



AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD

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

November 1, 2012 – Thursday

10:00 a.m.

1. Pledge of Allegiance
2. Call to Order/Roll Call
3. Public Comment
Public comment by each individual speaker shall be limited to two minutes
4. Consent Calendar
Members of the public or Board may request that an item under the Consent Calendar be considered separately
 - a) Approval of Minutes of October 4, 2012
 - b) Approval of 2013 Board of Directors Meeting Calendar
 - c) Information on Conflict of Interest Code
 - d) Authorize Amendment to Annual Adoption of Investment Policy and Authorization to Invest Monies with the Local Agency Investment Fund
 - e) Authorize Amendment to the Contract with Garda CL West to Provide Collection, Transport, Counting and Deposit of Cash Received from Ticket Vending Machines for a Cost of Up to \$456,096 from \$2,843,789 to \$3,299,885 on a Month-to-Month Basis for One Year
5. Chairperson’s Report
6. Report of the Citizens Advisory Committee
7. Report of the Executive Director
8. Acceptance of Statement of Revenues and Expenses for June 2012 (unaudited)
9. Acceptance of Statement of Revenues and Expenses for September 2012
10. Authorize Award of Contract to Wells Fargo Insurance Services USA, Inc. to Provide Insurance Brokers Services for a Not-to-Exceed Amount of \$565,000 for a Five-year Term

RESOLUTIONS

MOTION

MOTION

RESOLUTION

11. Authorize Award of Contract to G4S Secure Solutions (USA), Inc. for Security Officer Services at the Caltrain Centralized Equipment Maintenance and Operations Facility, the San Francisco and San Jose Diridon Caltrain Stations for an Estimated Total Cost of \$2,219,293 for a Three-year Term RESOLUTION
12. Authorize Amendment to On-Call Transportation Planning and Program Support Contracts with CDM Smith, Inc. and Fehr & Peers by an Estimated Aggregate Not-to-Exceed Amount of \$675,000 from \$2,250,000 to \$2,925,000 RESOLUTION
13. Authorize Amendment to On-Call Environmental Planning Consulting Services Contracts with the Louis Berger Group, Inc. and Jones & Stokes Associates, Inc. by an Estimated Aggregate Not-to-Exceed Amount of \$1,125,000 from \$3,750,000 to \$4,875,000 RESOLUTION
14. Update on Communications Based Overlay Signal System/Positive Train Control Project INFORMATIONAL
15. Legislative Update
16. Correspondence
17. Board Member Requests
18. Date/Time of Next Meeting: Thursday, December 6 , 2012, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070
19. General Counsel Report
 - a) Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(a): Robert Lightfoot v. City and County of San Francisco, et al, San Francisco Superior Court Case No. CGC-08-483640
 - b) Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(a): Rowena Seto v. Peninsula Corridor Joint Powers Board, et al
 - c) Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(a): Mark Morgan v. Peninsula Corridor Joint Powers Board, et al
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 5:40 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
October 4 2012**

MEMBERS PRESENT: J. Cisneros, M. Cohen, J. Deal, L. Kniss, A. Kalra, A. Lloyd, T. Nolan, K. Yeager

MEMBERS ABSENT: A. Tissier

STAFF PRESENT: J. Averill, J. Cassman, C. Cavitt, A. Chan, B. Fitzpatrick, G. Harrington, C. Harvey, R. Haskin, M. Lee, M. Martinez, N. McKenna, D. Miller, S. Murphy, M. Scanlon, M. Simon

Vice Chair Ken Yeager called the meeting to order at 10:06 a.m. and led the Pledge of Allegiance.

CHAIRPERSON'S REPORT

Recognition of Legislative Delegation for Support of Caltrain

Vice Chair Yeager said the Board recognized legislators at the August JPB meeting and at that time Congresswoman Anna Eshoo was not able to attend. There have been plenty of champions getting Caltrain Modernization where it is today, but none of this would have happened without Congresswoman Eshoo's leadership and support. Just as Caltrain was facing its most critical challenges, Congresswoman Eshoo called for the reset button on the project. Her plan for a blended system provided the reset button that everyone was so desperately looking for. Thanks to Congresswoman Eshoo the project evolved, communities are now protected, costs have been minimized, public support has turned around and, most importantly for Caltrain, resources were provided to create real mobility benefits for the Peninsula far earlier than anyone thought.

Congresswoman Eshoo thanked the Board for the recognition. She said she was doing her work on behalf of her constituents. Congresswoman Eshoo said what we are celebrating and will continue to celebrate for years to come is that we, in our time, did the right thing for the people we represent. She said this is a victory that was very difficult to come to and it took a very broad team from the various agencies, guts, courage and the real leadership of Secretary of Transportation Ray LaHood.

Director Liz Kniss arrived at 10:11 a.m.

Congresswoman Eshoo said in all of her years of public service this result is the best example of people coming together for the good of the communities. She said it is unprecedented to have nine transit agencies agreeing with each other and to forge something that represents the best of consensus. She thanked Executive Director Michael Scanlon for his willingness to constantly see we could lead the way. Congresswoman Eshoo recognized her colleagues in the Northern California Congressional Delegation because many of them didn't have a dog in this fight, but

they were consistent on coming to the meetings in her office to see that a path was paved for success. She said this is an extraordinary example of what citizens can do together. Congresswoman Eshoo said she believes we are going to be the first in the country to demonstrate what can be done with the tax dollars that are collected and this is something that will not only be the pride of the region but stand as an extraordinary example for the American people.

PUBLIC COMMENT

Jeff Carter, Millbrae, said the right of way for High Speed Rail (HSR) should not be restricted to two tracks as it will limit expansion especially with the increase in ridership. He urged caution with the transit village being proposed in San Carlos as it could limit track expansion.

Paul Jones, Atherton Rail Committee, said safety should be a primary concern with this Board. There are actions that should be taken, including the installation of quad gates, for solving the problem of hold-out stations. As the Board begins discussing additional tracks, as part of the blended system, safety will be more important to address.

Greg Conlon, Atherton Rail Committee, said the hold-out station is a big issue. The Rail Committee will be making some recommendations at the next Atherton council meeting for some interim safety steps.

Director Malia Cohen arrived at 10:22 a.m.

CONSENT CALENDAR

- a. Approval of Minutes of September 6, 2012

A motion (Cisneros/Nolan) to approve the consent calendar was approved unanimously.

REPORT OF THE CAC

CAC Chair Paul Bendix said at its September 19 meeting the CAC received a presentation on social media from Communications Manager Jayme Ackemann.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Scanlon reported:

- Recently there have been significant operating issues. Starting September 19 through October 3 there have been eight incidences that have cascaded into major delays. On September 19 a near miss in San Mateo cascaded to 11 trains being late; on September 21 there was a major communications failure with the microwave transmission on San Bruno Mountain, which caused delays for 25 trains; on September 24, Train 101 had a mechanical problem that caused 33 trains to be delayed; on September 27, Train 267 hit an automobile that had encroached on the right of way and caused that delays to 13 trains; on October 1 there were two separate mechanical issues that cascaded to delays; on October 2 there was a near miss and trains were stopped; and finally, on October 3 at 5:15 p.m. there was an officer involved shooting in San Jose in the area north of the Diridon Station. He said it has probably been 20 years since he has been involved in this type of streak of incidences. Mr. Scanlon said this is not acceptable. While these

incidences are not related to one another many are actionable and staff can learn from them. Staff feels bad for the customers and they are rightfully upset. The Santa Clara Valley Transportation Authority (VTA) did assist with a bus bridge last evening. He has met with senior staff and staff is debriefing TransitAmerica Inc. (TASI) to see what can be done better in these types of incidences. The communications to customers left something to be desired and announcements will now be made every 10 minutes.

Vice Chair Yeager asked about communicating to passengers and how this will be done. Mr. Scanlon said announcements will be made every 10 minutes at the stations. He said announcements are based on best information at the time. Mr. Scanlon said social media like Twitter and Facebook is being used. He said all available tools will be used to get the information out.

Director Kniss asked what is considered late. Mr. Scanlon said industry standard is anything after five minutes.

Director Kniss asked if the message can be put on the message board as to when the train will be coming.

Director Art Lloyd said the Capitol Corridor has the full announcement on their message signs.

Deputy CEO Chuck Harvey said the station signs and public announcement system can be manually manipulated by a clerk either to the entire system or particular stations. He said a new predicative arrival system will be installed by next year.

Director Cohen asked if there are going to be any details on the officer involved shooting. Legal Counsel David Miller said the San Jose Police Department (SJPD) is handling the investigation and staff doesn't have any information. Mr. Scanlon said any information about the shooting will come from SJPD and information on how it affected the system will come from Public Information staff.

Director Tom Nolan said he appreciates Mr. Scanlon's candor on these issues.

Recognition of Legislative Delegation for Support of Caltrain (continued)

Vice Chair Yeager recognized Senator Leland Yee for his vote in support of funding the California High Speed Rail Project. He said the legislation provides \$705 million to the Caltrain Modernization Project which is a critical program to bring Peninsula commuter rail service into the 21st Century. Vice Chair Yeager said the final word on whether Caltrain Modernization would move forward came when the Senate voted on Senate Bill (SB) 1029 in August. He said Senator Yee provided a critical vote when there were no votes to spare. Vice Chair Yeager said much has been said on courageous votes and Senator Yee showed as much courage as anyone casting a vote for the future of California.

Senator Yee said he appreciates the recognition from the Board. There still needs to be a lot of vetting on the project and a lot of issues still are not resolved, but this was a tremendous bill for the Peninsula. He said modernization of the train service for the area is necessary.

Report of the Executive Director (continued)

Mr. Scanlon reported:

- Key Caltrain Performance Statistics
 - Monthly Performance Statistics – August 2012 compared to August 2011
 - Total Ridership was 1,350,537, an increase of 7.8 percent.
 - Average Weekday Ridership was 48,634, an increase of 7.6 percent.
 - Total Revenue was \$5,969,488, an increase of 12.1 percent.
 - On-time Performance was 93.3 percent, an increase of 1.2 percent.
 - Caltrain Shuttle Ridership was 8,339, an increase of 23.5 percent.
 - Year-to-date Performance Statistics – August 2012 compared to August 2011
 - Total Ridership was 2,656,507, an increase of 9.8 percent.
 - Average Weekday Ridership was 48,621, an increase of 8.9 percent.
 - Total Revenue was \$11,805,845, an increase of 14.4 percent.
 - On-time Performance was 93.4 percent, an increase of 1.5 percent.
 - Caltrain Shuttle Ridership was 7,923, an increase of 22.1 percent.
- The Bicycle Advisory Committee met on September 20 and received a presentation on the Bicycle Access and Parking Plan. Their next meeting is November 13.
- Service was increased on October 1 with six additional weekday trains and additional stops were added. The four shoulder trains that were cut last year were reinstated, two new afternoon peak trains were added, stops were added at either Sunnyvale or Palo Alto on 12 trains and Train 324 was changed to a gallery car.
- This weekend will be very challenging for transit operators with a number of events including Fleet Week, the San Francisco Giants playoff game, America's Cup, Hardly Strictly Blue Grass, 49er and Stanford football. Staff has flown in two locomotive engineers from the East Coast to help with the demand in service, but any extra service cannot be provided.
- The Rail Operations Control System was implemented in September with no significant issues. A period of 600 hours of testing will begin soon.
- Special service:
 - Giants ridership was up 12 percent for the year, carrying an additional 576,000 riders.
 - Special stops were made at Stanford Stadium on September 8 and 15 and averaged 3,000 additional riders, a 60 percent increase over last year.
 - One extra local train was provided for the Opera in the Park on Saturday, September 15. Ridership was over 4,000, a 37 percent increase over last year.
- The pile driving has been completed for the San Bruno Grade Separation Project.
- The San Mateo County Transit District along with the City/County Association of Governments (C/CAG) co-hosted the California Transportation Commission (CTC) on September 26 and 27. At the CTC meeting on September 27 Caltrain was awarded \$30 million for the Communications Based Overlay Signal System/Positive Train Control System and \$9 million was awarded for bridge reconstruction in San Mateo.
- In the reading file is the new timetable, *Track the Fun* brochure, Safety and Security Report and a flyer on the Holiday Train.

Caltrain Modernization Program

Executive Officer, Caltrain Modernization Program Marian Lee introduced Ben Tripousis, the new Regional Director for California High Speed Rail Authority (CHSRA).

Ms. Lee said staff is working with the member partners to obtain their share of funding for the advanced signal system. She said staff has prioritized efforts for the electrification component and getting the environmental process moving. A project team is being set up to complete this task. Ms. Lee said last week Mr. Scanlon and CHSRA Chief Executive Officer Jeff Morales met to discuss advancing Caltrain electrification and the meeting went well. There was also a discussion of putting new agreements in place that would set the right policy framework for delivering the project that has been defined as the increment of the blended system. Ms. Lee said she would be back in November to provide more updates.

Ms. Lee said staff is continuing to assess project delivery options and the viability of alternative approaches, such as design/build versus the traditional design/bid/build, and continue to assess the potential time savings and money that can be achieved by an alternative delivery approach. She said with the blended system, beyond electrification to support HSR, staff is continuing the planning efforts to define what those additive improvements are.

