construction Administration (formerly Program Manager, Capital Contracts)

Supervisor, Sales (formerly Supervisor, Sales and Promotions)

PENINSULA CORRIDOR JOINT POWERS BOARD

CONFLICT OF INTEREST CODE

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

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

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

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

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

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

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

Amended on December 2, 2004 by Resolution No. 2004 - 39

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

Amended on February 5, 2009 by Resolution No. 2009-02

Amended on _____, 20__ by Resolution No. 20__ - __

PENINSULA CORRIDOR JOINT POWERS BOARD

CONFLICT OF INTEREST CODE FOR THE

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) which contains the terms of the standard conflict of interest code and can be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act.

Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the Conflict of Interest Code of the Peninsula Corridor Joint Powers Board.

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

APPENDIX

<u>Designated Employees*</u>	<u>Disclosure Categories</u>
Associate Contract Officer	3
Attorney	1, 2
Chief Administrative Officer	1, 2
Chief Development Officer	1, 2
Chief Engineer, Track & Structures	1, 2
Chief of Protective Services	3
Construction Manager	3
Consultants**	1, 2
Contract Officer	3
Deputy CEO, Finance and Administration Chief Financial Officer	1, 2
Deputy CEO, Operations and Engineering Chief Operating Officer	1, 2
Deputy Director, Engineering Support	1, 2
Deputy Director, Rail Contracts Administration	3
Deputy Director, Sustainability Capital Program Support	3
Director, Budgets and Grants Director, Capital Program Support	1, 2
Director, Bus Transportation	3
Director, Contracts and Procurement	1, 2
Director, Engineering and Construction	1, 2
Director, Finance	3
Director, Human Resources	1
Director, Information Technology & Telecommunications	3
Director, Maintenance	1
Director Deputy Director, Rail Transportation	3
Director, Risk Management	3
Disadvantaged Business Enterprises Officer	3
Executive Director	1, 2
Executive Officer, Customer Service and Marketing Chief Communications Officer	1, 2
Executive Officer, Director, Planning and Development	1, 2
Executive Officer, Public Affairs Special Assistant to the CEO	1, 2

Designated Employees*

Disclosure Categories

Government Affairs Relations Officer	3
JPB Secretary	3
Manager, Accessible Transit Services	3
Manager, Budgets	3
Manager, Budgets Financial Analysts & Projects	3
Manager, Capital Contracts	3
Manager, Capital Projects and Environmental Planning	1, 2
Manager, Community Relations	3
Manager, Customer Service Manager	3
Manager, Employee Relations and Civil Rights	3
Manager, Engineering	3
Manager, Finance Special Projects	3
Manager, Finance Treasury	1, 2
Manager, General Ledger	3
Manager, Government Affairs	3
Manager, Grant and Capital Accounting	3
Manager, Grants and Fund Programming Capital Programming & Grants	3
Manager, Information Technology Operations	3
Manager, IT Operations and Telecommunications	3
Manager, Maintenance of Way	3
Manager, Maintenance Rail Equipment	3
Manager, Marketing	1
Manager, Operations Technology	3
Manager, Planning & Research	1, 2
Manager, Planning and Research	1, 2
Manager, Programming and Monitoring	3
Manager, Rail Operations	3
Manager, Real Estate & Property Development	1, 2
Manager, Standards and Procedures Contract Planning	3
Manager, Stations and Access Parking	3
Manager, Strategic Development	2, 3
Manager, Technology Research and Development	3
Manager, TVM Program	3

Designated Employees*

Disclosure Categories

<i>Peninsula Rail Program Director</i> Rail Transformation Chief	1, 2
Program Manager	3
Program Manager, Construction Services	3
Program Manager, <i>Engineering and Construction</i> <i>Administration</i> Capital Contracts	1, 2
Project Manager	3
Public Information Officer	3
Senior Contract Officer	3
Senior Engineer	3
Senior Project Manager	3
<i>Staff Coordinating Council</i>	<i>1, 2</i>
Superintendent, Maintenance Technical Services	3
<i>Supervisor, Distribution</i>	<i>3</i>
Supervisor, Sales & Promotions	3

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

Board Members

Deputy CEO, Finance and Administration ~~Chief Financial Officer~~

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

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

DISCLOSURE CATEGORIES

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

Category 2. Interests in real property.

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

RESOLUTION NO. 2011-

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

ADOPTING THE AMENDED CONFLICT OF INTEREST CODE

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

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

WHEREAS, Legal Counsel and Staff have reviewed the current Code, last amended in 2009, and have determined that the Appendix to the Code listing the officials and employees who must disclose their economic interests on an annual basis should be updated to reflect current staffing positions and organization; and

WHEREAS, in accordance with regulations of the Fair Political Practices Commission, notice of a 45-day comment period was posted and ended on December 20, 2010 with no comments having been received on the Amended Conflict of Interest Code; and

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

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

Regularly passed and adopted this 6th day of January 2011, by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

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

SUBJECT: KEY CALTRAIN PERFORMANCE STATISTICS NOVEMBER 2010

For November 2010, Caltrain average weekday ridership (AWR) increased 4.4 percent over November 2009. AWR based on ticket sales was 39,036 for November 2010, an increase of 1,645 compared to November 2009. AWR has trended upward compared to last year for five of the last six months. The total number of passengers for the month of November 2010 was 1,002,283, representing a 5.7 percent increase from last year's November total of 948,597. Contributing in part to the November ridership was the Giants World Series Victory Parade in San Francisco on November 3, when ridership was estimated to have been double the average weekday volume.

In November 2010, on-time performance was 93.9 percent, as compared to 92.0 percent in November 2009, an increase of 1.9 percentage points but below the standard of 95 percent. November's on-time performance was significantly impacted by the large crowds and extra trains for the Giants parade. If November 3rd, when only half of the scheduled trains were on time, is removed from the calculation, the on-time performance increases one whole percentage point to 94.9 percent.

Average weekday shuttle ridership was estimated at 5,714. Overall shuttle ridership is up 13.6 percent. For the station shuttles, the Millbrae-Broadway shuttle averaged 107 daily riders. The Belmont-Hillsdale shuttle averaged 65 daily riders. The weekend Tamien-San Jose shuttle averaged 43 riders per day.

Caltrain Promotions – November 2010

Turkey Trot – Runners did some stretching on a special limited-stop train that ran from San Francisco to San Jose Thanksgiving morning. The energized group of 119 participated in the Silicon Valley Turkey Trot, an annual walk and run that raises money for local charities.

Black Friday – Caltrain encouraged people to get out and get the economy moving by operating a modified schedule the day after Thanksgiving, known as Black Friday. The service, which included express trains, was promoted through a special onboard timetable, conductor announcements, visual message signs at stations, news release and web postings.

Sharks Hockey – Hockey fans participated in their own power play by riding Caltrain to the HP Pavilion for San Jose Sharks games. The Sharks paid for customer take ones and also announced the service during the game. The service also was promoted with onboard ad cards, a Caltrain web button, radio reads before each game, and current editions of *Track the Fun* and *Caltrain Connection*. More than 1,550 hockey fans rode Caltrain to the seven November games.

