



AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD

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

December 4, 2014 – Thursday

10:00 a.m.

1. Pledge of Allegiance
2. Call to Order/Roll Call
3. Public Comment
Public comment by each individual speaker shall be limited to two minutes
4. Consent Calendar RESOLUTION
Members of the public or Board may request that an item under the Consent Calendar be considered separately
 - a) Approval of Minutes of November 6, 2014
 - b) Acceptance of Statement of Revenues and Expenses for Fiscal Year Ending June 2014 (Unaudited)
 - c) Acceptance of Statement of Revenues and Expenses for October 2014
 - d) Authorize Entering into a 10-Year Lease Agreement with Maverick Jack's, LLC for the Use of the Former Broadway Station Building at 1190 California Drive in Burlingame as a Restaurant
 - e) Authorize Amendment to Citizens Advisory Committee Bylaws to Change How a Quorum is Defined
5. Chairperson's Report RESOLUTION
 - a) Resolution of Appreciation for Legal Counsel David J. Miller
 - b) Appointment of Nominating Committee for 2015 Officers
6. Report of the Citizens Advisory Committee
7. Report of the Executive Director INFORMATIONAL
 - a) Caltrain Modernization Update
8. Peninsula Corridor Electrification Project Final Environmental Impact Report Release INFORMATIONAL

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

Peninsula Corridor Joint Powers Board
December 4, 2014 Agenda

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|---|---------------|
| 9. Authorize Adoption of the Disadvantaged Business Enterprise Goal of 5.2 Percent for the Peninsula Corridor Electrification Project | RESOLUTION |
| 10. Authorize Approval to Exercise Option 2 Phase 4 with Parsons Transportation Group for CBOSS/PTC System Integration, Testing, Training Commissioning, Final System Acceptance and Warranty in the Amount of \$32,809,927 | RESOLUTION |
| 11. Authorize Programming of \$5,398,033 in Federal Transit Administration Formula Funds for the Caltrain Modernization Program and Rolling Stock State of Good Repair Project and Commit \$1,349,509 in Local Matching Funds | RESOLUTION |
| 12. Authorize Amendment to Increase the Fiscal Year 2015 Caltrain Capital Budget in the Amount of \$10 Million for the Rail Car Capacity Expansion Project and Approval of the Asset Purchase Agreement, Storage Agreement and \$1 Million Deposit with Southern California Regional Rail Authority | RESOLUTION |
| 13. Authorize Award of Contract to Disney Construction, Inc. in the Total Amount of \$8,393,333 for the San Francisco Roadway Bridges Replacement Project | RESOLUTION |
| 14. Authorize Award of Contracts to PFM Asset Management LLC and U.S. Bank to Provide Investment Management and Custodial Services for a Three-Year Base Term | RESOLUTION |
| 15. Legislative Update | INFORMATIONAL |
| 16. Capital Projects Quarterly Status Report – 1 st Quarter Fiscal Year 2015 | INFORMATIONAL |
| 17. Correspondence | |
| 18. Board Member Requests | |
| 19. General Counsel Report | |
| 20. Date/Time of Next Meeting: Thursday, January 8, 2015, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2 nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070 | |
| 21. Adjourn | |

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

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 The San Mateo County Transit District Administrative Building located at 1250 San Carlos Avenue, San Carlos, one block west of the San Carlos Caltrain Station on El Camino Real, accessible by SamTrans bus Routes ECR, FLX, 260, 295 and 398. Additional transit information can be obtained by calling 1.800.660.4287 or 511.

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

MINUTES OF NOVEMBER 6, 2014

MEMBERS PRESENT: M. Cohen, A. Kalra, T. Nolan (Chair), A. Tissier, P. Woodward,
K. Yeager

MEMBERS ABSENT: J. Cisneros, R. Guilbault

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

Chair Tom Nolan called the meeting to order at 10:08 a.m. and led the Pledge of Allegiance.

PUBLIC COMMENT

Pat Giorni, Burlingame, thanked Caltrain for the advanced notice of capacity issues for the Giants parade. No bike bumps were reported that day. There were 259 bumps this month. She said she has seen two letters about bike theft and the difficulty in reporting them to authorities. She would like staff to put information on the bike page on how to report a stolen bike at a station. She said she also reads correspondence about people who are bumped even though there is space on the train and that one conductor in particular is responsible for this.

Jeff Carter, Millbrae, said he read that the California High-speed Rail Authority (CHSRA) wants to use 25 kilovolt electrification wire only on the dedicated right of ways without grade crossings and where freight does not operate. He said this could jeopardize Caltrain electrification. He said he heard people were left behind at Millbrae after the Giants parade. He said next time Caltrain should have empty trains starting midway on the line to take care of stranded people.

Shirley Johnson, San Francisco Bicycle Coalition, said it is important to match new capacity with the customer base and 13 percent of the new capacity should be for bikes. It would make the fleet more consistent. She said a third bike car should be added to peak-hour trains.

Ben Whan, San Francisco, said he uses Caltrain as his exclusive means of transportation. Many bike customers are often left behind on the platform and Caltrain is no longer a reliable and predictable source of transportation. He said the Go Pass is a good program but his company may not renew it next year because users at his company are all bike riders. He said new car capacity should be configured for bicycles.

Malian Cohen arrived at 10:17 a.m.