Ms. Lee said staff is in the final stretch of two current planning efforts that she has been updating the Board on the last few months. She said gate-down time and traffic analysis preliminary findings have been shared with city and county staff. Ms. Lee said staff will be reviewing the comments received and then will share the information in public venues to obtain public input before putting the report into draft and final form.

Ms. Lee said, as noted at the last meeting, staff held a Caltrain Modernization Local Policymaker meeting on September 18. The meeting was chaired by JPB Chair Adrienne Tissier. This was a meeting requested by some of the cities to explore the idea of creating a venue for local policymakers to be more intimately involved with the program. Ms. Lee said there was a good turnout and good consensus was achieved. City representatives asked Caltrain staff to facilitate regular meetings, which will start monthly. The group will be made up of representatives from each of the cities and counties along the corridor and the primary focus of this group will be sharing information. Ms. Lee said they talked a lot about the importance of sharing accurate information versus speculation and interpretation and for the venue to be very focused on allowing the cities and counties to express their concerns. She said the next meeting will be in November.

Ms. Lee said there is an upcoming meeting of the nine funding parties to the regional Memorandum of Understanding. She said they have various roles and responsibilities and fiduciary responsibilities that need a certain level of oversight on the program. Ms. Lee said there will be a kick off meeting at the staff level on October 15 to discuss expectations, rules and responsibilities. She said it is her expectation this group will be meeting regularly and providing a level of oversight that is appropriate.

Vice Chair Yeager asked if there are any reports on how the three member agencies are doing on their contributions for electrification. Mr. Scanlon said the San Mateo County Transportation Authority and VTA will be taking the action tonight.

Executive Officer, Planning and Development April Chan said the San Francisco County Transportation Authority is scheduled to take action this month.

Director Nolan, in reference to the Safety and Security Report, asked if there is anyone working with the homeless encampments to find alternative living conditions. Deputy CEO Gigi Harrington said there is a multi-jurisdictional team that works together when an encampment is broken down. She said she will get more information on the team and will bring back information next month.

Director Cohen said the homeless population is something she deals with daily and asked what social agencies staff partners with when a homeless encampment is broken down.

Mr. Scanlon said it will be researched and emailed to the board.

Public Comment

Adina Levin, Friends of Caltrain, said with all the mechanical issues, any timely information that can be shared with passengers would be greatly appreciated. She asked if staff will be going to the station platforms to hear the audio as some locations are very difficult to hear. She asked if there was mental illness involved in the trespasser yesterday and have the police been trained on dealing with mental illness. Ms. Levin thanked staff for switching the consist for Train 324. Mr. Scanlon said the sound level is a battle between the neighbors and the customers. He said the police receive extensive training on interacting with persons suffering from mental illness.

Roland LeBrun, San Jose, said the challenge with extra passengers is a commercial opportunity. He said he is a regular commuter on VTA and if anything happens on their light rail or buses he immediately receives a notification and again receives one when the delay is fixed. Mr. LeBrun said mechanical failures are a big problem and need to look at whether the issue is preventative maintenance or is new rolling stock needed. He asked why the engineering specifications for the Caltrain grade crossings were removed from the website this morning.

RESOLUTION OF APPRECIATION FOR RICH NAPIER, EXECUTIVE DIRECTOR, CITY/COUNTY ASSOCIATION OF GOVERNMENTS

Vice Chair Yeager presented a Resolution of Appreciation to Mr. Napier on the occasion of his retirement as executive director of C/CAG at the end of the year.

Public Comment

Jim Bigelow, Redwood City/San Mateo County Chambers of Commerce, said he has worked with Mr. Napier for most of his years at C/CAG. He said Mr. Napier is a complete package by taking all the transit systems and being an equal interest in making sure all the systems get funding. Mr. Bigelow said Mr. Napier is quite savvy with working for 20 cities and the county. He said the San Mateo business community is extremely happy with what he has done for the community and residences of the county.

A motion (Cisneros/Nolan) to pass the Resolution of Appreciation to Rich Napier was approved unanimously.

Mr. Napier thanked the Board for the recognition. He felt like he was part of a team with staff and leadership at Caltrain. As a regular rider the trains are packed and this is a business model more people need to look at for a permanent source of funding.

**ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR
AUGUST 2012**

Ms. Harrington said revenue is over budget by \$1 million and there is \$1.2 million in savings on the expense side. Last week and year-to-date fuel is \$3.21 per gallon and have received \$74,000 from the bank for September.

Vice Chair Yeager said he is nervous about next year's budget and partner contributions and asked if there were any updates. Mr. Scanlon said last year Ms. Harrington rolled forward surplus revenue money. Ms. Harrington said the auditors have left and as soon as she has a clean set of Fiscal Year (FY) 2012 financial statements she will look at FY2014 and begin a discussion at the staff level about next year's operating budget and report back to the Board.

A motion (Cisneros/Lloyd) to accept the August 2012 statement was approved unanimously.

Director Kniss left at 11:21 a.m.

**AUTHORIZE EXECUTION OF A LEASE ADDENDUM TO EXTEND LEASE OF
WAREHOUSE AT 4000 CAMPBELL AVENUE IN MENLO PARK FOR A PERIOD OF
THREE YEARS FOR A TOTAL COST OF \$660,252**

Manager, Real Estate and Property Development Brian Fitzpatrick said this item is to execute a lease addendum to a lease of a wayside warehouse facility. He said staff feels they have received a good rate on the facility and recommend Board approval.

A motion (Lloyd/Nolan) to execute a lease addendum to extend the lease of the warehouse at 4000 Campbell Avenue in Menlo Park for a period of three years for a total cost of \$660,252 was approved unanimously.

LEGISLATIVE UPDATE

State Update

Director, Government and Community Affairs Seamus Murphy said Congress and the State Legislature are out of session.

Director Kniss returned at 11:26 a.m.

The governor signed several bills last weekend and one bill staff has been working on is Senate Bill 1339. It would allow the Metropolitan Transportation Commission and the Bay Area Air Quality Management District to authorize a pilot program to mandate employers with over 50 employees to participate in the Federal Transit Bike and Pedestrian Benefits Program. He said this is a bill staff has supported in the past because it does have the potential to incentivize transit riders. Mr. Murphy said related to this issue, staff is hoping for the passage of a Tax Extenders Package that would bring the transit commute benefit back up to parity with the benefit that drivers receive.

Mr. Murphy said another item of interest is Cap and Trade because it has great potential to fund transit operations and capital improvements. He said the governor has identified as much as \$1 billion in the current fiscal year. Mr. Murphy said staff has been working closely with the California Air Resources Board (CARB) and the California Transit Association (CTA) to advocate that public transportation be included as an eligible expenditure. He said legislation was passed this session that does add public transportation to the list of eligible recipients of those funds. Mr. Murphy said the amount of funding available for this program is unknown, but it is likely to be one of the more flexible pots of funding. He said there will be a lot of competition for this funding and staff is participating with a newly formed group, the Transportation Coalition for Livable Communities, and will be advocating as CARB decides specifically where revenues will go and what percentages of the overall revenues will go to different sectors.

Vice Chair Yeager said he is the Bay Area representative on CARB and he wants to see some of the money from Cap and Trade go to existing agencies rather than putting money into new programs.

CORRESPONDENCE

No discussion.

BOARD MEMBER REQUESTS

Director Jerry Deal said he attended the American Public Transportation Association's annual meeting in Seattle and one panel discussion he attended was on the future of HSR. He said the panel felt the blended system led to a more positive discussion. He said the name HSR is negative for suburban areas and maybe a more appropriate name would be High Performance Rail.

GENERAL COUNSEL REPORT

No report.

DATE/TIME/PLACE OF NEXT MEETING

The next meeting will be Thursday, November 1, 2012, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070.

Adjourned at 11:31 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: **2013 BOARD OF DIRECTORS MEETING CALENDAR**

ACTION

Staff Coordinating Council (SCC) recommends the Board approve the Meeting Calendar for 2013 (attached).

SIGNIFICANCE

The board's monthly meeting is scheduled for the first Thursday of each month at 10 a.m. The meeting for July falls on the Fourth of July holiday so it is recommended we cancel this meeting. If there is a need to convene in July, we will poll the members and schedule a board meeting.

BUDGET IMPACT

There is no impact on the budget.



Peninsula Corridor Joint Powers Board Meeting Calendar for 2013

Thursday – 10 AM
January 3
February 7
March 7
April 4
May 2
June 6
July 4 - CANCELLED
August 1
September 5
October 3
November 7
December 5

The Board meets the first Thursday of the month.

All meetings are held at 1250 San Carlos Ave., Second Floor, San Carlos, CA 94070.

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Martha Martinez
JPB Secretary

SUBJECT: CONFLICT OF INTEREST CODE

ACTION

This item is for information only. Following a 45-day written comment period, the Conflict of Interest Code will be presented to the Board for adoption.

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 and reviewed by Legal Counsel to incorporate requirements mandated by the State. The Appendices have been amended to conform to the positions and responsibilities for the JPB, and to conform to recent Fair Political Practices Commission (FPPC) regulations and advice regarding designated positions and disclosure categories applicable to such positions.

A “Notice of Intention to Amend the Conflict of Interest Code,” providing for a 45-day written comment period, will be posted following this meeting in accordance with the regulations of the FPPC. After consideration of any comments that may be received, the Code will be presented to the Board for approval. After the Board adopts the Code, it will be sent to the FPPC for review and approval.

BUDGET IMPACT

There is no impact to the budget.

BACKGROUND

1. The list of designated positions has been updated to delete the following positions because they no longer exist:
 - Manager, Government Affairs
 - Manager, Planning and Research

2. The list of designated positions 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:
 - Director, Government and Community Affairs
 - Director, Planning
 - Labor Compliance Officer
 - Manager, Transportation Communications (Rail)
 - Senior Real Estate Officer

3. The list of designated positions has been updated to reflect current positions:
 - Manager, Communications (formerly Manager, Community Relations)
 - Executive Officer, Caltrain Modernization Program (formerly Peninsula Rail Program)

4. The disclosure categories have been updated to conform to recent FPPC guidance regarding narrowly tailoring disclosure requirements to cover financial interests that could lead to a conflict of interest in the performance of duties performed on behalf of the JPB.

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. 2009-2
Approved by the California Fair Political Practices Commission on July 28, 2009

Amended on January 6, 2011 by Resolution No. 2011-1
Approved by the California Fair Political Practices Commission on December 18, 2011

PENINSULA CORRIDOR JOINT POWERS BOARD

CONFLICT-OF-INTEREST CODE

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) that 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 Appendices, designating positions and establishing disclosure categories, shall constitute the conflict-of-interest code of the **Peninsula Corridor Joint Powers Board (Board)**.

Individuals holding designated positions shall file their statements of economic interests with the **San Mateo County Transit District (SamTrans)**, a member of the Board; SamTrans, on behalf of the Board, will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) All statements will be retained by **SamTrans** on behalf of the Board.

**APPENDIX A
DESIGNATED POSITINOS**

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Associate Contract Officer	2
Attorney	1, 2, 3
Chief of Protective Services	2 , 3
Construction Manager	2 <u>5</u>
Contract Officer	2
Deputy CEO, Operations and Engineering	1, 2 <u>5</u>
Deputy Director, Engineering Support	2 <u>1, 5</u>
Deputy Director, Rail Contracts Administration	1 , 2 <u>5</u>
Deputy Director, Sustainability	1 , 2 <u>2</u>
Director, Budgets and Grants	1 , 2 <u>5</u>
Director, Bus Transportation	2 <u>1, 5</u>
Director, Contracts and Procurement	<u>1, 2</u>
Director, Engineering and Construction	1, 2 <u>5</u>
Director, Finance	2
<u>Director, Government and Community Affairs</u>	<u>1, 4, 5</u>
Director, Human Resources	1 , 2 , 3, 5
Director, Information Technology & Telecommunications	1 , 2
Director, Maintenance	2 <u>5</u>
<u>Director, Planning</u>	<u>1, 4, 5</u>
Director, Rail Transportation	2 <u>1, 5</u>
Director, Risk Management	2 , 3, 5
Disadvantaged Business Enterprises Officer	1 , 2 <u>3, 5</u>
Executive Officer, Customer Service and Marketing	<u>1, 2, 3</u>
Executive Officer, Planning and Development	<u>1, 2, 3</u>
Executive Officer, Public Affairs	1, 2, <u>3</u>
Government Affairs Officer	1 , 2 <u>5</u>
JPB Secretary	1, 2, <u>3</u>
<u>Labor Compliance Officer</u>	<u>3</u>
Manager, Accessible Transit Services	1 , 2 <u>5</u>
Manager, Budgets	2 <u>5</u>
Manager, Capital Projects and Environmental Planning	2 <u>1, 4, 5</u>

Designated Positions

Disclosure Categories

Manager, Community Relations <u>Communications</u>	25
Manager, Customer Service	25
Manager, Employee Relations and Civil Rights	1, 23
Manager, Engineering	1, 2
Manager, Finance Special Projects	25
Manager, Finance Treasury	25
Manager, General Ledger	25
Manager, Government Affairs	2
Manager, Grant and Capital Accounting	1, 25
Manager, Grants and Fund Programming	25
Manager, Information Technology Operations	2
Manager, IT Operations and Telecommunications	2
Manager, Maintenance of Way	25
Manager, Maintenance Rail Equipment	25
Manager, Marketing	24
Manager, Operations Technology	22
Manager, Planning and Research	1, 2
Manager, Programming and Monitoring	24
Manager, Rail Operations	1, 25
Manager, Real Estate & Property Development	1, 24, 5
Manager, Standards and Procedures	25
Manager, Stations and Access	25
Manager, Strategic Development	1, 24
Manager, Technology Research and Development	2
<u>Manager, Transportation Communications (Rail)</u>	2
Manager, TVM Program	25
Peninsula Rail Program Director <u>Executive Officer,</u> <u>Caltrain Modernization Program</u>	1, 2, 3
Program Manager	2
Program Manager, Construction Services	2
Program Manager, Engineering and Construction Administration	1, 2
Project Manager	2
Public Information Officer	25
Senior Contract Officer	32
Senior Engineer	1, 2

Designated Positions

Disclosure Categories

Senior Project Manager	2
<u>Senior Real Estate Officer</u>	<u>1, 4, 5</u>
Staff Coordinating Council	<u>1, 2, 3</u>
Superintendent, Maintenance Technical Services	<u>25</u>
Supervisor, Distribution	<u>25</u>
Supervisor, Sales	<u>1, 25</u>

Consultants/New Positions

*

Note: All positions are filled by San Mateo County Transit District employees, but act in a staff capacity for the Board.