Stanford Football – Football fans know that Caltrain is one of the winning plays for getting to the Cardinal games. Caltrain promoted service to the games via customer take ones (paid for by Stanford), web banner ads, live radio reads during the football games, news release and a Caltrain web button. Caltrain carried 2,070 customers to the two home games and an undetermined number to the “Big” game (connecting with BART) hosted by University of California, Berkeley this year. Total ridership for the home Stanford season was 5,650

ClipperSM – From station visits to onboard appearances, Caltrain staff made customers aware of the transition of Caltrain’s 8-ride Ticket and Monthly Pass to the Clipper card. This is one of a number of ways that Caltrain staff is making its customers aware of the regional fare payment system. Information also was provided through a news release, onboard take ones and web postings.

Prepared by: Rita P. Haskin, Executive Officer, Customer Service and Marketing 650.508.6248
Ted Yurek, Senior Planner, Operations Planning 650.508.6471

Table A

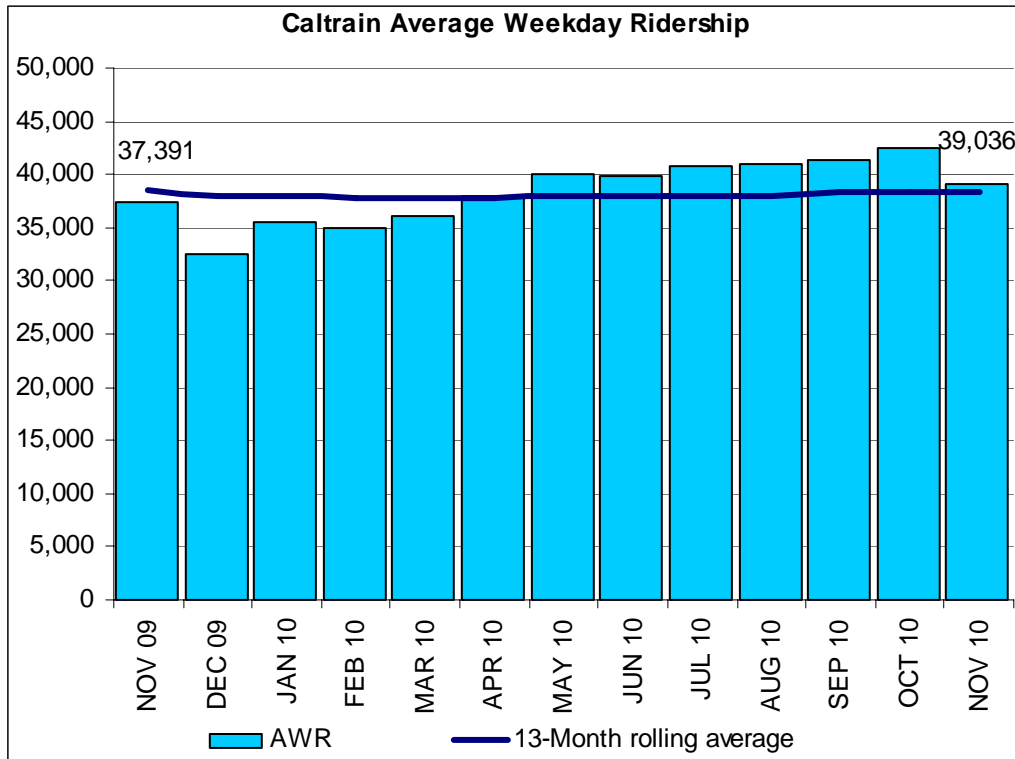
	November 2010		
	FY2010	FY2011	%Change
Total Ridership	948,597	1,002,283	5.7%
Average Weekday Ridership	37,391	39,036	4.4%
Total Revenue	\$3,315,349	\$3,723,097	12.3%
On-time Performance	92.0%	93.9%	1.9%*
Caltrain Shuttle Ridership	5,031**	5,714	13.6%

	Year to Date		
	FY2010	FY2011	%Change
Total Ridership	5,184,591	5,389,703	4.0%
Average Weekday Ridership	39,272	40,884	4.1%
Total Revenue	\$18,299,906	\$19,957,189	9.1%
On-time Performance	93.7%	93.4%	-0.3%*
Average Caltrain Shuttle Ridership	5,571**	5,485	-1.5%

* numeric difference of the percentages

**FY10 shuttle figures have been adjusted to reflect corrected number of days operated per month

Graph A



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 NOVEMBER 30, 2010 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 November 2010 and supplemental information.

SIGNIFICANCE

Revenue: For November of Fiscal Year 2011, *Total Operating Revenue* (line 7) is \$1,453,695 or 6.7 percent **better** than budget. Within total operating revenue, *Farebox Revenue* (line 1) is \$1,524,494 or 8.3 percent **better** than budget offset by *Shuttles* (line 3) and *Other Income* (line 5) which together are \$149,909 or 9.1 percent **worse** than budget. Compared to the prior year, *Total Operating Revenue* (line 7) is \$1,681,238 or 7.8 percent **higher**.

Expense: *Grand Total Expenses* (line 47) show a favorable variance of \$4,300,151 or 10.1 percent. *Total Operating Expense* (line 33) is \$3,785,038 or 10.0 percent **better** than budget. Within total operating expense, *Contract Operating & Maintenance* (line 23) and *Fuel* (line 26) together are \$3,158,379 or 10.0 percent **better** than budget. *Total Administrative Expense* (line 42) is \$515,112 or 11.7 percent **better** than budget.

Compared to prior year, *Grand Total Expenses* (line 47) are \$2,500,872 or 7.0 percent **higher**. The increase in expense is mainly due to *Fuel* (line 26) and *Insurance* (line 28) which together are \$2,044,358 or 34.1 percent **higher**.

Budget Revisions: There are no budget revisions for the month of November 2010.