CONSENT CALENDAR

- a. Approval of Minutes of October 2, 2014
- b. Approval of 2015 Board Meeting Calendar
- c. Acceptance of Statement of Revenues and Expenses for September 2014

Motion/Second: Tissier/Kalra

Ayes: Cohen, Kalra, Nolan, Tissier, Woodward, Yeager

Absent: Cisneros, Guilbault

CHAIRPERSON'S REPORT

Chair Nolan asked to adjourn today's meeting in memory of Al Teglia, a giant in San Mateo County, referred to as "Mister Daly City," who was on the SamTrans and JPB boards. Chair Nolan said Mr. Teglia was also a devoted public servant and terrific guy.

Appointment of Brian Shaw Representing San Francisco to the Citizens Advisory Committee (CAC)

Motion/Second: Nolan/Tissier

Ayes: Cohen, Kalra, Nolan, Tissier, Woodward, Yeager

Absent: Cisneros, Guilbault

Appointment of Annie Lee Representing San Mateo County to the CAC

Motion/Second: Tissier/Woodward

Ayes: Cohen, Kalra, Nolan, Tissier, Woodward, Yeager

Absent: Cisneros, Guilbault

REPORT OF THE EXECUTIVE DIRECTOR

Michael Scanlon, Executive Director, reported:

- Congratulated Director Cohen on her reelection to the San Francisco Board of Supervisors.
- Key Caltrain Performance Statistics September 2014 compared to September 2013.
 - Monthly Performance Statistics:
 - Total Ridership was 1,597,986, an increase of 14.5 percent.
 - Average Weekday Ridership (AWR) was 61,224, an increase of 12.7 percent.
 - Total Revenue was \$7,094,114, an increase of 12.9 percent.
 - On-time Performance (OTP) was 90.7 percent, a decrease of 0.2 percent.
 - Caltrain Shuttle Ridership was 8,757, an increase of 21 percent. This percentage increase is artificially high due to the previous problems with the counts on the Marguerite shuttle.
 - Year-to-Date Performance Statistics:
 - Total Ridership was 4,821,456, an increase of 10.7 percent.
 - AWR was 60,231, an increase of 10.8 percent.
 - Total Revenue was \$21,545,418, an increase of 10.8 percent.
 - OTP was 92.2 percent, an increase of 1.5 percent.
 - Caltrain Shuttle Ridership was 9,136, an increase of 30.6 percent. This percentage is also artificially high.

- The Bicycle Advisory Committee (BAC) will meet on November 20.
- Special service:
 - In eight post-season Giants home games, baseball ridership was 93,600, a 27 percent increase over 2012. The average ridership per game was about 12,000.
 - Caltrain provided five advanced trains from Redwood City and three from San Jose during the morning commute on the day of the Giants victory parade. Overall ridership on parade day was down from 2012 with 18,400 passengers recorded in San Francisco, about half of the total from 2012. The weather was a significant factor, and there were more transfers with Bay Area Rapid Transit at Millbrae and these numbers do not include transfers.
 - There were almost 5,500 additional riders for the October 5 San Francisco 49ers-Kansas City Chiefs game at Levi's Stadium.
 - Upcoming Levi's Stadium events include the Pac-12 College Football Championship game and the San Francisco Bowl.
 - A Sunday service will run on Thanksgiving Day and a Saturday service will run the Friday after Thanksgiving.
 - The Holiday Train will return on December 6 and 7, thanks to the support of the Silicon Valley Community Foundation.
- The Baby Bullet celebrated its 10-year anniversary on October 27. Speakers included Chair Nolan, U.S. Representative Jackie Speier, State Senator Mark Leno, Director Ash Kalra, and Jeff Gee, chairman of the SamTrans Board. The Caltrain Commuter Coalition was also kicked off at the event. Staff will be working closely with employers, the Silicon Valley Leadership Group, the Bay Area Council, and the San Mateo County Economic Development Association to educate and advocate for the funding needs of the railroad.
- The San Francisco Quint Street Bridge Repair Project design phase is expected to be completed by the end of the year and construction will begin this summer.
- Construction on the San Mateo Bridges Replacement Project is expected to begin this month.
- Bids have been received for work on three highway bridges in San Francisco. Staff will bring a recommendation to the Board in December.
- Staff is working with the Santa Clara Valley Transportation Authority (VTA) on the Light Rail Efficiency Project in Mountain View to shift JPB tracks to accommodate VTA light rail track extension and double tracking.
- The Reading File includes the Safety and Security Report and the BAC recruitment flyer.

Caltrain Modernization (CalMod) Update

Marian Lee, Executive Officer, CalMod, said:

- The Communications-based Overlay Signal System (CBOSS)/Positive Train Control (PTC) project has completed Stage 1 fiber testing in the San Jose to Redwood City segment. Installation work has reached San Bruno and is nearing completion.
- Staff has completed the backup control facility build-out in Menlo Park. All pilot train installations have been completed.
- The final State environmental document for the Peninsula Corridor Electrification Project will be released in December. Staff will be back in January to ask for the

approval of the project and certification of the Final Environmental Impact Report (FEIR). All the comments received have been included and addressed in this document.