*Consultants/New positions ~~shall be~~ included in the list of designated positions 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 or new position, 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 or new position’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. (Gov. Code Section 81008.)

Officials Who Manage Public Investments

It has been determined that the positions listed below manage public investments and will file a statement of economic interests pursuant to Government Code Section 87200. These positions are listed for informational purposes only:

- Board Members
- Executive Director
- Deputy CEO, Finance and Administration

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

APPENDIX B
DISCLOSURE CATEGORIES

Category 1: All interests in real property located within the jurisdiction or within two miles of the boundaries of the jurisdiction or within two miles of any land owned or used by the Board.

Category 2: Investments and business positions in business entities and sources of income, (including gifts, loans, and travel payments), from sources, that provide services, supplies, materials, machinery, or equipment of the type utilized by the Board ~~including, but not limited to, public utilities, consultants, transportation companies, and manufacturers~~ or in projects funded by the Board. Such sources include but are not limited to, rail, insurance and information technology/telecommunication products.

Category 3: Investments and business positions in business entities, and sources of income, including loans, gifts, and travel payments, from, entities that filed a claim against the Board during the previous two years, or have a claim pending against the Board.

Category 4: Investments, and business positions in business entities and income (including receipt of gifts, loans, and travel payments) from sources of the type that provide services in the marketing, advertising, transit or environmental planning sectors.

Category 5: Investments, and business positions in business entities and income (including receipt of gifts, loans, and travel payments) from sources of the type that provide supplies, material, machinery, or equipment utilized by the designated position's division.

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. 2009-2
Approved by the California Fair Political Practices Commission on July 28, 2009

Amended on January 6, 2011 by Resolution No. 2011-1
Approved by the California Fair Political Practices Commission on December 18, 2011

PENINSULA CORRIDOR JOINT POWERS BOARD

CONFLICT-OF-INTEREST CODE

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) that 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 Appendices, designating positions and establishing disclosure categories, shall constitute the conflict-of-interest code of the **Peninsula Corridor Joint Powers Board (Board)**.

Individuals holding designated positions shall file their statements of economic interests with the **San Mateo County Transit District (SamTrans)**, a member of the Board; SamTrans, on behalf of the Board, will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) All statements will be retained by **SamTrans** on behalf of the Board.

**APPENDIX A
DESIGNATED POSITINOS**

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Associate Contract Officer	2
Attorney	1, 2, 3
Chief of Protective Services	2, 3
Construction Manager	5
Contract Officer	2
Deputy CEO, Operations and Engineering	1, 5
Deputy Director, Engineering Support	1, 5
Deputy Director, Rail Contracts Administration	5
Deputy Director, Sustainability	2
Director, Budgets and Grants	5
Director, Bus Transportation	1, 5
Director, Contracts and Procurement	1, 2
Director, Engineering and Construction	1, 5
Director, Finance	2
Director, Government and Community Affairs	1, 4, 5
Director, Human Resources	3, 5
Director, Information Technology & Telecommunications	2
Director, Maintenance	5
Director, Planning	1, 4, 5
Director, Rail Transportation	1, 5
Director, Risk Management	3, 5
Disadvantaged Business Enterprises Officer	3, 5
Executive Officer, Customer Service and Marketing	1, 2, 3
Executive Officer, Planning and Development	1, 2, 3
Executive Officer, Public Affairs	1, 2, 3
Government Affairs Officer	5
JPB Secretary	1, 2, 3
Labor Compliance Officer	3
Manager, Accessible Transit Services	5
Manager, Budgets	5
Manager, Capital Projects and Environmental Planning	1, 4, 5

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Manager, Communications	5
Manager, Customer Service	5
Manager, Employee Relations and Civil Rights	3
Manager, Engineering	1, 2
Manager, Finance Special Projects	5
Manager, Finance Treasury	5
Manager, General Ledger	5
Manager, Grant and Capital Accounting	5
Manager, Grants and Fund Programming	5
Manager, Information Technology Operations	2
Manager, IT Operations and Telecommunications	2
Manager, Maintenance of Way	5
Manager, Maintenance Rail Equipment	5
Manager, Marketing	4
Manager, Operations Technology	2
Manager, Programming and Monitoring	4
Manager, Rail Operations	1, 5
Manager, Real Estate & Property Development	1, 4, 5
Manager, Standards and Procedures	5
Manager, Stations and Access	5
Manager, Strategic Development	4
Manager, Technology Research and Development	2
Manager, Transportation Communications (Rail)	2
Manager, TVM Program	5
Executive Officer, Caltrain Modernization Program	1, 2, 3
Program Manager	2
Program Manager, Construction Services	2
Program Manager, Engineering and Construction Administration	2
Project Manager	2
Public Information Officer	5
Senior Contract Officer	2
Senior Engineer	1, 2

Designated Positions

Disclosure Categories

Senior Project Manager	2
Senior Real Estate Officer	1, 4, 5
Staff Coordinating Council	1, 2, 3
Superintendent, Maintenance Technical Services	5
Supervisor, Distribution	5
Supervisor, Sales	5

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*

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Category 4: Investments, and business positions in business entities and income (including receipt of gifts, loans, and travel payments) from sources of the type that provide services in the marketing, advertising, transit or environmental planning sectors.

Category 5: Investments, and business positions in business entities and income (including receipt of gifts, loans, and travel payments) from sources of the type that provide supplies, material, machinery, or equipment utilized by the designated position's division.

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **AMENDMENT OF INVESTMENT POLICY AND
AUTHORIZATION TO INVEST MONIES WITH
THE LOCAL AGENCY INVESTMENT FUND**

ACTION

Staff Coordinating Council (SCC) recommends the Board adopt the attached resolutions, including one resolution amending the Statement of Investment Policy (Investment Policy) and reaffirming the delegation of authority as stated therein and a second resolution authorizing the investment of Peninsula Corridor Joint Powers Board (JPB) monies in the Local Agency Investment Fund (LAIF).

SIGNIFICANCE

The Executive Director or his designee serves as the JPB's trustee for purposes of placing investments pursuant to the attached investment policy (Exhibit A). The Board of Directors, in accordance with *California Government Code Section 53646(a)*, may review and reauthorize this delegation of authority on an annual basis at a public meeting.

The Board of Directors, in compliance with LAIF requirements, must also adopt a separate resolution authorizing monies to be invested in LAIF.

Staff, in conjunction with Legal Counsel, has reviewed the attached Investment Policy and recommends minor changes to said policy to clarify an allowable investment provision and to update two statutory citations.

BACKGROUND

The JPB's investments have always been in accordance with sound treasury management practices and complied with the objectives of safety, liquidity, and yield in that order of priority.

The JPB originally adopted its Investment Policy in August 1999 and has, from time to time, amended this policy.

The JPB most recently amended this policy on November 4, 2010 in two ways:

(1) Staff added language to the investment policy documenting the current JPB investment advisor practices already in place, and reflecting standard and prudent investment practices. (Page 6)

(2) Staff incorporated an update to the index name due to a merger in the financial services industry. (Page 7)

Presently, staff recommends minor changes to the Investment Policy to clarify an allowable investment provision (Pages 5-6) and to update two statutory citations (Page 3 and Page 6).

Prepared by: Lori Snow, Manager, Finance - Treasury

650.508.6425

August 5, 1999
Reaffirmed August 3, 2000
Amended August 2, 2001
Reaffirmed September 2002
Amended October 2003

Reaffirmed September 2004
Reaffirmed October 2005
Reaffirmed November 2006
Amended November 2007
Amended December 2008

Reaffirmed December 2009
Amended November 2010
Reaffirmed November 2011

EXHIBIT A

PENINSULA CORRIDOR JOINT POWERS BOARD

STATEMENT OF INVESTMENT POLICY

I. PURPOSE

This Policy provides guidelines for the prudent investment and cash management of the Peninsula Corridor Joint Powers Board's (JPB) funds. It is the goal of this Policy to establish investment objectives in accordance with the provisions of the *California Government Code, Section 53600 et seq.* (hereafter "*Code*"), and investment guidelines, to ensure that the funds under its purview are prudently invested to preserve capital, provide necessary liquidity, and to achieve a market-average rate of return over an economic cycle consistent with the JPB's goals of preserving principal and minimizing the risk of diminishing the principal.

Investments may only be made as authorized by this Investment Policy, and subsequent revisions. This Statement of Investment Policy may be reviewed annually by the JPB's Board of Directors at a public meeting. Irrespective of these policy provisions, should the provisions of the *Code* be, or become, more restrictive than those contained herein, then such provisions will be considered immediately incorporated into this Statement of Investment Policy.

II. OBJECTIVE

The JPB's cash management system is designed to monitor and forecast accurately, expenditures and revenues, thus enabling the JPB to invest funds to the fullest extent possible. Idle funds of the JPB shall be invested in accordance with sound treasury management and in accordance with the provisions of *California Government Code Section 53600 et seq.* and this Policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be applied in the context of managing an overall portfolio. JPB officials shall act in accordance with written procedures and the Investment Policy and should report deviations from expectations in a timely fashion and take appropriate action to control adverse developments.

The JPB's primary objective with respect to its invested funds is to safeguard the principal of the funds. The second objective is to meet the liquidity needs of the JPB. The third objective is to achieve a return on its invested funds.

III. POLICY

At all times, the JPB shall invest its funds in accordance with the rules and restrictions established by the law of the State of California (*Government Code Section 53600 et seq.*). In addition, the JPB shall conduct its investments under the "prudent investor standard": "When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency." (*California Government Code Section 53600.3*).

The Executive Director or his designee of the JPB shall serve as the JPB's trustee for purposes of placing investments pursuant to this Investment Policy. The Board of Directors may review and specifically reauthorize this delegation of authority on an annual basis. The Investment Policy may be reviewed annually by the JPB's Board of Directors at a public meeting. (*California Government Code Section 53646(a)*).

1. **Criteria for Selecting Investments.** Criteria for selecting investments and the order of priority are:
 - a. **Safety.** The safety and risk associated with an investment refer to the potential loss of principal, interest or a combination of these amounts. The JPB shall operate only in those investments that are considered safe. Investments in instruments and with institutions permitted under Section 2, Diversification, Section 6, Allowable Investment Instruments and Section 7, Local Agency Investment Fund & San Mateo County Investment Fund, are deemed to constitute safe investment within the meaning of this Investment Policy.
 - b. **Liquidity.** An adequate percentage of the portfolio, in the approximate amount of six months operating expenses, should be maintained in liquid short-term investments which can convert to cash if necessary to meet disbursement requirements. For purposes of this Investment Policy, fixed income securities maturing in one year or more are considered investment term and fixed income securities maturing in less than one year are considered short-term cash equivalents.
 - c. **Return on Investment.** The JPB's investment portfolio shall be designed with the objective of attaining the safety and liquidity objectives first, and then attaining a market rate of return throughout the budgetary and economic cycles, consistent with the portfolio's benchmark as described in

Section IV - Benchmarks. This benchmark takes into account the JPB's investment risk constraints and the cash flow characteristics of the portfolio.

2. **Diversification.** The JPB will limit its investments to the safest types of securities which include those backed by the U. S. Government or its agencies, those which have federal insurance on principal by the Federal Deposit Insurance Corporation (FDIC), or those having collateral backing of the invested principal as defined by this Investment Policy and/or the California Codes, and medium term notes as defined by *California Government Code Section 53601(k)*. Only first mortgages or government securities may be used for collateral on JPB deposits.

Collateral is defined in this Investment Policy to mean property (as securities) pledged by a borrower to protect the interest of the lender. For purposes of this Investment Policy, the following investments are considered to have collateral backing: Certificates of Deposit protected by either the FDIC or pledged securities in conformance with California Codes and this Investment Policy; Bankers' Acceptances (protected by an irrevocable time draft or bill of exchange) whereby the accepting bank incurs an irrevocable primary obligation thus guaranteeing payment on the draft or bill. A secondary obligation rests with the issuing company; Commercial Paper (protected by an unsecured promissory note from the issuer who must be rated A-1/P-1/F-1 or better) thereby guaranteeing that the earning power and/or liquidity had been established to fulfill the obligation to pay; and, asset backed securities which are rated AAA by both Moody's and Standard & Poor's.