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 2011
November 2010

	% OF YEAR ELAPSED 41.7%								
	MONTH	YEAR TO DATE				ANNUAL			
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET	
	(AS PROJECTED)								
REVENUE									
OPERATIONS:									
1 Farebox Revenue	3,723,097	18,299,906	19,957,189	18,432,695	108.3%	43,353,719	43,353,719	46.0%	1
2 Parking Revenue	218,494	875,033	1,002,945	946,315	106.0%	2,271,159	2,271,159	44.2%	2
3 Shuttles	88,401	433,606	481,002	627,320	76.7%	1,505,578	1,505,578	31.9%	3
4 Rental Income	151,878	689,091	729,711	707,230	103.2%	1,696,200	1,696,200	43.0%	4
5 Other Income	242,293	1,203,144	1,011,172	1,014,763	99.6%	2,435,440	2,435,440	41.5%	5
6									
7 TOTAL OPERATING REVENUE	4,424,162	21,500,780	23,182,018	21,728,323	106.7%	51,262,096	51,262,096	45.2%	7
8									
CONTRIBUTIONS:									
10 AB434 Peninsula Feeder Shuttle	83,333	416,667	416,667	416,665	100.0%	1,000,000	1,000,000	41.7%	10
11 Operating Grants	668	46,068	1,220,802	1,623,869	75.2%	6,327,389	6,327,389	19.3%	11
12 JPB Member Agencies	2,924,177	16,423,581	14,620,889	14,620,880	100.0%	35,090,130	35,090,130	41.7%	12
13 Other Sources	-	-	-	4,247,125	0.0%	6,200,000	7,190,000	0.0%	13
14									
15 TOTAL CONTRIBUTED REVENUE	3,008,179	16,886,315	16,258,357	20,908,539	77.8%	48,617,519	49,607,519	32.8%	15
16									
17 GRAND TOTAL REVENUE	7,432,341	38,387,095	39,440,376	42,636,862	92.5%	99,879,615	100,869,615	39.1%	17
18									
19									
EXPENSE									
OPERATING EXPENSE:									
23 Contract Operating and Maintenance	5,029,827	23,316,945	23,461,307	25,502,076	92.0%	62,285,336	62,285,336	37.7%	23
24 Operator Contract Transition Costs	-	-	-	-	0.0%	2,000,000	2,000,000	0.0%	24
25 Shuttles (incl Peninsula Pass)	230,881	1,186,644	1,228,431	1,394,013	88.1%	3,345,631	3,345,631	36.7%	25
26 Fuel	950,538	4,142,588	5,012,504	6,130,114	81.8%	14,146,389	14,146,389	35.4%	26
27 Timetables and Tickets	6,942	57,708	41,167	79,375	51.9%	190,500	190,500	21.6%	27
28 Insurance	408,281	1,844,702	3,019,144	3,019,153	100.0%	4,870,000	5,860,000	51.5%	28
29 Facilities and Equipment Maint	69,968	427,933	300,023	503,777	59.6%	1,213,000	1,213,000	24.7%	29
30 Utilities	124,348	392,506	567,301	684,717	82.9%	1,642,800	1,642,800	34.5%	30
31 Services	68,834	377,289	366,645	468,336	78.3%	1,126,610	1,126,610	32.5%	31
32									
33 TOTAL OPERATING EXPENSE	6,889,619	31,746,316	33,996,522	37,781,560	90.0%	90,820,266	91,810,266	37.0%	33
34									
ADMINISTRATIVE EXPENSE									
36 Wages and Benefits	578,023	2,526,773	2,478,377	2,801,267	88.5%	6,521,825	6,521,825	38.0%	36
37 Board of Directors	1,000	4,439	4,332	5,125	84.5%	12,300	12,300	35.2%	37
38 Professional Services	211,235	523,040	796,020	892,902	89.1%	2,122,724	2,122,724	37.5%	38
39 Communications and Marketing	2,011	69,437	28,991	99,250	29.2%	227,840	227,840	12.7%	39
40 Office Expense and Other	101,975	506,303	572,938	597,226	95.9%	1,365,539	1,365,539	42.0%	40
41									
42 TOTAL ADMINISTRATIVE EXPENSE	894,244	3,629,992	3,880,658	4,395,770	88.3%	10,250,228	10,250,228	37.9%	42
43									
44 Long Term Debt Expense	91,906	459,531	459,531	459,531	100.0%	1,102,875	1,102,875	41.7%	44
45 Service Adjustment/Fare and Revenue Changes	-	-	-	-	0.0%	(2,293,754)	(2,293,754)	0.0%	45
46									
47 GRAND TOTAL EXPENSE	7,875,769	35,835,839	38,336,711	42,636,862	89.9%	99,879,615	100,869,615	38.0%	47

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



PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF NOVEMBER 30, 2010

TYPE OF SECURITY	MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (Restricted)	Liquid Cash	0.454%	\$ 2,000,000	\$ 2,003,830
Local Agency Investment Fund (Unrestricted)	Liquid Cash	0.454%	14,700,020	14,728,168
Investment Portfolio (Unrestricted)	Liquid Cash	3.041%	7,189,740	7,128,268
Other (Unrestricted)	Liquid Cash	0.050%	1,020,877	1,020,877
			\$ 24,910,636	\$ 24,881,142

Accrued Earnings for November 2010	\$24,516.19	(1)
Cumulative Earnings FY2011	\$144,158.64	

(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 1.001914850 as reported by LAIF for quarter ending September 30, 2010.

** 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: AUTHORIZE AMENDMENT OF FISCAL YEAR 2011 OPERATING
BUDGET**

ACTION

Staff Coordinating Council (SCC) recommends the Board adopt a resolution authorizing the amendment of the Fiscal Year 2011 Operating Budget to increase Total Revenues by \$1,342,325 and Total Expenses by \$1,342,325. This would increase the Fiscal Year (FY) 2011 Operating Budget to \$102,211,940.

The FY 2011 adopted budget included a gap between revenues and expenses in the amount of \$2.3 million. It was assumed that this gap would require future adjustments in the form of service reductions and fare increases. Staff conducted a comprehensive outreach process, culminating with a public hearing held at the September 2, 2010 board meeting. Staff then further evaluated all of the public input and developed a series of scenarios containing options that could be employed to bridge the \$2.3 million operating gap and adopted the recommended service and fare changes at the Oct 7, 2010 board meeting. Most of the increased revenues are derived from a fare and Go Pass increase to take effect on January 1, 2011. The proposed amendments to the FY11 Operating Budget would increase the budget to a new total of \$102,211,940, which includes the following:

REVENUES:

- Farebox Revenue: Increase of \$1,241,000 resulting from the approved fare and Go Pass increase to take effect on Jan 1, 2011.
- Operating Grants: Increase of a total of \$101,325 for two grants: \$70,930 for a Transit Security Grant and \$30,395 for the Caltrain Master Bicycle Plan. These grants represent amounts unspent from prior years and will be used to pay for remaining expenditures in FY11.

EXPENSES:

- Rail Operating Contract: Decrease of \$870,321 due to suspension of four limited midday trains effective Jan 1, 2011 and closure of staffed ticket offices effective Oct 11 2010.

- Fuel: Decrease of \$182,433 to reflect a projected savings from suspension of four limited midday trains.
- Professional Services: Increase of \$101,325 for consultants' costs related to the Transit Security Grant and the Caltrain Master Bicycle Plan.

See Attachment A.

SIGNIFICANCE

Farebox Revenue: Increase of \$1.2 million from \$43.4 million to \$44.6 million.

This increase includes \$1,241,000 resulting from the board approval of a 0.25 full fare zone increase and GO Pass increase from \$140 to \$155 effective January 1, 2011.

Operating Grants: Increase of \$101,325 from \$6.3 million to \$6.4 million.

Operating grants are increasing to account for unspent prior-year grant funds to be carried over to this fiscal year for projects that are in progress:

Transit Security Training - \$70,930

The Department of Homeland Security had awarded a grant for Transit Security training. This has been a multi-year training grant and the balance remaining and projected to be spent in FY11 is \$70,930.

The Caltrain Master Bicycle Plan - \$30,395

The Bicycle Master Plan is focused on increasing ridership by retaining existing and attracting additional bicyclists while also addressing improvement of station access and the provision and management of improved bicycle parking facilities. This is a multi-year project and work that was not completed in FY10 will be carried forward to FY11 with a balance of \$30,395. These funds were not previously included in the FY11 adopted operating budget.

Rail Operator Service: Decrease of \$870,000 from \$58.7 million to \$57.8 million.

As a result of the suspension of four limited midday trains; specifically 236, 237, 256 and 257 and closure of staffed ticket offices at San Francisco and San Jose Diridon stations, there will be an accompanying decrease in the rail operating contract for \$870,000.

Fuel: Decrease of \$180,000 from \$14.1 million to \$13.9 million.

With the suspension of the four limited midday trains, there is a slight savings in fuel costs of \$180,000.

Professional Services: Increase of \$101,325 from \$2.1 million to \$2.2 million.