- The Project Delivery Team is preparing the electrification Request for Proposals (RFP) for release early next year. Six firms have been prequalified to submit a proposal.
- The Vehicle RFP will be released shortly after the electrification RFP.
- The survey results about the difficulty in balancing customer preferences for bathrooms, bikes, and seats have been received. There were thousands of survey takers and the results are being evaluated.
- Staff has started a technical analysis to see if it should purchase electric cars that are different from what has been recommended to the Board. The cars staff recommends are bi-level Electric Multiple Units (EMUs) with floor heights at 25 inches. These cars maximize capacity and have high performance that will allow Caltrain to increase station stops and reduce travel times. The challenge is CHSRA wants single-level cars with floor heights at 50 inches. Stakeholders want CHSRA and Caltrain to have the same height so there will be level boarding at shared platforms. If the two systems have different floor heights, there would need to be separate dedicated platforms for CHSRA and Caltrain. Achieving the same floor height comes with tradeoffs that impact the corridor. There is the potential for compromising car capacity and performance, which means Caltrain may not be able to absorb as many riders, stop at as many stations, or maximize travel-time reductions. There may also be cost implications and varying levels of impact at existing stations. Staff is meeting with CHSRA and is making progress on alternative vehicles to consider. Staff is focusing on a fatal flaw analysis and tradeoffs, so they can bring information to the Board and all counties for a policy-level discussion. San Francisco may be taking resolutions to relevant boards this month and the next on this topic. Staff is urging all agencies to postpone policy action until after due diligence is complete and technical analysis is completed, so that policymakers will have comprehensive information before having to make a decision.

Dave Couch, Director, Project Delivery, provided an update on the CalMod Cost and Schedule:

- The CalMod cost and schedule estimate was done in 2008, and since that time some updates have been done.
- Project scope
 - Fifty-one-mile length of corridor electrification
 - Seventy-five percent conversion of diesel vehicles to EMUs
 - Ridership forecast for 2040 is 100,000 per weekday
 - More service and improved performance is needed, including restoring service, increasing peak and non-peak service, adding more station stops and reducing travel time
- Updated approach
 - Update 2008 starting point
 - Minimize the impact on riders
 - Resolve issues with aging fleet
 - Emphasize cost-effectiveness

- The reexamination process included development of a schedule and updated cost estimate, which was assessed with a Monte Carlo Risk Analysis Model.
- Schedule scenarios:
 - Scenario A: Worst case. December 2024 revenue service date and 60-minute headways on non-peak service.
 - Scenario B: Changes to establish base line schedule. February 2023 revenue service date and 60-minute headways on non-peak service.
 - Scenario C: Refinements to base line schedule. July 2022 revenue service date and 60-minute headways on non-peak service.
 - Scenario D: Refinements to Scenario C. April 2021 revenue service date, which has a minimal effect on riders, but on weekends there would be single tracking and a 90-minute headway. This is the recommended schedule.
- Contingency analysis
 - Method 1 used the Monte Carlo Analysis and shows a \$168 million contingency value.
 - Method 2 looked at individual components and shows a \$152 million contingency value. This is the recommended method.
- Electrification component cost estimate update includes:
 - New prices from manufacturers
 - Industry standards
 - East Coast projects
 - The effect of the 2021 revenue date
 - A 3 percent escalation during the project
- Electrification Project elements include contractors, real estate, and other components for a total of \$958 million. The 2008 projection was \$785 million.
 - Differences are from signal cabinets, escalation, environmental mitigation and real estate, and the power control center.
- To lower costs staff looked at two pieces on electrification:
 - Electrification scope reduction
 - Electrification scope deferral
- Funding partner considerations:
 - Increase escalation to 3.5 to 4 percent – staff recommends no change
 - Add management reserve – 3 percent (\$28 million) is now included in cost estimate
 - Increase weekend shutdowns to 30 – staff recommends no change
- Vehicle elements total \$573 million, up from \$440 million in 2008.
- Vehicle scope reduction includes deferring the purchase of one train set, and reducing the amount of spare parts, test equipment and staff support costs.
- Next step key tasks:
 - Certify FEIR
 - Complete analysis of cost-reduction measures
 - Complete platform analysis
 - Update the funding plan
 - Staff taking recommendations to the Board
 - Issue electrification and vehicle RFPs
- Shared platform analysis
 - Consider alternative vehicles to achieve common boarding height

- o Key considerations include tradeoffs, compatibility with the current platform, existing diesel fleet, and existing tenants

Chair Nolan said the mockup is extremely important and is well worth the money.

Director Cohen said San Francisco built a platform that is too short for a two-car light-rail vehicle on the 3rd Street T-Line. She said San Francisco can't understate the importance of achieving platform compatibility and level boarding between Caltrain and CHSRA, which determines the flexibility, accessibility, and capacity of rail lines and will lead to a single integrated system that can attract private investment and help Caltrain become self-sustainable. She said San Francisco strongly encourages Caltrain to pursue common platform heights and level boarding with CHSRA.

Director Cohen asked how much time there is in the schedule to come to an agreement regarding platform height and compatibility with the CHSRA. Mr. Couch said the issuance for the RFP will be in March 2015.

Director Cohen asked what the lifetime is of EMUs. Mr. Couch said 30 years.

Director Cohen asked what the CHSRA schedule is. Mr. Scanlon said they are projecting revenue service by 2029. All parties are working together to get the service out as soon as possible as long as it is done right.

Director Cohen asked when the JPB will meet with CHSRA. Mr. Couch staff has been meeting with them frequently.

Mr. Scanlon said everyone is trying to arrive at common platforms. It is an extraordinarily complex issue.