The portfolio should consist of a mix of various types of securities, issuers, and durations from among the allowable investment instruments described in Sections 5, 6 and 7 so as to minimize the risk of loss and to maximize the rate of return when prudent to do so.

3. **Safekeeping and Custody.** All security transactions, including collateral for repurchase agreements will be executed on a Delivery versus Pay Basis (DVP). The assets of the JPB shall be held in safekeeping by the JPB's safekeeping agent, or secured through third party custody and safekeeping procedures. A due bill or other substitution will not be acceptable.
4. **Maturity of Investments.** Should the JPB decide to invest its cash in investments other than through a local agency investment fund (i.e. LAIF, SMCIF), the remaining maturity of a callable security shall be determined by its actual final stated maturity. The maturity of asset backed securities shall be considered the estimated maturity date of the tranche. With the adoption of this amended JPB Investment Policy, the JPB Board authorizes the Executive Director or his designee to invest in securities exceeding 5 years but not more than a remaining life exceeding 11 years, no more than 25 percent of the portfolio shall be invested in securities with a remaining life of 5 to 11 years, and the weighted

average maturity of the portfolio shall not exceed 5 years. The policy of maintaining a maximum dollar weighted maturity of 5 years leaves open the flexibility to take advantage of interest rate fluctuations as well as yield curve differences to maximize the return on investment as well as coinciding with the expected use of the funds. The imposed maximum dollar weighted 5 year average maturity also limits the market risk to levels comparable to an intermediate income fund.

The specific security guidelines including maximum maturities and qualified Fixed Income instruments can be found in the table under Section 9, Summary of Investments & Limitations of this policy.

5. **Deposit of Funds.** As far as possible, all money belonging to or in the custody of the JPB including money paid to the JPB to pay the principal, interest or penalties of bonds, shall be deposited for safekeeping in state or national banks, savings associations or federal associations, credit unions or federally insured industrial loan companies in California (as defined by *California Government Code Section 53630*). Pursuant to *California Government Code Sections 53635, 53637 and 53638*, the money shall be deposited in any authorized depository with the objective of realizing maximum return, consistent with prudent financial management.

The JPB's funds may also be invested in the instruments set forth below and in Sections 6 and 7 of this policy:

- a. **Time Deposits with Banks.** The JPB may invest in time deposits. In so doing, the following rules will be followed subject to the applicable statutory requirements:
- (1) No more than 5 percent of the total portfolio will be placed in any one financial institution.
 - (2) The issuing bank must carry short-term ratings of at least A-1/P-1/F-1 whose long-term rating is A or better by two of the three nationally recognized rating services (Standard & Poor's, Moody's Investor Services and Fitch's Ratings).
 - (3) Prior to placing each deposit, the Executive Director or his designee will survey the market in order to determine which stable financial institution offers the highest rate of interest.
- b. **U.S. Treasury Obligations.** The investment of JPB funds in U. S. Treasury Obligations may be undertaken in lieu of time deposits. Guaranteed by the U. S. Government, treasury obligations are considered one of the safest instruments, but the yield generally is lower than that of time deposits.

6. **Allowable Investment Instruments.** The JPB may also invest in any investment instrument as authorized by the *California Government Code*, as it may be amended from time to time, and subject to any conditions set forth in the *California Government Code* (with particular attention to the restrictions described in section 53601). These investment instruments may include:
- a. United States Treasury notes, bonds, bills or certificates of indebtedness, or those for which the faith and credit of the United States Government are pledged for the timely payment of principal and interest.
 - b. Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks or obligations, participations or other instruments of or issued by, a federal agency or a United States government-sponsored enterprise.
 - c. Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which are eligible for purchase by the Federal Reserve System.
 - d. Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Standard and Poor's or Fitch's Ratings.
 - e. Negotiable certificates of deposits issued by a nationally or state-chartered bank or a state or federal association (as defined by *California Financial Code Section 5102*) or by a state-licensed branch of a foreign bank.
 - f. Investments in repurchase agreements or reverse repurchase agreements of any securities authorized by this section.
 - g. Medium-term notes/corporate bonds of a maximum of five years' maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
 - h. Shares of beneficial interest issued by diversified management companies investing in the securities and obligations as authorized by subdivisions (a) to (g), inclusive, of this section.
 - i. Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate or consumer receivable-backed bond of a maximum of five years maturity.
 - j. Other securities having first mortgages or government securities as collateral backing of the invested principal as defined by this Policy and/or the *California Government Code*.

7. **Local Agency Investment Fund & San Mateo County Investment Fund.** The Board of Directors also authorizes the JPB to invest in the Local Agency Investment Fund (LAIF) pursuant to *California Government Code Section 16429.1* and in the San Mateo County Investment Fund (SMCIF).

8. **Prohibited Investments.** The JPB shall not invest any funds in inverse floaters, range notes or mortgage derived interest-only strips. The JPB shall not invest any funds in any security that could result in zero interest accrual if held to maturity; however, the JPB may hold this prohibited instrument until its maturity date. The limitation does not apply to investments in shares of beneficial interest issued by diversified management companies as set forth in *California Government Code Section 53601.6*.

9. **Portfolio Transactions.** The JPB’s investment advisors are expected to seek best execution for all portfolio transactions. Best execution relates to the expected realized price net of commissions and is not necessarily synonymous with the lowest commission rate. Investment advisors are to obtain three independent bids from SEC licensed brokerage institutions, licensed by the state as a broker-dealer, as defined in *California Government Code Section 53601.5*, or from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank, prior to the execution of each portfolio transaction. The investment advisors, at their sole discretion and authority, will choose which broker dealers or brokerage firms from which to solicit bids and final selection is to be made based on the best interests of the JPB. Investment advisors may incur realized capital losses in order to minimize the decrease in real purchasing power of the assets over an indefinite period of time subject, however, to the prior approval of the Executive Director or his designee.

10. **Summary of Instruments & Limitations.** Subject to the limitations set forth in *California Government code Sections 53600 et seq.* which may be amended from time to time, the Executive Director or his designee may invest in the following instruments, subject to the limits of flexibility described above:

<u>Instrument</u>	<u>Limitations</u>			
<u>Rating</u>	<u>% Of Fund</u>	<u>% Of Fund</u>	<u>Per Issuer</u>	<u>Maturity</u>
U.S. Treasury Obligations	100	100		11 years
Obligations of U.S. Agencies or Government Sponsored Enterprises	100	100		11 years

<u>Instrument</u>	<u>Limitations</u>			
<u>Rating</u>	<u>% Of Fund</u>	<u>% Of Fund</u>	<u>Per Issuer</u>	<u>Maturity</u>

Bankers Acceptances	A1/ P1/F1			
Domestic (\$500 million minimum assets)		15	10	180 days
Foreign (\$500 million minimum assets)		15	10	180 days
Collateralized Time Deposits Within the State of California		30	10	1 year
Negotiable Certificates of Deposits		10	5	5 years
Commercial Paper	A1/ P1/F1	15	10	270 days
(\$500 million minimum assets)	Additional	10	-	31 days*
*Additional 10% (for a total of 25%) if the dollar weighted average maturity of the entire amount does not exceed 31 days				
Repurchase Agreements Secured by U.S.Treasury or Agency Obligation (102% collateral)		100	50	1 year
Reverse Repurchase Agreements & Security Lending		20	20	92 days
Corporate Bonds & Medium Term Notes Including Asset-Backed Bonds (two agencies)	A	30	10	5 years
Local Agency Investment Fund (LAIF)				Up to the current limit.
San Mateo County Investment Fund (SMCIF)				Up to the current limit.
Shares of Beneficial Interest Issued by Diversified Management Companies as defined in Government Code Section 53601		10	5	
Mortgage Backed Securities	AAA	20	5	5 years
No Inverse Floaters				
No Range Notes				
No Interest Only Strips Derived from a Pool of Mortgages				

IV. **BENCHMARKS**

All of the JPB's investment results shall be evaluated quarterly based on the following composite index developed by the JPB's investment advisor.

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

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

V. REPORTING

On a monthly basis the Investment Advisor should submit an investment report which provides a market review, the Advisor's outlook for the market and strategy for investing JPB funds. The report will also compare the portfolio against the benchmark established by this policy in terms of duration and yield.

Quarterly, the Executive Director shall submit an investment report to the Board of Directors within 30 days of the end of the quarter. The report shall include the following information:

1. Type of investment, issuer, date of maturity, par and dollar amount invested in all securities, investments and moneys held by the JPB;
2. Description of any of the JPB's funds, investments or programs that are under the management of contracted parties, including lending programs;
3. For all securities held by the JPB or under management by any outside party that is not a local agency or the State of California Local Agency Investment Funds, a current market value as of the date of the report and the source of this valuation;
4. Statement that the portfolio complies with the Investment Policy or the manner in which the portfolio is not in compliance; and
5. Statement that the JPB has the ability to meet its pool's expenditure requirements (cash flow) for the next six months or provide an explanation as to why sufficient money shall or may not be available.

If the JPB places all of its investments in the LAIF, FDIC-insured accounts in a bank or savings and loan association or county investment pool (or any combination of these three), the Executive Director can simply submit, on at least a quarterly basis, the most recent statements from these institutions to meet the requirements of items 1 - 3 above, with a supplemental report addressing items 4 and 5 above. (*California Government code Section 53646(b)-(e)*).

RESOLUTION NO. 2012-

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

**AMENDING THE STATEMENT OF INVESTMENT POLICY
FOR THE PENINSULA CORRIDOR JOINT POWERS BOARD**

WHEREAS, as encouraged by applicable State law and in accordance with best practices, the Peninsula Corridor Joint Powers Board (JPB) has adopted an investment policy; and

WHEREAS, the JPB may annually render a statement of said investment policy to the Board of Directors for review and approval pursuant to Section 53646 of the State of California Government Code; and

WHEREAS, in August 1999, the JPB adopted a Statement of Investment Policy; and

WHEREAS, the JPB has amended its Statement of Investment Policy over the years, most recently in November 2010; and

WHEREAS, in presenting the Statement of Investment Policy to the Board of Directors for this year, staff recommends amending the aforementioned Statement of Investment Policy to clarify an allowable investment provision and to update two citations, and further recommends reappointing the Executive Director (or his designee) as trustee for purposes of placing investments pursuant to the aforementioned policy.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board approves and adopts the Statement of Investment Policy attached hereto as Exhibit A; and

BE IT FURTHER RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby appoints its Executive Director (or his designee) as the trustee for purposes of placing investments pursuant to said policy.

Regularly passed and adopted this 1st day of November 2012 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

RESOLUTION NO. 2012-

BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD

STATE OF CALIFORNIA

**AUTHORIZING INVESTMENT OF PENINSULA CORRIDOR JOINT POWERS BOARD
MONIES IN LOCAL AGENCY INVESTMENT FUND**

WHEREAS, pursuant to Government Code Section 16429.1, a Local Agency Investment Fund was created in the State Treasury for the deposit of local agency monies for purposes of investment by the State Treasurer; and

WHEREAS, staff recommends that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Government Code Section 16429.1 for the purpose of investment as stated therein are in the best interests of the Peninsula Corridor Joint Powers Board.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board does hereby authorize the deposit and withdrawal of Peninsula Corridor Joint Powers Board monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Government Code Section 16429.1 for the purpose of investment as stated therein; and

BE IT FURTHER RESOLVED that the Executive Director (or his designee) shall be authorized to order the deposit or withdrawal of Peninsula Corridor Joint Powers Board monies in the Local Agency Investment Fund.

Regularly passed and adopted this 1st day of November 2012 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

**SUBJECT: AUTHORIZE AMENDMENT TO EXTEND THE AGREEMENT WITH
GARDA CL WEST, INC. FOR ARMORED CAR SERVICES**

ACTION

Staff Coordinating Council proposes the Board authorize the Executive Director or his designee to execute an amendment to the contract with Garda CL West, Inc. (Garda) extending the contract on a month-to-month basis for one year at a cost of up to \$456,096 to collect, transport, count, and deposit cash received from automated ticket vending machines along the Peninsula Corridor Joint Power Board's (JPB) commuter rail corridor.

SIGNIFICANCE

An amendment to this contract will assure the continuance of armored-car service while a new contract is being solicited.

BUDGET IMPACT

The current approved contract amount is insufficient to provide the services during the proposed 12-month contract extension. This amendment will increase the total contract amount from \$2,843,789 to \$3,299,885. Funds for this amendment are available under the approved and projected Operating budgets.

BACKGROUND

Pursuant to Resolution 2006-16, the Board awarded a three-year contract with two one-year option terms to AT Systems West, Inc. (ATS) to provide armored car services to the JPB. In 2008, Garda acquired ATS and the JPB consented to the transfer of the contract from ATS to Garda via a novation agreement. Pursuant to Resolution 2011-51, the Board authorized an amendment to extend the contract for an additional one-year term through December 31, 2012 and increase the estimated contract amount by up to \$456,096. The re-solicitation of armored car services for the JPB has been delayed to give staff time to develop a new scope of work for the RFP, which will solicit services that encompass the requirements of both the San Mateo County Transit District and the JPB.