The consulting services are related to the expenses related to the Transit Security and Caltrain Master Bicycle Plan grants discussed above.

BUDGET IMPACT

The above changes would increase the authorized FY11 Operating Budget from \$100,869,615 to \$102,211,940, or an increase of \$1,342,325. No additional JPB member contributions will be required for FY11.

The JPB Budget Sub-Committee is continuing its efforts concerning funding for Caltrain as the agency continues to face extraordinary financing problems for the future.

Staff will continue to monitor the budget and realize operational savings either by fiscal year-end or carry it forward to the FY12 operating budget.

BACKGROUND

The JPB approved the FY11 Operating Budget on July 1, 2010 under Resolution 2010-43. The Board authorized a total budget in the amount of \$99,879,615. On September 2, 2010, the board approved an adjustment to increase the insurance line item to be funded from reserves by \$990,000. This increased the authorized FY11 Operating Budget from 99,879,615 to \$100,869,615.

The adopted budget assumed a net reduction of \$2.3 million made up of service reductions and fare increases. Staff conducted a comprehensive outreach process, culminating with a public hearing held at the September 2, 2010 board meeting and board approval of proposed fare and service changes at the October 7, 2010 board meeting to bridge the \$2.3 million operating gap.

The JPB annually adopts an Operating Budget which outlines the expected funding sources and uses that represent the JPB's year-long commitment to transportation projects and services.

Prepared By: Ladi Bhuller, Manager, Budgets

650.508.7755

PENINSULA CORRIDOR JOINT POWERS BOARD
STATEMENT OF REVENUE AND EXPENSE
PROPOSED REVISED BUDGET
FY2011

	<u>FY2009</u> <u>ACTUAL</u>	<u>FY2010</u> <u>REVISED</u>	<u>FY2011</u> <u>ADOPTED</u>	<u>FY2011</u> <u>REVISED</u>	<u>INC(DEC)</u> <u>FY11 ADOPTED</u> <u>to FY11 REVISED</u>	<u>% INC(DEC)</u> <u>FY11 ADOPTED</u> <u>to FY11 REVISED</u>		
	A	B	C	D	E = D-C	F		
REVENUE								
OPERATIONS:								
1	Farebox Revenue	43,271,656	43,762,048	43,353,719	44,594,719	1,241,000	2.9%	1
2	Parking Revenue	2,032,022	2,598,890	2,271,159	2,271,159	0	0.0%	2
3	Shuttles	1,079,760	1,098,504	1,505,578	1,505,578	0	0.0%	3
4	Rental Income	1,660,773	1,682,800	1,696,200	1,696,200	0	0.0%	4
5	Other Income	411,106	1,492,090	2,435,440	2,435,440	0	0.0%	5
6	TOTAL OPERATING REVENUE	48,455,317	50,634,332	51,262,096	52,503,096	1,241,000	2.4%	6
7								7
CONTRIBUTIONS:								
9	AB434 Peninsula Feeder Shuttle	1,017,177	1,000,000	1,000,000	1,000,000	0	0.0%	9
10	Operating Grants	132,456	2,316,867	6,327,389	6,428,714	101,325	1.6%	10
11	JPB Member Agencies	39,416,584	39,416,585	35,090,130	35,090,130	0	0.0%	11
12	Other Sources	1,996,889	3,787,512	7,190,000	7,190,000	0	0.0%	12
13	TOTAL CONTRIBUTED REVENUE	42,563,107	46,520,964	49,607,519	49,708,844	101,325	0.2%	13
14								14
15	GRAND TOTAL REVENUE	91,018,424	97,155,296	100,869,615	102,211,940	1,342,325	1.3%	15
16								16
EXPENSE								
OPERATING EXPENSE:								
20	Rail Operator Service	56,045,145	56,822,333	58,661,660	57,791,339	(870,321)	-1.5%	20
21	Security Services	3,161,029	3,453,552	3,473,676	3,473,676	0	0.0%	21
22	Rail Operator Extra Work	204,956	150,000	150,000	150,000	0	0.0%	22
23	Contract Operating & Maintenance	59,411,130	60,425,885	62,285,336	61,415,015	(870,321)	-1.4%	23
24	Operator Contract Transition Costs	0	0	2,000,000	2,000,000	0	0.0%	24
25	Shuttle Service	2,971,338	2,926,120	3,345,631	3,345,631	0	0.0%	25
26	Fuel	10,741,684	13,839,649	14,146,389	13,963,956	(182,433)	-1.3%	26
27	Timetables and Tickets	217,408	210,000	190,500	190,500	0	0.0%	27
28	Insurance	4,536,943	4,535,000	5,860,000	5,860,000	0	0.0%	28
29	Facilities and Equipment Maint	1,140,857	1,595,296	1,213,000	1,213,000	0	0.0%	29
30	Utilities	1,407,992	1,502,400	1,642,800	1,642,800	0	0.0%	30
31	Services	1,071,803	1,156,130	1,126,610	1,126,610	0	0.0%	31
32	TOTAL OPERATING EXPENSE	81,499,156	86,190,480	91,810,266	90,757,512	(1,052,754)	-1.1%	32
33								33
ADMINISTRATIVE EXPENSE								
35	Wages & Benefits	5,382,201	6,323,513	6,521,825	6,521,825	0	0.0%	35
36	Board of Directors	9,008	12,300	12,300	12,300	0	0.0%	36
37	Professional Services	1,835,958	1,951,594	2,122,724	2,224,049	101,325	4.8%	37
38	Communications and Marketing	198,159	265,000	227,840	227,840	0	0.0%	38
39	Other Expenses and Services	1,327,347	1,309,534	1,365,539	1,365,539	0	0.0%	39
40	TOTAL ADMINISTRATIVE EXPENSE	8,752,672	9,861,941	10,250,228	10,351,553	101,325	1.0%	40
41								41
42	Long-term Debt Expense	766,596	1,102,875	1,102,875	1,102,875	0	0.0%	42
43	Service Adjustment/Fare and Revenue Changes			(2,293,754)	0	2,293,754	-100.0%	43
44								44
45	GRAND TOTAL EXPENSE	91,018,423	97,155,296	100,869,615	102,211,940	1,342,325	1.3%	45
46								46
47	REVENUE OVER/UNDER	0	0	0	0	-	0.0%	47

RESOLUTION NO. 2010 –

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

* * *

**AUTHORIZATION TO AMEND THE FISCAL YEAR 2011 OPERATING BUDGET TO
THE TOTAL OF \$102,211,940**

WHEREAS, the Joint Powers Agreement requires approval of an operating budget each year; and

WHEREAS, pursuant to Resolution No. 2010-43, enacted on July 1, 2010, the Board adopted the Fiscal Year 2011 Operating Budget in the amount of \$99,879,615 reflecting the then-projected revenues and expenses including a budget gap of \$2,293,754; and

WHEREAS, on September 2, 2010, the Board approved an increase to insurance expenses by \$990,000, to be funded out of reserves, increasing the Fiscal Year 2011 Operating Budget to \$100,869,615; and

WHEREAS, on October 7, 2010, after appropriate public hearing, the Board approved fare and service changes to bridge the \$2.3 million operating gap;

WHEREAS, since the adoption of the amended Fiscal Year 2011 Operating Budget, staff has learned that additional revenue totaling \$1,342,325 will become available, while expenses are projected to increase by \$1,342,325, largely attributable to projected increases in farebox revenue and reductions in service and fuel expenses, all as more particularly described in the staff report accompanying this action item; and

WHEREAS, the Executive Director recommends that the Board approve an amendment to the Fiscal Year 2011 Operating Budget to implement the following changes: increase total revenues from \$100,869,615 to \$102,211,940 and total expenses from \$100,869,615 to \$102,211,940.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby approves an amendment to the Fiscal Year 2011 Operating Budget to implement the following changes: increase total revenues from \$100,869,615 to \$102,211,940 and total expenses from \$100,869,615 to \$102,211,940.