Director Tissier asked when the Board will receive enough information to make a decision on level boarding and its impact on the different regional areas. Mr. Couch said staff will provide a status at the beginning of December, but getting this to a conclusion will take some time.

Public Comment

Roland Lebrun, San Jose, said the list of design builders should be announced in a press release. He said this is the time to pause on this project and bring in a new team with a proven track record of delivering this kind of project.

Doug DeLong, Mountain View, said the cost reduction possibilities are viable, but he is concerned about not electrifying Main Track 1 and the controlled siding. He said it is a very densely operated portion of the railroad and if it is not electrified then the ability to work on stalled trains on the normal tracks will be lost.

Pat Giorni, Burlingame, said Caltrain is capping electrification service at six trains per hour in each direction so CHSRA can have four trains. She asked if it would be easier for CHSRA to match Caltrain floor height.

Adina Levin, Friends of Caltrain, said she heard the Silicon Valley Leadership Group's goal and expectation is to double Caltrain ridership over the next decade. That is what makes the discussions about electrification capability and capacity so important. She said she hopes the information the Board gets will include desired end results such as sending all the service into Transbay, which has three times the number of jobs as the rest of the line and would be the single biggest driver of increased ridership and peak-hour capacity, and how that is related to level boarding.

Andy Chow, Redwood City, said high floor heights on Caltrain would result in safety issues, and there are other options to achieve level boarding other than floor heights.

Jeff Carter, Millbrae, said there should be level boarding. High-speed rail is in the future and both should be the same but the primary interest is Caltrain and maximizing capacity on Caltrain by using bi-level cars. He said weekend service might have headways adjusted to 90 minutes, but Caltrain needs more frequent service now on weekends and he hopes there is a way to avoid this change.

Susan Gygi, City and County of San Francisco, said Ms. Lee stated alternative vehicles will affect the number of passengers that can be accommodated. There are vehicles available that can accommodate the same number of passengers while allowing for the greatest flexibility of the system in the long term.

AUTHORIZE AMENDMENT TO THE CONTRACT WITH PINNACLE PETROLEUM, INC. FOR PROVISION OF CALIFORNIA AIR RESOURCES BOARD ULSD FUEL AND FUELING SERVICES TO EXTEND THE TERM AND INCREASE THE ESTIMATED CONTRACT AMOUNT BY \$36,496,383

Cheryl Cavitt, Director, Contracts and Procurement, said the price of fuel, which is part of the equation that determines how to size the contract, has grown at an average of 67 percent over the five-year period of the contract, so now it is at a deficit and needs to be fixed, and the contract needs to be extended for nine months while staff puts together an Invitation for Bids.

Public Comment

Roland Lebrun, San Jose, said Caltrain burns \$1.2 million a month in fuel or \$14 million annually, and \$17 million is budgeted. He said \$36 million is two years of fuel for the last two years plus a nine-month extension.

George Kramer, Belmont, said the price of crude oil has dropped \$50 per barrel. He asked if this proposed contract increase is taking into account revised estimates of future costs of fuel.

Mr. Scanlon said the JPB pays Oil Price Information Service-based prices. He said this is contract authority needed for procurement, not the actual budget.

Greg Conlon, Atherton, said JPB only hedges 50 percent of the fuel cost and this is an opportunity to hedge the other 50 percent at a lower level since prices are dropping.

Motion/Second: Tissier/Yeager

Ayes: Cohen, Kalra, Nolan, Tissier, Woodward, Yeager

Absent: Cisneros, Guillbault

AUTHORIZE REAFFIRMING THE ANNUAL INVESTMENT POLICY AND AUTHORIZATION TO INVEST MONIES WITH THE LOCAL AGENCY INVESTMENT FUND (LAIF)

Gigi Harrington, Deputy CEO, said there are no changes to the policy and this is a yearly approval.

Chair Nolan asked if any investments are excluded on ethical grounds, such as tobacco or alcohol. Ms. Harrington said the JPB does not invest in those types of commodities. Most of the investments are in LAIF or government securities.

Motion/Second: Woodward/Cohen

Ayes: Cohen, Kalra, Nolan, Tissier, Woodward, Yeager

Absent: Cisneros, Guilbault

LEGISLATIVE UPDATE

Seamus Murphy, Director, Government and Community Affairs, said the U.S. Senate changed hands and this will have a big impact on transportation policy and funding. Some scary proposals regarding transportation and transportation funding have come out of the House over the last several years, but the Senate has been a backstop to prevent those policies from moving forward. That backstop is not there now. He said the reauthorization extension is good until May of 2015, and Congress will have to take some action before then to move forward with either another extension or a multiyear reauthorization.

CORRESPONDENCE

No discussion

BOARD MEMBER REQUESTS

None

GENERAL COUNSEL REPORT

No report

DATE/TIME/PLACE OF NEXT MEETING

The next meeting will be Thursday, December 4, 2014, 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 11:26 a.m. in memory of Al Teglia.

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, 2014 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 2014 and supplemental information.

SIGNIFICANCE

Unaudited Revenue: For June of Fiscal Year (FY) 2014, *Total Operating Revenue* (line 7) is \$5,158,671 or 6.3 percent **better** than budget. Within total operating revenue, *Farebox Revenue* (line 1) is \$2,829,146 or 3.9 percent **better** than budget. Compared to the prior year, *Total Operating Revenue* (line 7) is \$8,301,524 or 10.5 percent **better**.