Contract Officer: Brian Geiger
Project Manager: Dave Triolo, Chief of Protective Services
650.508.6237

650.508.7973

RESOLUTION NO. 2012-

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

* * *

**AUTHORIZING AMENDMENT TO THE CONTRACT WITH GARDA CL WEST, INC.
TO PROVIDE ARMORED CAR SERVICE TO EXTEND THE CONTRACT TERM
AND INCREASE THE ESTIMATED CONTRACT AMOUNT BY UP TO \$456,096**

WHEREAS, Pursuant to Resolution 2006-16, the Board of Directors of the Peninsula Corridor Joint Powers Board (JPB) authorized the award of an armored car services contract to AT Systems, Inc. (ATS) for collecting, transporting, counting, and depositing cash received from automated ticket vending machines (TVM); and

WHEREAS, ATS was purchased by Garda CL West, Inc. (Garda) in 2008 and the contract transferred to Garda per a novation agreement; and

WHEREAS, at the end of the contract term, staff extended the Agreement for a month-to-month basis up to an additional one-year term to allow time for the JPB to develop the scope of services for a new armored car service contract combining the service needs of the District and JPB under one solicitation and to issue a Request of Proposal therefor; and

WHEREAS, the staff proposes to further extend the Agreement on a month-to-month basis for up to 12 months to allow the JPB additional time to develop and issue a Request for Proposals to provide armored car services for both the JPB and San Mateo County Transit District.

WHEREAS, the Executive Director recommends that the Board authorize an amendment to the contract with Garda to extend the contract term on a month-to-month basis from January 1, 2013 to December 31, 2013 and to increase the estimated contract amount from \$2,843,789 to \$3,299,885, an increase of \$456,096 if the contract is retained for the full additional year.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the JPB authorizes an amendment to the contract with Garda CL, Inc. of Pasadena, California, to extend the contract term on a month-to-month basis from January 1, 2013 through December 31, 2013 and to increase the estimated contract amount by up to \$456,096; and

BE IT FURTHER RESOLVED that the Board authorizes the Executive Director or his designee to execute an amendment to achieve these ends, in a form approved by legal counsel.

Regularly passed and adopted this 1st day of November, 2012 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 SEPTEMBER 2012

Caltrain's average weekday ridership (AWR) in September 2012 was 50,821, which is an increase of 5,447 or 12.0 percent over September 2011. This is the highest AWR ever recorded and the second month this calendar year to exceed 50,000. Total Caltrain ridership in September 2012 was 1,289,890, which is 8.4 percent greater than September 2011. Caltrain has had 26 consecutive months of ridership growth.

On-time performance for September 2012 was 86.6 percent. This is a decrease from September 2011 on-time performance of 93.6 percent. When measuring trains arriving within 10 minutes of the scheduled arrival time on-time performance rises to 92.8 percent. In September, there were four major incidents that significantly affected on-time performance for the month. On September 19, there was a near miss with a trespasser that delayed afternoon peak trains. On September 21, a communications device failure caused delays during the morning peak. On September 24, morning service was affected when a train experienced mechanical issues. Finally, on September 26, a vehicle was hit at a grade crossing, causing delays in the afternoon peak. Despite these events, there were three days when Caltrain operated 100% on-time. While monthly mechanical delays were significantly higher than average at 1,356 minutes for September 2012, 70 percent of those minutes were attributed to the mechanical issue on September 24.

There were 14.5 complaints per 100,000 passengers. Conductor complaints were the top category, followed by late trains and facility issues.

Average weekday shuttle ridership was 10,247, which is an increase of 3,510 or 52.1 percent over September 2011 AWR of 6,737. Similar to previous months, this high growth continues to be largely influenced by Stanford's Marguerite shuttle. Marguerite AWR is estimated to have doubled from a year ago and many of the employer shuttles also are up significantly. For the station shuttles, the Millbrae-Broadway shuttle averaged 194 daily riders. The Belmont-Hillsdale shuttle averaged 87 daily riders. The weekend Tamien-San Jose shuttle averaged 67 riders per day.

Caltrain Promotions – September 2012

San Francisco Giants – The Giants ended the regular season as winners and so did Caltrain. For September, 110,102 fans rode the train for the games. Pre-season and regular season ridership was 576,053, a 12 percent increase compared to last year. Caltrain communicated to fans a number of ways during the season to let them know how easy it is to get to AT&T Park on Caltrain. Promotional elements included videos, social media, news releases, brochure, electronic messages at stations, flyer posted at stations, mentions in *Caltrain Connection* and *Track the Fun*, and the Caltrain website.

Stanford Football – Caltrain promoted its special gridiron stop at the Stanford Stadium station to football fans with a news release, take one (produced by Stanford), social media (Facebook, Google+ and Twitter), web button on Caltrain’s site and a dedicated service page. Service information also was included in *Caltrain Connection* and *Track the Fun*. In September, Caltrain served two games carrying a total of 5,651 customers at the Stanford Stadium station. Because the Stanford station doesn’t have a Clipper card tagging device, an unknown number of customers also used the Palo Alto station.

Opera at the Park – Caltrain didn’t leave until the fat lady sang, as the saying goes, for the fans who attended the annual Opera at the Park event at AT&T Park. Service to the opera was promoted via social media, online, in *Track the Fun* and with a news release. More than 4,000 opera aficionados took the train for the event, a 37 percent increase compared to last year’s event.

Partnerships – Caltrain Marketing staff works with a number of event organizers to co-promote events that will generate train ridership and also provide added value for current Caltrain customers. In September, promotions for *Disney on Ice Celebrates 100 Years of Magic* started with information posted on Caltrain’s *Track the Savings* webpage, *Track the Fun* brochure and interior adcards, produced by the event sponsor. As part of the partnership, Disney is running television commercials with a Caltrain mention and also is offering a \$5 discount for Caltrain ticket holders. Caltrain partnered with Clear Channel Communications for *Commuter Appreciation Day* at the San Francisco station. Various radio stations mentioned the location of the event, where they gave away goodie bags.

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

September 2012

	FY2012	FY2013	% Change
Total Ridership	1,190,227	1,289,890	8.4%
Average Weekday Ridership	45,374	50,821	12.0%
Total Farebox Revenue	\$4,984,656	\$5,859,685	17.6%
On-time Performance	93.6%	86.6%	-7.0%*
Average Caltrain Shuttle Ridership**	6,737	10,247	52.1%

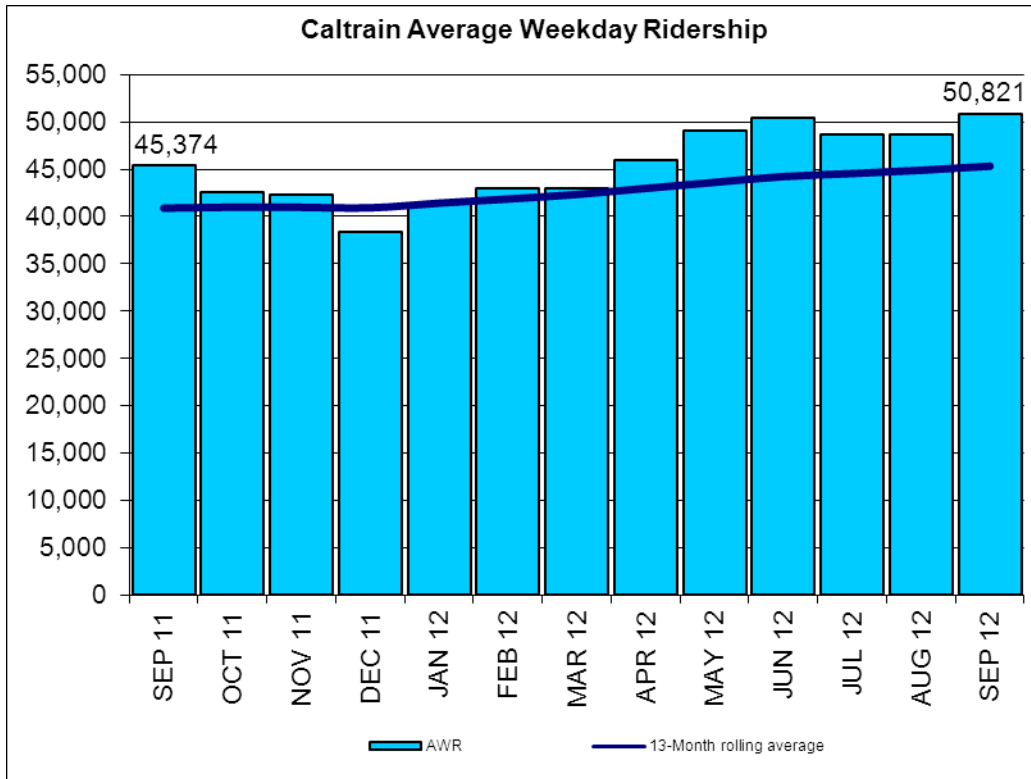
Year to Date

	FY2012	FY2013	% Change
Total Ridership	3,609,095	3,946,397	9.3%
Average Weekday Ridership	44,901	49,355	9.9%
Total Farebox Revenue	\$15,305,664	\$17,665,531	15.4%
On-time Performance	92.6%	91.3%	-1.3%*
Average Caltrain Shuttle Ridership**	6,573	8,697	32.3%