Regularly passed and adopted this 6th day of January, 2011 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

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

Gigi Harrington
Deputy CEO

SUBJECT: **AWARD OF A CONTRACT FOR INSTALLATION OF A CLOSED-CIRCUIT TELEVISION, SECURITY VIDEO SYSTEM (CCTV-SVS) AT THE JPB'S CENTRALIZED EQUIPMENT AND MAINTENANCE OPERATIONS FACILITY (CEMOF)**

ACTION

Staff Coordinating Council (SCC) recommends that the Board:

1. Award a contract to GTSI Corporation (GTSI) for installation and integration of a CCTV-SVS at CEMOF in San Jose, CA for a total not-to-exceed cost of \$633,512.
2. Authorize the Executive Director or his designee to execute a contract in full conformity with the terms and conditions of the solicitation documents and negotiations.

SIGNIFICANCE

The installation and integration of a state-of-the art CCTV-SVS will expand and enhance the existing system and will provide improved surveillance of CEMOF. In addition to assisting with controlling access to CEMOF, the CCTV-SVS also will deter and prevent vandalism and trespassing. The CCTV-SVS will assist contracted security personnel and JPB staff with assessing the impact a major local or regional catastrophe or terrorist attack may have on CEMOF.

BUDGET IMPACT

Funding for the CCTV-SVS Project has been received from the Federal Department of Homeland Security and the California Emergency Management Agency. The budget for the project was approved in prior fiscal years. No additional member agency contributions are required.

BACKGROUND

The initial project to construct CEMOF included installation of a widely-deployed CCTV-SVS. However, due to limited funding at the time, a CCTV-SVS with reduced scope was installed primarily to control and monitor access to CEMOF through the main entrance and to monitor remote ingress and egress points.

With recent allocation of aforementioned funding, the JPB is now able to expand and integrate a more comprehensive and encompassing CCTV-SVS to better protect JPB property and personnel at CEMOF.

The County of Fairfax, VA, on behalf of itself and member agencies of the U.S. Communities Government Purchasing Alliance (U.S. Communities), issued a competitive solicitation for the provision of technology products/equipment and technology services/solutions, including physical security.

JPB legal counsel reviewed the County of Fairfax solicitation documents, GTSI's proposal in response to the solicitation, and the resulting U.S. Communities-awarded contract and determined that the JPB could avail itself of this nationwide, competitively solicited contract for the CCTV –SVS project at CEMOF. U.S. Communities awarded its contract on a best value basis, taking into consideration qualitative criteria as well as price. Since AB116 became effective on January 1, 2010, and pursuant to the JPB's Procurement Policy, the JPB may use a best value process for procuring equipment, materials and supplies where it is determined to be in the best interest of the agency. Prior to AB116, the JPB was required to use sealed competitive bidding for equipment such as the CCTV cameras and could not avail itself of competitively priced, best value-based cooperative purchasing agreements such as the U.S. Communities contract.

Accordingly, staff requested a proposal from GTSI for the CCTV-SVS project; said efforts yielded the following:

Engineer's Estimate	\$649,570
GTSI of Herndon, VA	\$633,512

Staff completed a cost analysis of GTSI's proposal, conducted negotiations, and determined the negotiated best and final offer from GTSI provides a fair and reasonable, best-value solution to the JPB. Staff, therefore, recommends award of this contract to GTSI.

The Disadvantaged Business Enterprise (DBE) Program Officer reviewed GTSI's proposal and determined that it meets the requirements of the JPB's solicitation documents and DBE program. GTSI intends to engage two subcontractors: a women-owned small business for security system integration and a DBE for electrical work, both of which the JPB has had favorable prior experience.

Contract Officer: Luis F. Velásquez 650.622.8099
Project Manager: Zhenlin Guan, Engineering 650.508.7976

RESOLUTION NO. 2011-

BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD

STATE OF CALIFORNIA

* * *

**AUTHORIZING AWARD OF A CONTRACT FOR INSTALLATION OF A
CLOSED-CIRCUIT TELEVISION, SECURITY VIDEO SYSTEM (CCTV-SVS)
AT THE JPB CENTRALIZED EQUIPMENT AND
MAINTENANCE OPERATIONS FACILITY (CEMOF) AT
A TOTAL NOT-TO-EXCEED COST OF \$633,512**

WHEREAS, pursuant to the Peninsula Corridor Joint Powers Board (JPB) Procurement Policy, the JPB may utilize the nationwide, competitively solicited U.S. Communities Government Purchasing Alliance (U.S. Communities) contract with GTSI Corporation (GTSI) of Herndon, Virginia for the provision of technology products/equipment and technology services/solutions, including physical security; and

WHEREAS, staff solicited a proposal from GTSI for the installation of a CCTV-SVS at CEMOF; and

WHEREAS, in response to the JPB's request and subsequent negotiations, GTSI Corporation submitted a proposal and a best and final offer; and

WHEREAS, staff and legal counsel reviewed the proposal and best and final offer and successfully negotiated the business and legal terms of the contract; and

WHEREAS, staff performed a cost analysis of the proposal and determined it to be fair and reasonable and further determined that it provides the JPB a best-value solution; and

WHEREAS, the Executive Director recommends that a contract in full conformity with the terms and conditions of the solicitation documents and negotiations be awarded to GTSI.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract to GTSI Corporation of Herndon, Virginia

for the installation of a CCTV-SVS based upon the requirements of the JPB, at the total not-to-exceed cost of \$633,512; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to execute a contract on behalf of the JPB with GTSI Corporation in full conformity with the terms and conditions of the solicitation documents and negotiations.

Regularly passed and adopted this 6th day of January, 2011 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: Rita P. Haskin
Executive Officer, Customer Service and Marketing

SUBJECT: **CLIPPERSM ON CALTRAIN UPDATE**

ACTION

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

SIGNIFICANCE

Clipper, the regional fare payment system, has been used on Caltrain since the summer of 2009 and is poised to soon be the only source for 8-ride tickets and Monthly passes. Staff will provide a brief presentation at the board meeting about the program and the steps taken to inform customers of the elimination of paper pre-paid fare media.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

Caltrain has been an active participant with the Metropolitan Transportation Commission to offer Clipper, previously known as TransLink, to Bay Area transit customers. Other transit agencies that accept Clipper include AC Transit, BART, Dumbarton Express, Golden Gate Transit & Ferry, Muni and SamTrans. The Santa Clara Valley Transportation Authority soon will begin accepting Clipper.

Prepared by: Rita P. Haskin, Executive Officer, Customer Service and Marketing 650.508.6248

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Mark Simon
Executive Officer for Public Affairs

SUBJECT: **2011 STATE AND FEDERAL LEGISLATIVE PROGRAM**

ACTION

Staff Coordinating Council (SCC) proposes Board adoption of the attached legislative program to guide JPB's advocacy efforts in Sacramento and Washington D.C. over the course of the 2011 calendar year.