Unaudited Expense: *Grand Total Expenses* (line 50) show a favorable variance of \$3,638,602 or 3 percent. *Total Operating Expense* (line 36) is \$2,786,856 or 2.7 percent **better** than budget. *Total Administrative Expense* (line 46) is \$851,746 or 5 percent **better** than budget.

Compared to prior year, *Grand Total Expenses* (line 50) are \$8,708,196 or 8.1 percent **higher**.

BUDGET IMPACT

There are no budget revisions for the month of June 2014.

The budgeted use of reserves was only \$8 million due to excess farebox revenue and savings in fuel cost.

Final Year End Results: Staff will update this report and distribute in conjunction with the FY2014 Comprehensive Annual Financial Report.

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

650.508.6259
650.508.7752

PENINSULA CORRIDOR JOINT POWERS BOARD

STATEMENT OF REVENUE AND EXPENSE

Fiscal Year 2014

June 2014

UNAUDITED

% OF YEAR ELAPSED 100.0%

	MONTH	YEAR TO DATE				% OF YEAR ELAPSED		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET
(AS PROJECTED)								
REVENUE								
OPERATIONS:								
1 Farebox Revenue	7,009,592	68,767,170	74,846,066	72,016,920	103.9%	66,070,569	72,016,920	103.9%
2 Parking Revenue	340,172	3,301,724	4,156,577	3,652,330	113.8%	3,652,330	3,652,330	113.8%
3 Shuttles	205,272	1,972,626	1,702,070	1,722,636	98.8%	1,722,636	1,722,636	98.8%
4 Rental Income	138,372	1,783,323	1,728,248	1,816,920	95.1%	1,816,920	1,816,920	95.1%
5 Other Income	1,717,862	2,932,340	4,625,745	2,691,230	171.9%	2,691,230	2,691,230	171.9%
6								
7 TOTAL OPERATING REVENUE	9,411,269	78,757,183	87,058,707	81,900,036	106.3%	75,953,685	81,900,036	106.3%
8								
CONTRIBUTIONS:								
9								
10 AB434 Peninsula & TA Shuttle Funding	182,436	1,922,649	2,025,645	2,109,948	96.0%	2,109,948	2,109,948	96.0%
11 Operating Grants	529,792	5,075,017	11,293,713	11,357,195	99.4%	11,287,914	11,357,195	99.4%
12 JPB Member Agencies	1,435,962	33,500,000	17,231,559	17,231,549	100.0%	17,231,549	17,231,549	100.0%
13 Other Sources				13,390,000	0.0%	13,390,000	13,390,000	0.0%
14								
15 TOTAL CONTRIBUTED REVENUE	2,148,190	40,497,666	30,550,917	44,088,692	69.3%	44,019,411	44,088,692	69.3%
16								
17 GRAND TOTAL REVENUE	11,559,459	119,254,849	117,609,624	125,988,728	93.3%	119,973,096	125,988,728	93.3%
18								
19								
EXPENSE								
20								
OPERATING EXPENSE:								
22								
23 Rail Operator Service	6,357,530	59,724,622	67,756,274	64,500,000	105.0%	64,500,000	64,500,000	105.0%
24 Rail Operator Service - Other	395,095	(478,067)	524,141 (A)	-	0.0%	-	-	0.0%
25 Security Services	287,550	4,217,676	4,266,665	4,519,944	94.4%	4,519,944	4,519,944	94.4%
26 Rail Operator Extra Work	1,665	(102,587)	(249,931) (A)	155,500	-160.7%	155,500	155,500	-160.7%
27 Contract Operating & Maintenance	7,041,840	63,361,645	72,297,148	69,175,444	104.5%	69,175,444	69,175,444	104.5%
28 Shuttles Services	409,584	4,634,500	4,408,831	4,774,107	92.3%	4,774,107	4,774,107	92.3%
29 Fuel and Lubricants	1,159,493	15,344,013	14,781,706	17,518,097	84.4%	17,828,097	17,518,097	84.4%
30 Timetables and Tickets	43,120	127,295	39,621	155,000	25.6%	155,000	155,000	25.6%
31 Insurance	(1,705,837)	5,186,334	3,873,986 (B)	5,761,697	67.2%	5,470,000	5,761,697	67.2%
32 Facilities and Equipment Maint	239,093	1,690,067	1,671,987	1,943,181	86.0%	1,814,975	1,943,181	86.0%
33 Utilities	152,042	1,684,661	1,415,833	1,826,540	77.5%	1,826,540	1,826,540	77.5%
34 Maint & Services-Bldg & Other	186,647	1,283,283	1,201,978	1,323,880	90.8%	1,323,880	1,323,880	90.8%
35								
36 TOTAL OPERATING EXPENSE	7,525,980	93,311,797	99,691,090	102,477,946	97.3%	102,368,043	102,477,946	97.3%
37								
ADMINISTRATIVE EXPENSE								
38								
39 Wages and Benefits	485,939	5,389,848	6,165,558	6,234,992	98.9%	6,811,835	6,234,992	98.9%
40 Managing Agency Admin OH Cost	373,870	3,931,897	4,501,893	5,017,987	89.7%	5,017,987	5,017,987	89.7%
41 Board of Directors	1,629	12,127	11,867	11,700	101.4%	11,700	11,700	101.4%
42 Professional Services	1,218,646	2,680,039	3,754,688	3,744,626	100.3%	2,764,323	3,744,626	100.3%
43 Communications and Marketing	13,757	122,446	(1,071) (A)	89,299	-1.2%	122,500	89,299	-1.2%
44 Office Expense and Other	263,816	1,607,726	1,640,052	1,826,129	89.8%	1,773,833	1,826,129	89.8%
45								
46 TOTAL ADMINISTRATIVE EXPENSE	2,357,658	13,744,082	16,072,986	16,924,732	95.0%	16,502,178	16,924,732	95.0%
47								
48 Long Term Debt Expense	91,913	1,102,875	1,102,875	1,102,875	100.0%	1,102,875	1,102,875	100.0%
49								
50 GRAND TOTAL EXPENSE	9,975,551	108,158,755	116,866,951	120,505,553	97.0%	119,973,096	120,505,553	97.0%
51								
52 NET SURPLUS / (DEFICIT)	1,583,908	11,096,094	742,672	5,483,175	13.5%	-	5,483,175	13.5%