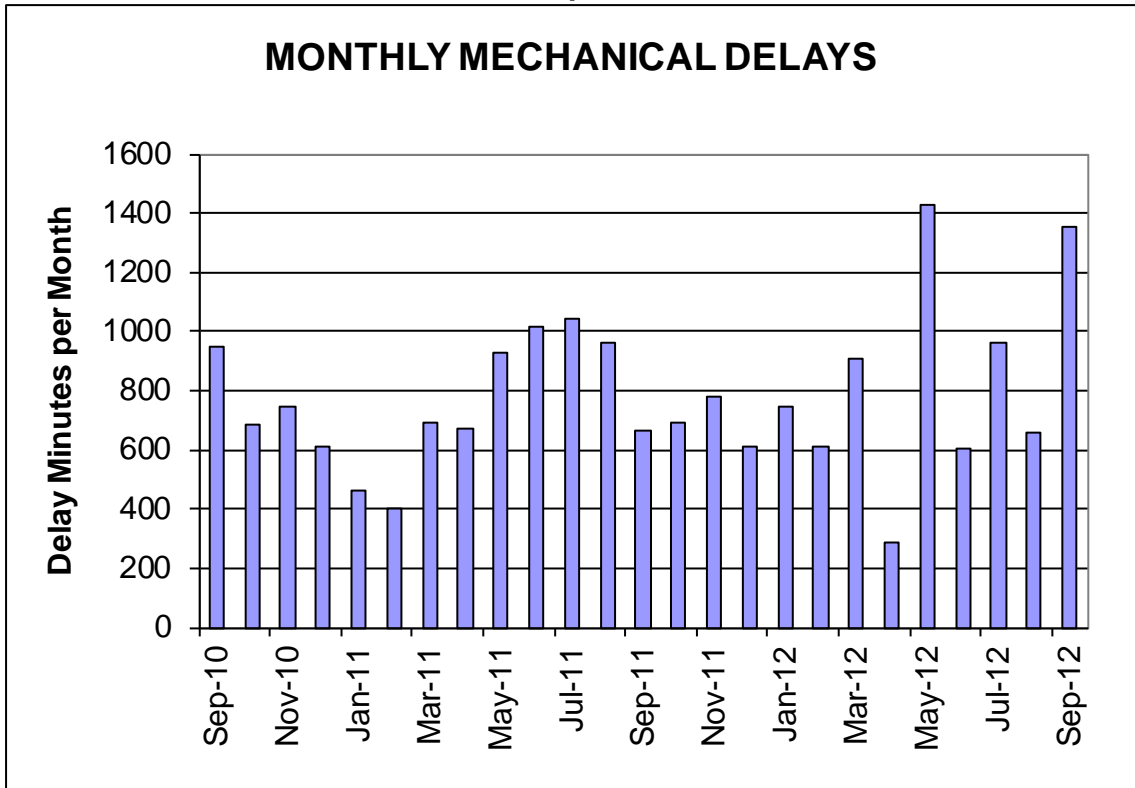
* numeric difference of the percentages

** Shuttles included have been adjusted for FY 12 to reflect only JPB funded shuttles

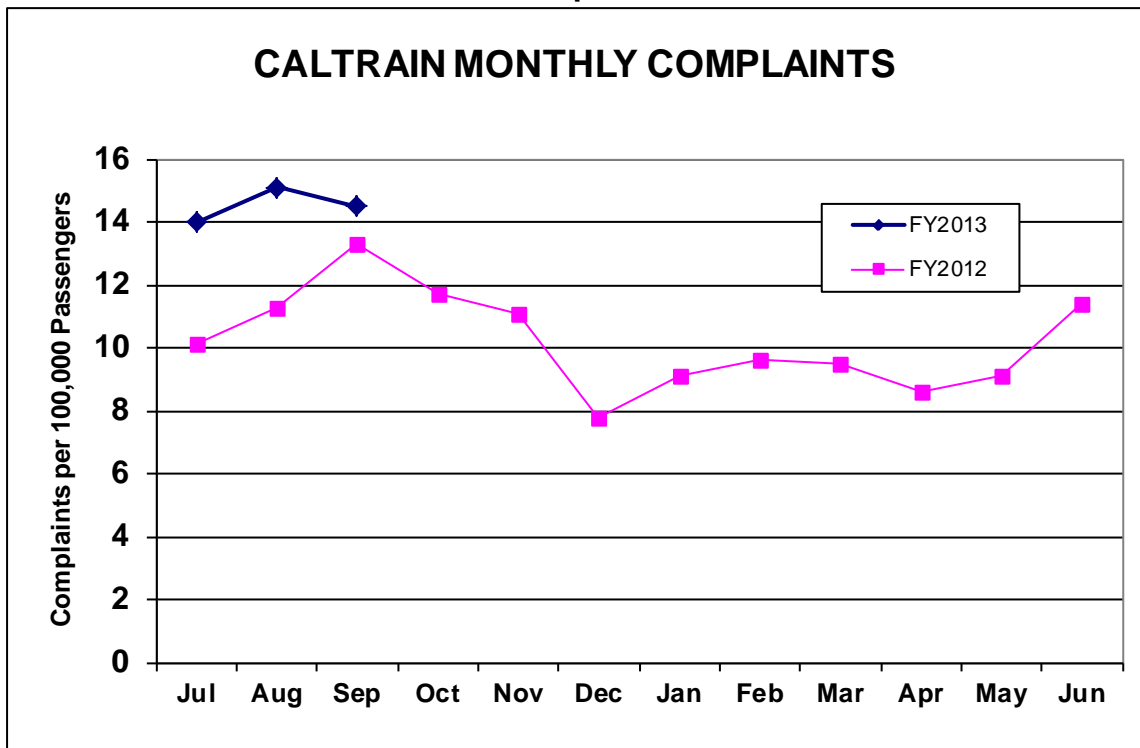
Graph A



Graph B



Graph C



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 JUNE 30, 2012 AND SUPPLEMENTAL INFORMATION – YEAR
END RESULTS - UNAUDITED**

ACTION

Staff proposes the Board of Directors accept and enter into the record the Statement of Revenue and Expense for the month of June 2012 and supplemental information.

SIGNIFICANCE

Unaudited Revenue: For June of Fiscal Year 2012, *Total Operating Revenue* (line 7) is \$6,150,877 or 9.8 percent **better** than budget. Within total operating revenue, *Farebox Revenue* (line 1), *Parking Revenue* (line 2), *Rental Income* (line 4) and *Other Income* (line 5) together are \$6,150,498 or 10 percent **better** than budget. Compared to the prior year, *Total Operating Revenue* (line 7) are \$11,858,339 or 20.7 percent **higher**. The increase in revenue is mainly due to *Farebox Revenue* (line 1) which is \$10,865,771 or 22.2 percent **higher**.

Unaudited Expense: *Grand Total Expenses* (line 46) show a favorable variance of \$4,182,485 or 3.9 percent. *Total Operating Expense* (line 33) is \$3,454,010 or 3.6 percent **better** than budget. Within total operating expense, *Operating Contract Transition Costs* (line 24), *Utilities* (line 30) and *Wages and Benefits* (line 36) together are \$1,250,664 or 9.9 percent **better** than budget offset by *Shuttles (including Peninsula Pass)* (line 25), *Fuel* (line 26), *Facilities and Equipment Maint* (line 29), *Services* (line 31), and *Professional Service* (line 38) which are \$445,114 or 1.9 percent **worse** than budget. *Total Administrative Expense* (line 42) is \$728,475 or 7 percent **better** than budget.

Compared to prior year, *Grand Total Expenses* (line 46) are \$5,511,703 or 5.7 percent **higher**. The increase in expense is mainly due to *Contract Operating & Maintenance* (line 23), *Operator Contract Transition Costs* (line 24) and *Fuel* (line 26) which together are \$7,065,481 or 9.8 percent **higher**.

Budget Revisions: There are no budget revisions for the month of June 2012.

Final Year End Results: Staff will update this report and distribute in conjunction with the Fiscal Year 2012 Comprehensive Annual Financial Report (CAFR).

Prepared by: Sheila Tioyao, Manager, General Ledger
Jeannie Chen, Senior Accountant

650.508.7752
650.508.6417

PENINSULA CORRIDOR JOINT POWERS BOARD

STATEMENT OF REVENUE AND EXPENSE

Fiscal Year 2012

June 2012

UNAUDITED

	% OF YEAR ELAPSED								100.0%	
	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	5,778,073	49,025,572	59,891,343	54,069,757	110.8%	50,644,719	54,069,757	110.8%	1
2	Parking Revenue	283,067	2,501,190	3,261,932	2,987,854	109.2%	2,776,600	2,987,854	109.2%	2
3	Shuttles	232,852	1,075,016	1,148,957	1,148,579	100.0%	1,148,579	1,148,579	100.0%	3
4	Rental Income	135,988	1,733,170	1,759,216	1,737,240	101.3%	1,737,240	1,737,240	101.3%	4
5	Other Income	222,384	2,814,080	2,945,918	2,913,060	101.1%	2,913,060	2,913,060	101.1%	5
6										6
7	TOTAL OPERATING REVENUE	6,652,363	57,149,028	69,007,367	62,856,490	109.8%	59,220,198	62,856,490	109.8%	7
8										8
9	CONTRIBUTIONS:									
10	AB434 Peninsula Feeder Shuttle	82,777	1,000,000	989,533	1,000,000	99.0%	1,000,000	1,000,000	99.0%	10
11	Operating Grants	2,305,613	7,314,877	9,262,985	9,271,706	99.9%	9,222,450	9,271,706	99.9%	11
12	JPB Member Agencies	2,111,439	35,090,130	25,337,256	25,337,256	100.0%	25,337,256	25,337,256	100.0%	12
13	Other Sources				7,938,837	0.0%	9,000,000	9,000,000	0.0%	13
14										14
15	TOTAL CONTRIBUTED REVENUE	4,499,829	43,405,007	35,589,774	43,547,799	81.7%	44,559,706	44,608,962	79.8%	15
16										16
17	GRAND TOTAL REVENUE	11,152,192	100,554,035	104,597,140	106,404,289	98.3%	103,779,904	107,465,452	97.3%	17
18										18
19										19
20	EXPENSE									
21										21
22	OPERATING EXPENSE:									
23	Contract Operating and Maintenance	8,322,708	58,864,324	59,435,769	62,423,008	95.2%	62,851,773	62,423,008	95.2%	23
24	Operator Contract Transition Costs	(300,249)	80,027	4,223,931	4,700,000	89.9%	3,200,000	4,700,000	89.9%	24
25	Shuttles (incl Peninsula Pass)	384,056	2,885,841	3,044,524	2,984,550	102.0%	2,984,550	2,984,550	102.0%	25
26	Fuel	1,074,883	12,931,549	15,281,681	15,160,380	100.8%	14,660,380	15,160,380	100.8%	26
27	Timetables and Tickets	26,069	181,605	155,936	161,000	96.9%	161,000	161,000	96.9%	27
28	Insurance	319,157	7,310,271	4,783,055	4,870,000	98.2%	4,870,000	4,870,000	98.2%	28
29	Facilities and Equipment Maint	432,922	1,201,921	1,828,325	1,778,200	102.8%	1,037,260	1,778,200	102.8%	29
30	Utilities	139,076	1,496,075	1,438,295	1,596,835	90.1%	1,596,835	1,596,835	90.1%	30
31	Services	247,360	1,114,011	1,238,207	1,209,760	102.4%	1,171,760	1,209,760	102.4%	31
32										32
33	TOTAL OPERATING EXPENSE	10,645,982	86,065,625	91,429,723	94,883,733	96.4%	92,533,558	94,883,733	96.4%	33
34										34
35	ADMINISTRATIVE EXPENSE									
36	Wages and Benefits	476,418	6,026,001	5,720,304	6,336,359	90.3%	6,340,690	6,336,359	90.3%	36
37	Board of Directors	1,132	12,289	10,020	10,800	92.8%	10,800	10,800	92.8%	37
38	Professional Services	(249,622)	2,082,086	2,498,188	2,312,921	108.0%	2,143,542	2,312,921	108.0%	38
39	Communications and Marketing	11,593	147,157	57,755	171,000	33.8%	171,000	171,000	33.8%	39
40	Office Expense and Other	(49,879)	1,274,068	1,402,939	1,586,601	88.4%	1,477,439	1,586,601	88.4%	40
41										41
42	TOTAL ADMINISTRATIVE EXPENSE	189,642	9,541,601	9,689,206	10,417,681	93.0%	10,143,471	10,417,681	93.0%	42
43										43
44	Long Term Debt Expense	91,906	1,102,875	1,102,875	1,102,875	100.0%	1,102,875	1,102,875	100.0%	44
45										45
46	GRAND TOTAL EXPENSE	10,927,530	96,710,101	102,221,804	106,404,289	96.1%	103,779,904	106,404,289	96.1%	46

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



Board of Directors 2012

Adrienne Tissier, Chair
 Ken Yeager, Vice Chair
 José Cisneros
 Malia Cohen
 Jerry Deal
 Ash Kalra
 Liz Kniss
 Arthur L. Lloyd
 Tom Nolan

Michael J. Scanlon
 Executive Director

PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF JUNE 30, 2012

TYPE OF SECURITY	MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
-----	-----	-----	-----	-----
* Local Agency Investment Fund (Restricted)	Liquid Cash	0.363%	\$ 2,000,000	\$ 2,002,439
* Local Agency Investment Fund (Unrestricted)	Liquid Cash	0.363%	31,221,396	31,259,475
Investment Portfolio (Unrestricted)	Liquid Cash	0.000%	0	0
Other (Unrestricted)	Liquid Cash	0.010%	2,297,939	2,297,939
-----	-----	-----	-----	-----
			\$ 35,519,334	\$ 35,559,853

Accrued Earnings for May, 2012 \$7,936.91
 Cumulative Earnings FY2012 \$165,577.31

* The market value of Local Agency Investment Fund (LAIF) was derived from the fair value factor of 1.001219643 as reported by LAIF for quarter ending June 30, 2012.
 ** 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: **STATEMENT OF REVENUE AND EXPENSE FOR THE PERIOD
ENDING SEPTEMBER 30, 2012 AND SUPPLEMENTAL INFORMATION**

ACTION

Staff proposes the Board of Directors accept and enter into the record the Statement of Revenue and Expense for the month of September 2012 and supplemental information.

SIGNIFICANCE

Revenue: For September of Fiscal Year 2013, *Total Operating Revenue* (line 7) is \$1,859,507 or 10.3 percent **better** than budget. Within total operating revenue, *Farebox Revenue* (line 1) is \$1,941,413 or 12.3 percent **better** than budget. Compared to the prior year, *Total Operating Revenue* (line 7) is \$2,335,119 or 13.3 percent **higher**.

Expense: *Grand Total Expenses* (line 47) show a favorable variance of \$1,119,891 or 4 percent. *Total Operating Expense* (line 33) is \$857,396 or 3.5 percent **better** than budget. *Total Administrative Expense* (line 43) is \$262,495 or 7.6 percent **better** than budget.

Compared to prior year, *Grand Total Expenses* (line 47) are \$2,535,371 or 10.4 percent **higher**. The increase in expense is mainly due to *Contract Operating & Maintenance* (line 22) which is \$1,611,354 or 11.5 percent **higher**.

Budget Revisions: There are no budget revisions for the month of September 2012.