SIGNIFICANCE

The 2011 State and Federal Legislative Program sets forth the principles that will guide the JPB's State and Federal advocacy efforts through the first half of the 2011-2012 State Legislative session and the 112th Congress. The program is intended to be broad enough to cover the wide variety of issues that will likely be considered, and flexible enough to allow the JPB, its staff, and its legislative advocates to respond swiftly and effectively to unanticipated developments. Adoption of the program provides our legislative delegation and our transportation partners with a Board-approved statement of the JPB's priorities.

The 2011 Legislative Program is divided into two sections:

1. State
2. Federal

Each section of the program consists of a summary of the key policy issues and a series of related goals and advocacy strategies.

The State Legislative Program is organized around four primary issues:

1. State Budget and Transportation Funding
2. Transportation Program Structure and Project Delivery
3. Climate Change and Air Quality Regulation
4. Peninsula Rail Program

The Federal Legislative Program is organized around five primary issues:

1. Surface Transportation Authorization
2. Fiscal Year 2012 Appropriations
3. Climate Change

4. High Speed Intercity Passenger Rail
5. Transit Safety and Security

In order to advance these goals, Government Affairs staff will work closely with the Board and the JPB's State and Federal legislative consultants to implement a comprehensive advocacy approach. This approach will include:

1. Direct, consistent Board advocacy efforts with policymakers and their staff to encourage steps that will advance the JPB's legislative priorities with an emphasis on funding
2. Participation in coordinated advocacy efforts in collaboration with the California Transit Association, the American Public Transportation Association and other advocacy organizations
3. Coordination of local, regional and statewide stakeholders in support of targeted policy objectives
4. Efforts to educate and build awareness among stakeholders and the public to foster support for legislative goals

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

Staff actively monitors State and Federal legislative activity and will seek Board positions on selected bills as appropriate to further the JPB's legislative objectives and to provide support for the JPB's advocacy efforts. Staff will supply updated reports summarizing relevant legislative and regulatory activities, allowing the Board to track legislative developments and providing opportunities to take appropriate action on pending legislation.

Prepared by: Seamus Murphy, Manager, Government Affairs

650-508-6385

2011 LEGISLATIVE PROGRAM

S T A T E

<i>Issue</i>	<i>Goals and Background</i>	<i>Strategy</i>
1. State Budget and Transportation Funding	<p>A. Maintain and enhance State funding for public transit operations</p> <p>The combination of a successful legal challenge by the California Transit Association (CTA), the 2010 gas tax swap legislation and the passage of Proposition 22 has helped ensure that transit agencies will have a reliable source of State operating subsidy as long as the State collects sales taxes on gasoline or diesel fuel. Through these efforts transit operators have sacrificed an expectation for greater State funding in exchange for a guarantee that revenues will be directed to the Public Transportation Account (PTA) and be used for the State Transit Assistance program (STA). However, it is unclear how the passage of Proposition 26 will impact the gas tax swap. Additional legislation may be needed to make the provisions of the gas tax swap consistent with the passage of both Proposition 22 and Proposition 26.</p>	<ul style="list-style-type: none"> • Support efforts to fund the STA program at levels specified in the 2010 gas tax swap legislation • Monitor the impact of Proposition 26 on the terms of the gas tax swap and support efforts to prevent the measure from reducing STA funding levels • Sponsor legislation to further efforts to create a permanent, dedicated source of Caltrain operating revenue if ongoing regional stakeholder-sponsored efforts determine it is required
	<p>B. Secure enhanced funding for public transportation infrastructure and capital programs</p> <p>As a result of the gas tax swap, fewer resources are available to provide funding to transit capital projects in the State Transportation Improvement Program (STIP). Revenues deposited into the PTA are divided 75%/25% to favor the State Transit Assistance (STA) program. Consequently, local transit agencies, the California Transportation Commission (CTC) and the California Public Utilities Commission are competing for scarce capital funds</p>	<ul style="list-style-type: none"> • Engage various stakeholders, including the CTC, Department of Finance, Department of Transportation, the Legislature, regional agencies, and others, to revise laws and regulations governing State and regional programming as necessary, to ensure the efficient and effective planning, programming and expenditure of scarce transit capital funds. • Support legislation to impose an additional ¼% increase statewide for purposes of dedicating resources, as defined, pursuant to the Transportation Development Act (TDA) • Consider alternative methods of funding transit capital projects to help ensure a more efficient flow of revenue to operators • Support efforts to lower the two-thirds voter approval requirement for ballot measures that provide increased tax revenue for transportation purposes

2011 LEGISLATIVE PROGRAM

2. Transportation Program Structure and Project Delivery	<p>A. Maximize the availability and flexibility of funds related to the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B)</p> <p>Proposition 1B established the Public Transit Modernization, Improvement, Service Enhancement Account (PTMISEA) and the Transit System Safety, Security, Disaster Response Account (TSSSDRA), which provide funding for various transit capital improvements. In 2009, AB 1072 was passed to provide make allocation of PTMISEA funding more consistent with local needs.</p>	<ul style="list-style-type: none"> • Work closely with the Department of Finance, CTC and the State Controllers Office to ensure that PTMISEA funds are allocated pursuant to AB 1072 • Support legislation that exempts PTMISEA and TSSSDRA expenditures from the state sales tax • Using AB 1072 as a model, support legislation that would provide more reliable TSSSDRA funding • Support legislation to authorize a letter of no prejudice process for TSSSDRA funds
	<p>B. Maximize flexibility of Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Proposition 1A) “connectivity” funding</p> <p>Proposition 1A authorized the issue of \$9 billion in general obligation bonds to fund the construction of California’s high-speed rail project along with \$950 million for passenger rail lines to provide capacity enhancements, safety improvements and connectivity to the high-speed train system. The Peninsula Corridor Joint Powers Board (Caltrain) is eligible to receive \$41million in connectivity funds.</p>	<p>Monitor the appropriation and allocation of Proposition 1A connectivity funds to ensure that Caltrain’s share will address the agency’s long-term capital funding needs</p>
	<p>C. Improve State transportation project delivery, financing, management and oversight policies</p> <p>Project delivery continues to be an area of focus. Oftentimes, transportation projects can take a considerable amount of time to complete. Project sponsors must maneuver through a multi-stage development and review process and delays are common. Therefore, it is important to explore different and innovative ways to expedite the delivery of transportation projects in order to control costs and provide the benefits of transportation improvements to the system’s users more quickly.</p>	<ul style="list-style-type: none"> • Support legislation that would enhance transportation agencies’ ability to benefit from public private partnerships • Support efforts to preserve and enhance innovative contracting alternatives available to transportation agencies
3. Climate Change and Air Quality Regulation	<p>Ensure equitable implementation of AB 32 and SB 375</p> <p>In 2006, AB 32 (Nunez), the Global Warming Solutions Act, was passed making California the first state in the nation to attempt to cap its greenhouse gas emissions. AB 32 empowers the California Air Resources Board (CARB) to adopt rules and regulations to achieve this. Two years later, SB 375 (Steinberg) was enacted and put in place a framework for cutting vehicle miles traveled (VMT) as a strategy for reducing greenhouse gas emissions from the transportation sector. Implementation planning for these regulations is ongoing.</p>	<p>Support implementation that:</p> <ul style="list-style-type: none"> • Reinforces the overarching goal to reduce greenhouse gas emissions from the transportation sector by promoting clean transportation alternatives • Promotes opportunities including the Grand Boulevard Initiative to plan and construct high-density, mixed-use development near public transit • Provides funding to support operations and capital funding needs required by transit operators to meet State emissions mandates • Provides dedicated funding enabling transportation planning agencies to meet specified emissions reduction targets and to accommodate increased service demand resulting from VMT reduction efforts • Addresses and accounts for the potential erosion of traditional transportation funding through the reduction of taxable fuel consumption