"% 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.

(A) Reversal of Prior year accrual.

(B) Year-end adjustment to claims liability is based on the actuarial report. This adjustment is due to conservative estimates for potential losses.



PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF JUNE 30, 2014

TYPE OF SECURITY		MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (Restricted)	*	Liquid Cash	0.228%	\$ 2,000,000	\$ 2,000,000
Local Agency Investment Fund (Unrestricted)	*	Liquid Cash	0.228%	24,508,305	24,508,305
County Pool (Unrestricted)	**	Liquid Cash	0.750%	10,686,017	10,686,017
Other (Unrestricted)		Liquid Cash	0.000%	3,507,455	3,507,455
Other (Restricted)	***	Liquid Cash	0.200%	23,073,819	23,073,819
				\$ 63,775,596	\$ 63,775,596

Accrued Earnings for JUNE 2014 \$ 15,286.21
 Cumulative Earnings FY2014 \$ 205,168.16

* The market value of Local Agency Investment Fund (LAIF) is calculated annually and is derived from the fair value fact as reported by LAIF for quarter ending June 30 each fiscal year.

** As of June 2014 the amortized cost of the Total County Pool was \$3,556,971,045.99 and the fair market value per San Mateo County Treasurer's Office was \$3,560,460,361.22

*** Prepaid Grant funds for Homeland Security and PTMISEA projects, and funds reserved for debt repayment.

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
OCTOBER 31, 2014 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 October 2014 and supplemental information.

SIGNIFICANCE

Revenue: For October of Fiscal Year 2015, *Total Operating Revenue* (line 7) is \$3,796,246 or 13.4 percent **better** than budget. Within total operating revenue, *Farebox Revenue* (line 1) is \$3,522,043 or 13.7 percent **better** than budget. Compared to the prior year, *Total Operating Revenue* (line 7) is \$3,067,390 or 10.5 percent **higher**.

Expense: *Grand Total Expenses* (line 50) show a favorable variance of \$1,608,515 or 4.1 percent. The *Rail Operator Service* (line 23) is \$427,059 or 2 percent **worse** than budget, but *Total Operating Expense* (line 36) is \$865,409 or 2.6 percent **better** than budget. *Total Administrative Expense* (line 46) is \$743,099 or 12.6 percent **better** than budget.

Compared to prior year, *Grand Total Expenses* (line 50) are \$223,185 or 0.6 percent **higher**.

BUDGET IMPACT

There are no budget revisions for the month of October 2014.