Prepared by: Sheila Tioyao, Manager, General Ledger
Jeannie Chen, Senior Accountant

650.508.7752
650.508.6417

PENINSULA CORRIDOR JOINT POWERS BOARD
STATEMENT OF REVENUE AND EXPENSE
Fiscal Year 2013
September 2012

	% OF YEAR ELAPSED								25.0%
	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	5,859,685	15,305,664	17,665,531	15,724,118	112.3%	60,293,443	60,293,443	29.3%
2	Parking Revenue	273,880	846,558	789,261	824,898	95.7%	3,299,590	3,299,590	23.9%
3	Shuttles	95,650	288,981	289,825	346,058	83.8%	1,384,230	1,384,230	20.9%
4	Rental Income	154,940	442,626	454,570	467,190	97.3%	1,868,760	1,868,760	24.3%
5	Other Income	242,628	640,521	660,283	637,700	103.5%	2,527,430	2,527,430	26.1%
6									
7	TOTAL OPERATING REVENUE	6,626,784	17,524,351	19,859,470	17,999,963	110.3%	69,373,453	69,373,453	28.6%
8									
9	CONTRIBUTIONS:								
10	AB434 & TA Shuttle Funding	184,497	250,000	418,161	311,089	134.4%	2,184,271	2,184,271	19.1%
11	Operating Grants	1,327,746	-	1,327,746	1,328,528	99.9%	6,310,982	6,310,982	21.0%
12	JPB Member Agencies	2,791,667	5,619,413	8,374,999	8,375,000	100.0%	33,500,000	33,500,000	25.0%
13									
14	TOTAL CONTRIBUTED REVENUE	4,303,910	5,869,413	10,120,906	10,014,617	101.1%	41,995,253	41,995,253	24.1%
15									
16	GRAND TOTAL REVENUE	10,930,694	23,393,764	29,980,376	28,014,580	107.0%	111,368,706	111,368,706	26.9%
17									
18									
19	EXPENSE								
20									
21	OPERATING EXPENSE:								
22	Contract Operating and Maintenance	5,234,751	14,040,114	15,651,468	16,071,291	97.4%	63,820,184	63,820,184	24.5%
23	Operator Contract Transition Costs	-	161,040	-	-	0.0%	-	-	0.0%
24	Rail Operator Service - Other	95,000	-	285,000	287,490	99.1%	1,150,000	1,150,000	24.8%
25	Shuttles (incl Peninsula Pass)	284,066	762,897	883,666	1,102,625	80.1%	4,410,504	4,410,504	20.0%
26	Fuel	1,920,651	4,308,903	4,253,379	4,299,630	98.9%	17,198,522	17,198,522	24.7%
27	Timetables and Tickets	11,872	4,247	35,472	36,800	96.4%	147,200	147,200	24.1%
28	Insurance	402,931	1,171,021	1,200,120	1,349,465	88.9%	5,100,500	5,100,500	23.5%
29	Facilities and Equipment Maint	102,583	194,991	374,542	383,663	97.6%	1,534,560	1,534,560	24.4%
30	Utilities	147,749	337,370	438,205	439,110	99.8%	1,696,870	1,696,870	25.8%
31	Services	116,623	219,528	316,513	325,688	97.2%	1,286,880	1,286,880	24.6%
32									
33	TOTAL OPERATING EXPENSE	8,316,227	21,200,112	23,438,365	24,295,761	96.5%	96,345,220	96,345,220	24.3%
34									
35	ADMINISTRATIVE EXPENSE								
36	Wages and Benefits	492,597	1,193,028	1,250,233	1,373,395	91.0%	5,623,527	5,498,277	22.7%
37	Managing Agency Admin OH Cost	388,162	210,347	878,061	885,074	99.2%	3,540,298	3,540,298	24.8%
38	Board of Directors	700	1,656	1,681	1,790	93.9%	12,800	12,800	13.1%
39	Professional Services	260,215	885,768	663,214	668,411	99.2%	2,673,479	2,766,229	24.0%
40	Communications and Marketing	13,250	24,142	33,750	34,500	97.8%	138,000	138,000	24.5%
41	Office Expense and Other	91,465	568,546	353,666	479,930	73.7%	1,932,507	1,965,007	18.0%
42									
43	TOTAL ADMINISTRATIVE EXPENSE	1,246,390	2,883,487	3,180,605	3,443,100	92.4%	13,920,611	13,920,611	22.8%
44									
45	Long Term Debt Expense	91,906	275,719	275,719	275,719	100.0%	1,102,875	1,102,875	25.0%
46									
47	GRAND TOTAL EXPENSE	9,654,523	24,359,318	26,894,689	28,014,580	96.0%	111,368,706	111,368,706	24.1%

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



Board of Directors 2012

Adrienne Tissier, Chair
 Ken Yeager, Vice Chair
 José Cisneros
 Malia Cohen
 Jerry Deal
 Ash Kalra
 Liz Kniss
 Arthur L. Lloyd
 Tom Nolan

Michael J. Scanlon
 Executive Director

PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF SEPTEMBER 30, 2012

TYPE OF SECURITY	MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (Restricted)	Liquid Cash	0.348%	\$ 2,000,000	\$ 2,000,000
Local Agency Investment Fund (Unrestricted)	Liquid Cash	0.348%	35,848,272	35,848,272
County Pool (Unrestricted)	* Liquid Cash	0.860%	20,000,000	20,000,000
Investment Portfolio (Unrestricted)	** Liquid Cash	0.000%	0	0
Other (Unrestricted)	Liquid Cash	0.010%	1,155,095	1,155,095
			\$ 59,003,367	\$ 59,003,367

Accrued Earnings for September, 2012	\$19,974.87
Cumulative Earnings FY2013	\$48,025.90

* County Pool average yield for the month ending September 30, 2012 was 0.860%. As of September 2012, the amortized cost of the Total Pool was \$2,453,095,423.71 and the fair market value per San Mateo County Treasurer's Office was \$2,468,995,637.75.

** 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 AWARD OF CONTRACT TO PROVIDE INSURANCE
BROKERAGE SERVICES**

ACTION

Staff Coordinating Council (SCC) recommends the Board:

1. Award a contract for insurance brokerage services to Wells Fargo Insurance Services USA, Inc. (Wells Fargo) for a firm-fixed price of \$465,000 and for additional on-call insurance brokerage services for a not-to-exceed amount of \$100,000, at the fixed hourly rates set forth in the proposal. The contract is for a five-year term.
2. Authorize the Executive Director or designee to execute a contract with Wells Fargo in full conformity with the terms and conditions of the solicitation documents and negotiated agreement.

SIGNIFICANCE

Award of this contract will provide the Peninsula Corridor Joint Powers Board (JPB) with the services of a qualified and experienced insurance brokerage firm that is well versed in the property and casualty insurance markets, including comprehensive risk management services. The provision for on-call services covers consultant services in areas such as risk control, business continuity planning, on-demand emergency preparedness, crisis management, and enterprise risk management.

BUDGET IMPACT

Funding for these services will be available under approved and projected operating budgets.

BACKGROUND

A Request for Proposals (RFP) to provide insurance brokerage services was issued detailing the scope of services. The solicitation was advertised in a newspaper of general circulation and on the JPB's website. Solicitation notices also were sent to interested firms, small business enterprises and disadvantaged business enterprises (DBEs). Staff received proposals from two firms.

An Evaluation Committee (Committee), comprised of qualified staff and an outside expert with experience in the placement of property and casualty insurance programs, reviewed and ranked proposals according to the following weighted criteria set forth in the RFP:

- Approach to Scope of Services 25 points
- Qualifications and Experience of Firm 25 points
- Qualifications and Experience of Management Team and Key Personnel 30 points
- Cost Proposal 20 points

After review, evaluation, and initial scoring of proposals, the Committee invited both firms for interviews because they fell within the competitive range. Following interviews, the Committee completed the final evaluation and consensus ranking. The firms are listed below in order of their final consensus ranking.

- Wells Fargo Insurance Services USA, Inc., San Carlos, CA
- Alliant Insurance Services, Inc., San Francisco, CA

Wells Fargo is a licensed fire and casualty insurance broker with a substantial presence in the Bay Area and has a local San Carlos office to service the JPB's account. Each of the key personnel assigned to the JPB's account have more than 20 years of experience working with public sector clients and possess a deep understanding of the State of California fire and casualty insurance regulations, codes and environment. This background demonstrates the firm has the requisite depth of knowledge and experience in the rail and transit industries for the successful placement and management of the JPB's property and casualty insurance programs, including comprehensive risk management services. Wells Fargo will provide all of the required services with its own staff and will not engage any subconsultants. Staff therefore recommends award of a contract to this firm.

Wells Fargo currently provides insurance brokerage services to the JPB under a three-year base term contract with two, one-year option terms for a cost of \$520,400 for the five-year term.

Contract Officer: Adwoa Oni 650.508.6411
Project Manager: Dave Triolo 650.508.6237
Chief of Protective Services/Acting Director, Risk Management

RESOLUTION NO. 2012-

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

* * *

**AUTHORIZING AWARD OF CONTRACT
TO PROVIDE INSURANCE BROKERAGE SERVICES
FOR A NOT-TO-EXCEED AMOUNT OF \$565,000 FOR FIVE YEARS**

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) has solicited competitive proposals to provide insurance brokerage services; and

WHEREAS, in response to the JPB's advertisement, two firms submitted proposals; and

WHEREAS, an Evaluation Committee (Committee) has reviewed proposals and conducted interviews, and ranked the proposers according to the evaluation criteria set forth in the Request for Proposals (RFP); and

WHEREAS, the Committee has determined that Wells Fargo Insurance Services, USA, Inc., is the highest consensus-ranked firm; and

WHEREAS, legal counsel has reviewed the proposal from Wells Fargo Insurance Services, USA, Inc. and has determined that it complies with the requirements of the solicitation documents; and

WHEREAS, the Executive Director recommends, and the Staff Coordinating Council concurs, that a five-year contract for insurance brokerage services be awarded to Wells Fargo Insurance Services USA, for a total cost of \$565,000, comprised of total firm-fixed price of \$465,000 for core services and a not-to-exceed amount of \$100,000 for additional on-call crisis-management, business-continuity-planning, and risk-management services at the fixed hourly rates set forth in the proposal.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board hereby awards a contract for insurance brokerage services to Wells Fargo Insurance Services USA, Inc. of San Carlos, California for a five-year term for a firm-fixed price of \$465,000 in full conformity with all the terms and conditions of the contract documents and negotiated agreement; and

BE IT FURTHER RESOLVED that additional on-call insurance brokerage services required under the contract for risk control, business continuity planning, and enterprise risk management will be provided at the fixed hourly rates set forth in the proposal for a not-to-exceed amount of \$100,000; and

BE IT FURTHER RESOLVED the Board authorizes the Executive Director or designee to execute a contract on behalf of the JPB with Wells Fargo Insurance Services USA, Inc. in full conformity with all of the terms and conditions of the contract documents and the negotiated agreement, and in a form approved by legal counsel.

Regularly passed and adopted this 1st day of November, 2012 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

SUBJECT: AUTHORIZING CONTRACT AWARD FOR SECURITY OFFICER SERVICES

ACTION

Staff Coordinating Council recommends the Board:

1. Award a contract to G4S Secure Solutions (USA), Inc. (G4S) of San Jose, CA for providing security officer services for a three-year term at the Caltrain Centralized Equipment Maintenance and Operations Facility (CEMOF) and the San Francisco and San Jose Diridon Caltrain stations at an estimated total cost of \$2,219,293 for a three-year term.
2. Authorize the Executive Director, or his designee, to execute a contract with G4S in full conformity with the terms and conditions set forth in the solicitation documents and negotiated agreement; and
3. Authorize the Executive Director, or his designee, to exercise up to two additional one-year option terms at then-current pricing with G4S for the security officer services if deemed in the best interest of the Peninsula Corridor Joint Powers Board (JPB).

SIGNIFICANCE

Award of this contract will provide the JPB with uniformed security officer services at CEMOF and selected Caltrain stations for detecting and deterring crime and nuisance activity; protecting these facilities from unauthorized entry; and for rapid reporting of emergencies, suspicious behavior and unsafe conditions for the security and safety of patrons, vendors and employees.

BUDGET IMPACT

Funding for these services will be available under approved and projected Fiscal Year 2013 operating budgets.

BACKGROUND

Pursuant to Resolution 2006-29, the Board on October 1, 2006 awarded a three-year contract with two 1-year option terms to Cypress Security, LLC (Cypress) of San Francisco to provide security officer services at the San Francisco, San Jose Diridon and Gilroy Caltrain stations.

Security officer services at the Gilroy station were later deleted from the contract via amendment. This contract was extended on a month-to-month basis to February 28, 2012 by amendment. Pursuant to Board Resolution 2012-05, the contract again was extended on a month-to-month basis until December 31, 2012 to provide staff sufficient time to develop a new scope of work for the re-solicitation of expanded security officer services for both the JPB and the San Mateo County Transit District (District). The current contract value is \$6,856,724.

In May 2008, a separate solicitation was issued to provide security officer services at the newly opened CEMOF in San Jose, resulting in the award of a three-year contract with two 1-year option terms to Cypress. The JPB has recently exercised the second one-year option term of the contract, effective November 1, 2012, on a month-to-month basis. The current contract value is \$1,093,287. The JPB will terminate this contract effective December 31, 2012.

The contract to be awarded to G4S, effective January 1, 2013, will replace and combine the aforementioned separate contracts into one 3-year contract with two 1-year option terms and will provide for expanded security services. The options are subject to a price adjustment of up to 3 percent based upon the then current Consumer Price Index (CPI).

On July 11, 2012 the JPB and the District jointly issued a Request for Proposals (RFP) for provision of security officer services. Staff advertised the RFP in a newspaper of general circulation and on the Agencies' procurement website. Solicitation notices were also sent to interested proposers, small business enterprises (SBEs), and disadvantaged business enterprises (DBEs). Staff received 14 proposals; two of which were from DBE firms.

An Evaluation Committee (Committee) comprised of qualified JPB staff and a senior security consultant reviewed and scored all proposals according to the following weighted criteria:

- Approach to Scope of Services 0-20 points
- Company Qualifications, Experience & References 0-10 points
- Qualifications & Experience of Management Team & Staff 0-20 points
- Screening, Training, Experience & Licensing 0-35 points
- Reasonableness and Competitiveness of Total Price 0-15 points

After review, evaluation, and initial scoring of all proposals received, the following four firms were found to be within the competitive range and were invited to interview and make an oral presentation:

- Allied Barton Security Services, Inc., Oakland
- First Alarm Security and Patrol, Inc., Aptos
- G4S Secure Solutions (USA), Inc., San Jose
- Universal Protection Service, San Francisco

Upon completion of interviews and final scoring, G4S achieved the highest consensus ranking. The proposal submitted by G4S was determined to be responsive to the RFP requirements.