2011 LEGISLATIVE PROGRAM

4. Peninsula Rail Program (PRP)	Advance coordinated planning and funding efforts for the PRP The PRP was organized through an agreement between Caltrain and the California High Speed Rail Authority (CHSRA) to work together to deliver high speed rail and a modernized and electrified Caltrain system between San Jose and San Francisco.	<ul style="list-style-type: none"> • Support legislation and policies that equip the California High Speed Rail Authority with the necessary resources and organizational structure to effectively plan and deliver high speed passenger rail and improved commuter rail service along the Caltrain corridor • Support efforts that encourage thorough study of all design and phasing alternatives as a part of the project’s environmental review • Advocate for continued efforts that will enhance public participation during the project’s planning process and will prepare the project to capitalize on future funding opportunities • Ensure that capital funding directed to the PRP is used to address Caltrain modernization priorities while also providing utility for high-speed rail
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F E D E R A L

<i>Issue</i>	<i>Goals and Background</i>	<i>Strategy</i>
1. Surface Transportation Authorization	A. Timing: Secure predictable federal transportation funding levels through multi-year authorization Since the expiration of SAFETEA-LU in 2009, Congress enacted several extensions of the current authorization as they have struggled to address challenges before considering a six-year bill.	<ul style="list-style-type: none"> • Support efforts to gain swift approval of a full, multi-year surface transportation authorization act • If necessary, support extension of the prior authorization in a manner that minimizes funding uncertainty and enhances overall infrastructure investment

2011 LEGISLATIVE PROGRAM

<p>B. Funding: Ensure that authorized funding will support long term transportation investment needs</p> <p>Under SAFETEA-LU, the overall funding level for highways, public transit, highway safety, motor carrier safety, and transportation research during the legislation’s six-year life was \$286.4 billion. While this amount was greater than previous authorizations, it fell far short of the level of federal investment needed to maintain the nation’s existing transportation infrastructure, as well as to expand its capacity in order to keep up with the steadily growing demand for transportation.</p> <p>According to a report issued by the National Surface Transportation Policy and Revenue Study Commission in January 2008: “Any effort to address the future transportation needs of the United States must come to grips with the sobering financial reality of such an undertaking. Estimates indicate that the U.S. needs to invest at least \$225 billion annually for the next 50 years to upgrade our existing transportation network to a good state of repair and to build the more advanced facilities we will require to remain competitive. We are spending less than 40 percent of this amount, and the current fuel-tax-based revenue mechanisms probably cannot be relied upon alone to raise the needed sums.”</p>	<p>Support American Public Transportation Association (APTA) principles including:</p> <ul style="list-style-type: none"> ● Authorization that more than doubles federal investment in public transportation, ensures that public transportation receives no less than 20 percent of federal surface transportation funding and provides no less than \$123 billion over the six year authorization period with a goal of doubling ridership in that time ● Funding guarantees that promote long range planning, financing and leveraging by ensuring that authorized funding is appropriated each year ● Efforts to reinforce the integrity of the Highway Trust Fund (HTF) by: <ul style="list-style-type: none"> ○ Increasing the purchasing power of the federal motor fuels user fee ○ Expanding the fee to alternative fuels to support a significant increase in federal public transportation investment ○ Promoting the establishment of innovative financing models including public private partnerships, tolling and revenues generated through greenhouse gas and vehicle mileage reduction efforts to supplement traditional federal transportation funding sources ○ Support dedicating a portion of a potential future nationwide sales or consumption tax to fund the Mass Transportation Account (MTA) ● Incentives to promote increased state and local transportation investment ● Provisions that allow for temporary operations funding that is additive to capital investment programs and available provided that certain conditions are met
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2011 LEGISLATIVE PROGRAM

	<p>C. Programs: Establish program structure modifications and project delivery enhancements</p> <p>For the most part, SAFETEA-LU respected the basic program structure that existed previously. This program structure consists of a core highway program that is primarily formula-based, a core public transit program comprised of both formula and discretionary elements, and flexible funding programs that allow the states and metropolitan planning organizations (MPOs), such as MTC in the Bay Area, to move funds around in a manner that best meets local and regional mobility needs.</p>	<p>Support APTA principles including:</p> <ul style="list-style-type: none"> • Modification of the Bus and Bus Facilities Program to allow 50 percent of funds to be delivered by formula • A new Clean Fuels Aging Bus Replacement program at no less than \$100 million in its first year to fund alternative fuel bus procurements. Eliminate local match requirements for procurements • A simplified, two-tiered Fixed Guideway Modernization Program • A simplified New Starts/Small Starts Program with escalated funding thresholds and a streamlined approval process • Combining the New Freedom Initiative, Elderly and Disabled Program and Jobs Access and Reverse Commute Program to create a new Coordinated Mobility Initiative to address growing and evolving mobility needs • New funding to promote transportation workforce development efforts • Creation of a High Speed and Intercity Passenger Rail title with eligibility for projects that provide commuter rail utility, and funded at no less than \$50 billion • Authorization of a Rail Safety Technology Grant program at sufficient levels to allow rail operators to meet Federal positive train control implementation deadlines • Strengthen public transportation’s role in regional planning efforts <p>Also support:</p> <ul style="list-style-type: none"> • Exploring the creation of a national infrastructure bank to fund projects of regional and national significance including high speed rail
	<p>D. Sustainability & Livability: Establish policies that reflect public transportation’s role in greenhouse gas reduction</p> <p>States continue to enact transportation and land use planning policies that encourage mixed-use, higher density, walkable development near transit. In addition, federal agencies have announced new partnerships intended to reduce VMT by promoting these goals on a national scale.</p>	<ul style="list-style-type: none"> • Advocate for the inclusion of funding that supports a Sustainable Communities Initiative partnership between the U.S. Department of Transportation, the U.S. Department of Housing and Urban Development and the U.S. Environmental Protection Agency to support coordinated integration of housing, transportation and land use planning and investment • Support other efforts to provide greater resources to coordinated transportation and land use planning efforts including the Grand Boulevard Initiative
<p>2. FY 2012 Transportation Appropriations</p>	<p>Secure full appropriation for public transportation programs at authorized levels and maximize discretionary funding opportunities</p> <p>Every year, Congress adopts at least 12 separate appropriations bills, including one for transportation. These measures provide the authority for federal agencies to spend money during the upcoming fiscal year for the programs they administer. In the case of surface transportation, the annual appropriations process is guided by funding and programs authorized in SAFETEA-LU until successor legislation is enacted.</p>	<ul style="list-style-type: none"> • Support a minimum appropriations level for federal surface transportation programs equal to the guaranteed spending levels authorized in SAFETEA-LU or its successor • Advocate for the highest possible levels of funding for individual programs within the highway and transit titles of SAFETEA-LU or its successor • Work with Congressional delegation to seek discretionary funding as appropriate