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

650.508.6259
650.508.7752

PENINSULA CORRIDOR JOINT POWERS BOARD

STATEMENT OF REVENUE AND EXPENSE

Fiscal Year 2015

October 2014

% OF YEAR ELAPSED 33.3%

	MONTH	YEAR TO DATE				ANNUAL		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET (A)	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET
(AS PROJECTED)								
REVENUE								
OPERATIONS:								
1 Farebox Revenue	7,649,147	25,599,762	29,194,570	25,672,527	113.7%	75,043,692	75,043,692	38.9%
2 Parking Revenue	390,512	1,243,038	1,479,335	1,262,080	117.2%	4,051,240	4,051,240	36.5%
3 Shuttles	139,040	456,473	547,318	667,310	82.0%	2,001,840	2,001,840	27.3%
4 Rental Income	144,769	587,275	578,897	579,240	99.9%	1,737,720	1,737,720	33.3%
5 Other Income	68,214	1,193,475	347,294	170,010	204.3%	1,679,620	1,679,620	20.7%
6								
7 TOTAL OPERATING REVENUE	8,391,682	29,080,023	32,147,413	28,351,167	113.4%	84,514,112	84,514,112	38.0%
8								
CONTRIBUTIONS:								
9								
10 AB434 Peninsula & TA Shuttle Funding	156,919	650,616	634,012	660,513	96.0%	1,981,540	1,981,540	32.0%
11 Operating Grants	554,452	2,095,971	2,217,807	2,217,807	100.0%	6,653,422	6,653,422	33.3%
12 JPB Member Agencies	1,652,412	5,743,853	6,609,658	6,609,657	100.0%	19,828,952	19,828,952	33.3%
13 Other Sources				1,346,249	0.0%	12,758,000	12,758,000	0.0%
14								
15 TOTAL CONTRIBUTED REVENUE	2,363,782	8,490,440	9,461,477	10,834,227	87.3%	41,221,914	41,221,914	23.0%
16								
17 GRAND TOTAL REVENUE	10,755,464	37,570,463	41,608,891	39,185,394	106.2%	125,736,026	125,736,026	33.1%
18								
19								
EXPENSE								
20								
OPERATING EXPENSE:								
21								
22								
23 Rail Operator Service	5,325,784	21,296,247	22,219,519	21,792,460	102.0%	67,650,426	67,650,426	32.8%
24 Rail Operator Service - Other	738	2,516	6,067	-	0.0%	-	-	0.0%
25 Security Services	409,821	1,326,929	1,576,237	1,408,744	111.9%	4,989,510	4,989,510	31.6%
26 Rail Operator Extra Work	-	(254,200)	-	52,000	0.0%	155,500	155,500	0.0%
27 Contract Operating & Maintenance	5,736,342	22,371,492	23,801,823	23,253,204	102.4%	72,795,436	72,795,436	32.7%
28 Shuttles Services	365,684	1,331,105	1,426,788	1,611,103	88.6%	4,833,310	4,833,310	29.5%
29 Fuel and Lubricants	1,251,827	5,073,246	5,143,148	5,875,880	87.5%	17,702,600	17,627,600	29.2%
30 Timetables and Tickets	-	42,509	47,071	59,417	79.2%	148,000	148,000	31.8%
31 Insurance	721,294	1,977,856	112,611	376,971	29.9%	5,713,750	5,713,750	2.0%
32 Facilities and Equipment Maint	165,857	581,717	519,976	658,505	79.0%	1,975,415	1,975,415	26.3%
33 Utilities	170,961	568,252	653,340	706,712	92.4%	2,120,185	2,120,185	30.8%
34 Maint & Services-Bldg & Other	97,011	359,690	347,745	376,119	92.5%	1,397,218	1,397,218	24.9%
35								
36 TOTAL OPERATING EXPENSE	8,508,977	32,305,868	32,052,501	32,917,910	97.4%	106,685,914	106,610,914	30.1%
37								
ADMINISTRATIVE EXPENSE								
38								
39 Wages and Benefits	481,091	2,185,985	2,221,576	2,439,471	91.1%	6,768,729	6,639,661	33.5%
40 Managing Agency Admin OH Cost	383,628	1,471,860	1,504,515	1,828,811	82.3%	5,486,432	5,486,432	27.4%
41 Board of Directors	2,965	2,539	5,231	6,150	85.1%	11,700	11,700	44.7%
42 Professional Services	219,021	846,734	805,283	982,724	81.9%	3,533,792	3,720,771	21.6%
43 Communications and Marketing	18,495	29,855	33,265	39,433	84.4%	119,300	118,300	28.1%
44 Other Expenses and Services	167,291	589,612	586,890	603,270	97.3%	2,027,284	2,045,374	28.7%
45								
46 TOTAL ADMINISTRATIVE EXPENSE	1,272,491	5,126,586	5,156,760	5,899,859	87.4%	17,947,237	18,022,237	28.6%
47								
48 Long Term Debt Expense	91,899	367,610	367,618	367,625	100.0%	1,102,875	1,102,875	33.3%
49								
50 GRAND TOTAL EXPENSE	9,873,367	37,800,064	37,576,879	39,185,394	95.9%	125,736,026	125,736,026	29.9%
51								
52 NET SURPLUS / (DEFICIT)	882,097	(229,601)	4,032,011	-	0.0%	-	-	0.0%

"% 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.

(A) Staff has reallocated year to date budget due to timing of expenditures.



PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF OCTOBER 31, 2014

TYPE OF SECURITY		MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (Restricted)	*	Liquid Cash	0.261%	\$ 2,000,000	\$ 2,000,000
Local Agency Investment Fund (Unrestricted)	*	Liquid Cash	0.261%	45,042,220	45,042,220
County Pool (Unrestricted)	**	Liquid Cash	0.680%	10,719,387	10,719,387
Other (Unrestricted)		Liquid Cash	0.000%	2,723,214	2,723,214
Other (Restricted)	***	Liquid Cash	0.200%	21,277,405	21,277,405
				\$ 81,762,227	\$ 81,762,227

Accrued Earnings for OCTOBER 2014 \$ 15,502.44
 Cumulative Earnings FY2015 \$ 65,796.75

* The market value of Local Agency Investment Fund (LAIF) is calculated annually and is derived from the fair value factor as reported by LAIF for quarter ending June 30 each fiscal year.

** As of October 2014 the amortized cost of the Total County Pool was \$3,495,773,288.23 and the fair market value per San Mateo County Treasurer's Office was \$3,499,023,666.82.

*** Prepaid Grant funds for Homeland Security and PTMISEA projects, and funds reserved for debt repayment.

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: April Chan
Executive Officer, Planning and Development

SUBJECT: AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE A LEASE AGREEMENT WITH MAVERICK JACK'S, LLC

ACTION

Staff Coordinating Council (SCC) recommends the Peninsula Corridor Joint Powers Board (JPB) authorize the Executive Director to execute a 10-year lease agreement (Lease) with Maverick Jack's, LLC (Tenant) for the use of the former station building at the Broadway Station located at 1190 California Drive in Burlingame (Premises) as a restaurant.