G4S currently provides security services to various transit agencies including Sacramento Regional Transit District, Denver Regional Transportation District, and Amtrak. The ensuing reference checking and financial review of G4S performed by staff yielded favorable results and it was determined that G4S possesses the financial resources, depth of experience and qualifications to successfully perform the required services. Staff further determined that G4S is a responsible contractor and is capable of providing the specified services at a fair and reasonable price. G4S will perform the required services with its own labor force.

The following are substantive improvements in contracted security officer services that G4S will provide:

- An enhanced wage and benefits package that will improve recruitment and retention of qualified security and supervisory officers.
- A dramatic increase in security officer training, drills and supervision; improved perimeter asset protection, and incident reporting, and anticipated better collaboration with the Transit Police - all of which will ensure the officers' complete assimilation into the agency's updated emergency facility response plans and initiatives.
- An expanded scope of service that includes daily management of a new, comprehensive lost and found property program; 24/7 staffing of the agency's new state-of-the-art security control center; and use of state-of-the-art electronic patrol monitoring and reporting, as recommended by the JPB's insurance providers.
- An expansion in service hours and officer positions. This compliments JPB needs based on actual business operations, and is consistent with recent Threat and Vulnerability Assessment recommendations to include 24/7 staffing to ensure posts are not abandoned or otherwise unattended.

The JPB is confident that it has identified a security contractor that is capable of delivering, on a best value basis, a high caliber of security officer services.

Contract Officer: Luis F. Velásquez

650.622.8099

Project Manager: Dave Triolo, Chief of Protective Services

650.508.6237

RESOLUTION NO. 2012-
BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD
STATE OF CALIFORNIA

* * *

AUTHORIZING AWARD OF CONTRACT
TO G4S SECURE SOLUTIONS (USA), INC. FOR SECURITY
OFFICER SERVICES FOR A THREE-YEAR BASE TERM
AT A TOTAL ESTIMATED COST OF \$2,219,293

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) issued a Request For Proposals (RFP) for security officer services at the JPB Centralized Equipment Maintenance and Operations Facility (CEMOF) and San Francisco and San Jose Diridon Caltrain Stations; and

WHEREAS, in response to the JPB's advertised solicitation, 14 firms submitted proposals; and

WHEREAS, an Evaluation Committee (Committee) composed of qualified JPB staff and a senior security consultant reviewed and evaluated the proposals in accordance with the evaluation criteria set forth in the RFP; and

WHEREAS, upon completion of the initial evaluation and scoring process, four firms were found to be in the competitive range and were invited to interview; and

WHEREAS, upon completion of interviews and the final evaluation and scoring process, it was determined that G4S Secure Solutions (USA), Inc. (G4S) of San Jose, CA was the highest ranked proposer; and

WHEREAS, it was further determined that G4S has the requisite depth of experience and the required qualifications to successfully perform the desired services and will perform such services at fair and reasonable prices; and

WHEREAS, staff and Legal Counsel have reviewed the G4S proposal and have found that it is responsive to the JPB's requirements and solicitation documents; and

WHEREAS, the Executive Director recommends that a contract for provision of security officer services be awarded to G4S for a three-year base term at an estimated grand total cost of \$2,219,293, with up to two additional, one-year option terms at then-current pricing, subject to up to a 3% C.P.I. increase.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board (Board) awards a contract to G4S to provide security officer services at CEMOF and the San Francisco and San Jose Diridon Caltrain Stations for a three-year base term at an estimated grand total cost of \$2,219,293, with up to two additional, one-year option terms at then-current pricing, subject to up to a 3% C.P.I. increase; and

BE IT FURTHER RESOLVED that the Board authorizes the Executive Director, or his designee, to execute a contract on behalf of the JPB with G4S in full conformity with all of the terms and conditions of the solicitation documents and negotiated agreement; and

BE IT FURTHER RESOLVED that the Board authorizes the Executive Director, or his designee, to exercise up to two additional one-year option terms with G4S provided that such options are in the best interest of the JPB.

Regularly passed and adopted this 1st day of November, 2012 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

April Chan
Executive Officer
Planning and Development

SUBJECT: **AUTHORIZE AN AMENDMENT TO TRANSPORTATION PLANNING
AND PROGRAM SUPPORT CONTRACTS**

ACTION

Staff Coordinating Council (SCC) recommends the Board authorize the Executive Director or his designee to issue amendments to on-call transportation planning and program support services contracts to increase the estimated aggregate not-to-exceed amount by \$675,000 from \$2,250,000 to \$2,925,000 to be shared as a pool for authorized tasks for the below-listed firms.

- CDM Smith, Inc., formerly, Wilbur Smith Associates, Inc. (WSA)
- Fehr & Peers

SIGNIFICANCE

Approval of the above action will benefit the Peninsula Corridor Joint powers Board (JPB) by continuing to have qualified firms provide transportation planning and program support services for an expanded number of projects on a timely basis.

BUDGET IMPACT

Work Directives under these contracts may be funded by a mix of Federal, state, regional and/or local revenues and grants on a project basis. Funding for work directives will come from approved JPB capital budgets.

BACKGROUND

Contracts were awarded to the above consulting firms in 2010 for a three-year base term with two one-year options. These contracts are currently in their third year of the three-year base term. Board Resolutions 2010-7 and 2010-21 authorized the Executive Director to exercise early Option Year One and Option Year Two, which actions were taken in July 2011.

Additional contract capacity is required because new federal grants, such as the American Recovery and Reinvestment Act and Transportation Investment Generating Economic Recovery II, were issued by the government after the solicitation process, the issuance of which has allowed the JPB to proceed with additional projects and tasks not originally anticipated. In addition, the JPB has had an increased need for consulting services to support Caltrain Modernization work. The following is a list of anticipated projects that will utilize the on-call transportation planning and program support services:

- Caltrain Strategic Plan
- New planning studies and tasks to support the Caltrain Electrification and Blended Systems efforts:
 - Access Plan
 - Blended System Planning Studies
 - Future Operations Simulation
 - Grade Crossings
 - Passenger Flow and Station Concept Study
 - Planning Public Outreach
 - South Terminal Capacity Study
 - Station Design Guidelines
- Other programs and projects as needed

Contract Officer: Evelyn Marcal

650.508.7958

Project Manager: Hilda Lafebre, Manager, Capital Project and
Environmental Planning

650.622.7842

RESOLUTION NO. 2012 -

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

* * *

**AUTHORIZING AN AMENDMENT TO THE CONTRACTS PROVIDING
TRANSPORTATION PLANNING AND PROGRAM SUPPORT TO INCREASE THE
ESTIMATED AGGREGATE NOT-TO-EXCEED CONTRACT AMOUNT BY \$675,000**

WHEREAS, pursuant to Resolutions 2010-7 and 2010-21, the Peninsula Corridor Joint Powers Board (JPB) awarded contracts for on-call transportation planning and program support services to (1) CDM Smith, Inc., formerly, Wilbur Smith Associates, Inc., and (2) Fehr & Peers for a three-year base term with two one-year options; and

WHEREAS, due to new projects, tasks and additional consulting support now needed but not anticipated at the time of the solicitation issuance and contract award, additional contract capacity is required; and

WHEREAS, staff proposes to increase the estimated aggregate not-to-exceed amount by \$675,000 to meet the JPB's business needs for transportation planning and program support services; and

WHEREAS, the Executive Director recommends the Board of Directors authorize amendments to the contracts with CDM Smith, Inc. and Fehr & Peers to increase the estimated aggregate not-to-exceed amount by \$675,000 from \$2,250,000 to \$2,925,000.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the JPB authorizes the Executive Director, or his designee, to execute amendments to the contracts with CDM Smith, Inc. and Fehr & Peers to increase the estimated aggregate not-to-exceed amount by \$675,000 from \$2,250,000 to \$2,925,000.

Regularly passed and adopted this 1st day of November, 2012 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

April Chan
Executive Officer
Planning and Development

SUBJECT: **AUTHORIZE AN AMENDMENT TO ENVIRONMENTAL PLANNING
CONSULTING SERVICES CONTRACTS**

ACTION

Staff Coordinating Council (SCC) recommends the Board authorize the Executive Director or his designee to issue amendments to on-call environmental planning consulting services contracts to increase the estimated aggregate not-to-exceed amount by \$1,125,000 from \$3,750,000 to \$4,875,000 to be shared as a pool for authorized tasks for the below-listed firms.

- The Louis Berger Group, Inc.
- Jones & Stokes Associates, Inc., a wholly-owned subsidiary of ICF Consulting Group, Inc.

SIGNIFICANCE

Approval of the above action will benefit the Peninsula Corridor Joint Powers Board (JPB) by continuing to have qualified firms provide environmental planning consulting services for an expanded number of projects on a timely basis.

BUDGET IMPACT

Work Directives under these contracts may be funded by a mix of Federal, State, regional and/or local revenues and grants on a project basis. Funding for work directives will come from approved JPB capital budgets.

BACKGROUND

Contracts were awarded to the above consulting firms in 2010 for a three-year base term with two one-year options. These contracts are currently in their third year of the three-year base term. Board Resolution 2010-42 authorized the Executive Director to exercise early Option Year One and Option Year Two, which actions were taken in July 2011.

Additional contract capacity is required because new Federal grants, such as the American Recovery and Reinvestment Act and Transportation Investment Generating Economic Recovery II, were issued by the government after the solicitation process, the issuance of which has allowed the JPB to proceed with additional projects and tasks not originally anticipated. The following is a summary of projects that will utilize the on-call environmental planning consulting services:

- Environmental Planning, Environmental Clearance, and Environmental Compliance for Caltrain Capital programs including but not limited to: –
 - Caltrain Electrification
 - Bridge Replacement/Rehabilitation Program
 - South Terminal Phase II and III
 - Grade Separation projects
- Dumbarton Rail Corridor-Environmental Compliance
- Historic Asset-Environmental Compliance

Contract Officer: Evelyn Marcal

650.508.7958

Project Manager: Hilda Lafebre, Manager, Capital Project and
Environmental Planning

650.622.7842

RESOLUTION NO. 2012 -

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

* * *

**AUTHORIZING AN AMENDMENT TO THE CONTRACTS PROVIDING
ENVIRONMENTAL PLANNING CONSULTING SERVICES TO INCREASE THE
ESTIMATED AGGREGATE NOT-TO-EXCEED CONTRACT AMOUNT BY \$1,125,000**

WHEREAS, pursuant to Resolution 2010-42, the Peninsula Corridor Joint Powers Board (JPB) awarded contracts for on-call environmental planning consulting services to The Louis Berger Group, Inc. and Jones & Stokes Associates, Inc., a wholly-owned subsidiary of ICF Consulting Group, Inc. for a three-year base term with two one-year options; and

WHEREAS, due to new projects, tasks and additional consulting support now needed but not anticipated at the time of the solicitation issuance and contract award, additional contract capacity is required; and

WHEREAS, staff proposes to increase the estimated aggregate not-to-exceed contract amount by \$1,125,000 to meet the JPB's business needs for environmental planning consulting services; and

WHEREAS, the Executive Director recommends the Board of Directors authorize amendments to the contracts with The Louis Berger Group, Inc. and Jones & Stokes Associates, Inc. to increase the estimated aggregate not-to-exceed amount by \$1,125,000 from \$3,750,000 to \$4,875,000.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the JPB authorizes the Executive Director, or his designee, to execute amendments to the contracts with The Louis Berger Group, Inc. and Jones & Stokes Associates, Inc. to increase the estimated aggregate not-to-exceed amount by \$1,125,000 from \$3,750,000 to \$4,875,000.

Regularly passed and adopted this 1st day of November, 2012 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington C. H. Harvey
Deputy CEO Deputy CEO

SUBJECT: **UPDATE ON COMMUNICATIONS BASED OVERLAY SIGNAL
SYSTEM (CBOSS)/POSITIVE TRAIN CONTROL (PTC) PROJECT**

ACTION

No action required at this time. This presentation is an informational update on Caltrain Communication Based Overlay Signal (CBOSS) Project.

SIGNIFICANCE

The Caltrain CBOSS project is one of the identified inter-related program projects that addresses corridor capacity, operational efficiency and public safety issues required to accommodate the mixed traffic capacity requirement of high speed rail, commuter and freight services. The CBOSS project is also part of the early investment strategy in the Caltrain Modernization Program.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

The JPB awarded the CBOSS Project System Integration Contract (Phase 1) in October 2011 to Parsons Transportation Group (PTG) . Notice to Proceed was issued for the base contract on January 27, 2012; since then PTG has completed the Project Execution Planning effort and Preliminary Design. The Critical Design is underway and will be completed in March 2013 which will conclude the Phase 1 of the CBOSS project. Staff at the December 2012 board meeting will request approval of a budget amendment for Phase 2 which includes final design and installation of data communication subsystem (DCS). At the January board meeting staff will request approval of the contact amendment to begin phase 2 of the contract.

**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 in accordance with the approved Legislative Program.

With Congress and the California Legislature both out of session until after the November 6 election, staff has no significant State or Federal items to report.

Prepared By: Seamus Murphy, Government and Community Affairs Director 650.508.6388