2011 LEGISLATIVE PROGRAM

3. Climate Change	<p>A. Ensure that federal climate change legislation provides funding to expand clean transportation programs and services</p> <p>Congress continues to work to pass legislation that would address climate change by reducing greenhouse gas emissions. Previous versions of this legislation have included a cap and trade system with emissions allowances that would be traded in a market based system. A portion of the revenues generated through the sale of these allowances could be used to fund clean transportation projects. The transportation sector produces approximately one-third of the greenhouse gas emissions in this country, primarily in the form of carbon dioxide (CO₂) emissions generated by automobiles.</p>	<ul style="list-style-type: none"> ● Advocate that climate change legislation includes a funding strategy that reflects the opportunity for greenhouse gas reduction through new investment in clean transportation alternatives ● Support dedicated formula funding that promotes energy efficiency in transit operations ● Support funding for planning and capital investment related to the promotion of transit oriented development opportunities and sustainable land use strategies including the Grand Boulevard Initiative that would result in VMT reduction ● Advocate that transportation planning and infrastructure receive its fair share of revenue from a cap-and-trade system, while also emphasizing that such revenue must be supplemental to, and not a substitute for, a robust federal surface transportation program
	<p>B. Extend key tax provisions that encourage the use of public transit as a clean transportation alternative</p> <p>The American Recovery and Reinvestment Act increased pre-tax transit commuter benefits to the same level offered for parking commuter benefits. Current law also provides a 50-cent per gallon tax credit to transit operators for the purchase of alternative fuels.</p>	<ul style="list-style-type: none"> ● Support the permanent extension of the 50-cent per gallon alternative fuel tax credit ● Support the permanent extension of pre-tax transit commuter benefits at a level equal to or greater than equivalent parking commuter benefits
4. High Speed Intercity Passenger Rail Program (HSIPR)	<p>Maximize federal investment in California's High Speed Train Project that will benefit Caltrain's capital program</p> <p>The High Speed Intercity Passenger Rail Program has provided more funding to California than any other state. Continued appropriation and allocation of these funds will be needed to support project alternatives that electrify and modernize Caltrain, while also addressing community concerns</p>	<ul style="list-style-type: none"> ● Advocate for increased annual appropriations for the HSIPR program ● Work with the California High Speed Rail Authority (CHSRA) to identify and support funding opportunities ● Advocate for the inclusion of at least \$50 billion for the HSIPR program in the next surface transportation authorization act ● Ensure that Caltrain electrification and modernization efforts are eligible to benefit from all HSIPR funding opportunities

2011 LEGISLATIVE PROGRAM

<p>5. Transit Safety and Security</p>	<p>A. Monitor new federal safety proposals</p> <p>In 2010, proposals emerged from the administration and the Senate that would provide the U.S. Department of Transportation with the authority to establish and implement safety standards for all modes of public transportation, including rail fixed guideway systems, buses and waterborne transit. Other key concepts being discussed involve: (a) requiring the Department of Transportation to develop a national safety plan, which must include a definition of “state of good repair” for public transit assets; (b) requiring each public transit agency to create an assets management program to be used as a tool to help it achieve a “state of good repair” for all of its assets; and (c) requiring the Department of Transportation to take steps to improve the effectiveness of State Safety Oversight Agencies (SSOAs). (d) increasing the cap on passenger rail liability</p>	<p>Support transit safety proposals that:</p> <ul style="list-style-type: none"> ● Provides opportunities for a collaborative effort between federal, state and local agency partners. ● Supports consensus-based industry standards developed with input from public transit agencies. ● Retains and improves the existing state safety oversight framework by providing state regulators with the tools and resources necessary to ensure the performance of adequate safety oversight functions. ● Provides public transit agencies with adequate time to achieve compliance without penalty. ● Avoid unintended consequences that adversely affect public transit agencies
	<p>B. Secure full appropriation of authorized transit security grants and maximize discretionary funding opportunities</p> <p>Security is a top priority for public transit agencies across the United States. Since the terrorist attacks of September 11, 2001, public transit agencies have spent more than \$2 billion on security and emergency preparedness programs from their own budgets. Although state and local governments, as well as public transit agencies, are doing what they can to improve security, it is important for the federal government to be a full partner in efforts to ensure the security of the nation’s public transit users.</p>	<ul style="list-style-type: none"> ● Promote appropriation of transit security grants in the FY 2012 U.S. Department of Homeland Security Appropriations Bill at authorized levels, separate from existing federal transit programs ● Support Federal public transit security and safety funding that provides a 100 percent federal share with no match requirement ● Support funding for the Rail Safety Technology Grant program at levels that will allow rail operators to meet Federal positive train control implementation deadlines ● Work with Congressional delegation to approve and seek discretionary funds ● Encourage consideration of transferring administration of transit security grant programs to the U.S. Department of Transportation ● Allow agencies to be direct recipients of grant funding to encourage timely award and receipt of funds.

**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

Legislators convened on December 6 to begin a special session on the budget. One of the Governor's proposals involves providing General Fund relief by allocating truck weight fees to fund bond debt service. Currently, these fees fund state highway projects and the proposal would backfill the highway system with diesel fuel excise tax funds.

This proposal would allow the State to fulfill the terms of the gas-tax-swap, which directs excise tax revenue to cover bond debt service, while still complying with provisions of Proposition 22 that prohibit excise tax revenues from being used for this purpose. The revenue shift would not have an adverse impact on the State Transit Assistance program.

High Speed Rail

On December 9 the Federal Railroad Administration (FRA) announced the reallocation of the Wisconsin and Ohio shares of High Speed Intercity Passenger Rail Program funding included in the American Recovery and Reinvestment Act. The FRA utilized a formula to award approximately \$1.2 billion to states that responded to the original Notice of Funding Availability in 2009.

California's share of these funds will be up to \$624 million. It has not been determined how or where these funds will be utilized within the State.

FEDERAL ISSUES

Tax Extenders

Congress is expected to approve legislation that would extend a number of tax provisions beyond 2010. Staff has been working with transit advocates to push for the extension of pre-tax commuter benefits and alternative fuel tax credits as a part of this package.

The most recent version of the package introduced in the Senate on December 9 includes the extension of both of these critical elements through 2011. Staff has indicated to our congressional delegation that we support the inclusion of these extensions in the final package.

Federal Budget

On December 9, the House approved a Continuing Resolution that would maintain federal spending at 2010 levels through September 30, 2011. The bill would reduce funding for Transportation, House and Urban Development programs by approximately \$3 billion. Funding for the High Speed Intercity Passenger Rail Program would be reduced to \$1 billion from \$2.5 billion. There would be a reduction of \$2 million in funding for New Starts and Federal Transit Administration (FTA) formula funding would be reduced by \$8 million. There is no funding included for the new Rail Transit Safety Oversight program proposed by FTA.

The bill also rescinds all or part of unobligated earmark funding from prior authorization bills. No new Congressionally-directed appropriations are included in the bill.

Next week the Senate is set to consider an omnibus spending bill that would replace the Continuing Resolution passed by the House.

Prepared By: Seamus Murphy, Manager, Government Affairs

650.508.6388