SIGNIFICANCE

The Premises has been vacant since 2009 after the prior tenant was unable to sustain its business during an economic downturn. Subsequently, JPB's commercial real estate consultant (Broker) performed a market lease analysis of the property and determined that there is an excellent opportunity for the JPB to generate revenue from leasing the Premises as a commercial business. Maverick Jack's plans to operate a family restaurant specializing in classic American burgers and shakes.

BUDGET IMPACT

The base rent rate will be \$3,862.50 per month commencing on the earlier of completion of Tenant Improvements or six months from delivery of the Premises. The Lease structure is a "Triple Net" (NNN) Lease where the Tenant will be responsible for real estate taxes, property insurance and maintenance costs. Rental adjustments will commence on the 25th month of the Lease, and will adjust at a fixed 3 percent rate per annum thereafter, totaling over \$500,000 in gross rent to be collected over a 10-year period. Staff and the Broker confirmed that the lease rate is within the market range for similar properties and the proposed lease terms are representative of market conditions.

BACKGROUND

The subject property consists of an approximately 2,060 square-foot building with 20 dedicated parking stalls within the adjacent station parking lot. The westerly portion of the station parking lot, including all access to the lot, is owned by the City and County of San Francisco (CCSF). Therefore, the lease of the property will be contingent upon the Tenant obtaining a lease from CCSF for additional parking and access. The Tenant

also will be required to obtain a conditional use permit from the city of Burlingame. All proposers were fully informed of the parking lot ownership and the need to obtain the additional access property rights and permits.

The building historically has been leased as a restaurant since the JPB assumed station operations in 1992. The last tenant to occupy the premises was under a five-year lease to operate a restaurant. After two years, the tenant was unable to sustain its business during an economic downturn and vacated the premises in early 2009. Subsequently, the property was listed for lease and a qualified bidder was selected. However, the selected bidder ultimately was unable to reach an agreement with CCSF and the JPB.

A search for a suitable tenant commenced in mid-2014 and the Broker listed the property for lease and requested commercial business proposals. After a thorough review and objective comparison of the various proposals submitted, Maverick Jack's was determined to be the best qualified proposal to operate a restaurant business based on its comprehensive business proposal, sound financial capacity, and excellent track record in operating a restaurant business. The Tenant's application to CCSF to obtain a lease for the additional parking and access, has been approved by CCSF's review committee and SCC anticipates it will achieve final approval in the near future.

Real Estate has determined that leasing this property is in the best interest of the JPB and has confirmed with the Operations and Engineering departments that leasing this property will not restrict or conflict with existing or future JPB capital projects and plans. If plans change and the JPB needs to terminate the Lease within the first five years, JPB will reimburse the Tenant for the actual cost of its unamortized renovation costs in an amount not to exceed \$200,000 and based on a five-year amortization schedule. If the lease is terminated by JPB thereafter, nothing will be owed to the Tenant.

The Tenant shall have the right to terminate the Lease any time during the sixth year of the lease term by giving six months prior written notice to the JPB.

Prepared By:	Cindy J, Lee Real Estate Officer	650.508.6306
	Brian Fitzpatrick, Manager, Real Estate and Property Development	650.508.7781

RESOLUTION NO. 2014 –

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

* * *

AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A 10-YEAR LEASE, WITH MAVERICK JACK'S, LLC FOR COMMERCIAL PROPERTY LOCATED AT 1190 CALIFORNIA DRIVE AND BROADWAY AVENUE IN BURLINGAME, CALIFORNIA

WHEREAS, the former station building at the Broadway Station, located at 1190 California Drive in Burlingame (Premises), historically has been leased as a restaurant since the Peninsula Corridor Joint Powers Board (JPB) assumed station operations in 1992; and

WHEREAS, the Premises was vacated in 2009 after the last tenant was unable to sustain its business during an economic downturn; and

WHEREAS, the JPB real estate staff (Staff) has determined that leasing the Premises at this time would be financially prudent and in the best interest of the JPB; and

WHEREAS, staff requested JPB's commercial real estate consultant to perform a market lease analysis, to list the Premises for lease and to request commercial business proposals; and

WHEREAS, various lease proposals were submitted to the JPB; and

WHEREAS, after a thorough review and objective comparison by staff, Maverick Jack's, LLC (Tenant) was selected as the best qualified proposer to lease the Premises, which includes an estimated 2,060 square-foot building and a parking lot with 20 designated parking stalls; and

WHEREAS, a portion of the parking lot is owned by the City and County of San Francisco (CCSF) and the lease of the Premises is contingent upon the Tenant

obtaining a lease from CCSF and a conditional use permit from the city of Burlingame;
and

WHEREAS, the Tenant's application to CCSF to obtain a lease for the additional parking and access has been approved by CCSF's review committee and likely will achieve final approval in the near future; and

WHEREAS, Tenant proposes to pay a base rent in the amount of \$3,862.50 per month under a Triple Net (NNN) lease wherein the Tenant will be responsible for the payment of real estate taxes, property insurance, and common area maintenance costs; and

WHEREAS, staff recommends the JPB and Tenant enter into a 10-year lease (Lease) with rent increases commencing on the 25th month of the Lease, adjusting at a fixed rate of three percent per annum thereafter, totaling over \$500,000 in gross rent to be collected over the 10-year period; and

WHEREAS, Tenant will improve the Premises at its sole cost and expense and payment of rent will commence on the earlier date of either the completion of Tenant's improvements or six months from JPB's delivery of Premises; and

WHEREAS, if the JPB terminates the Lease within the first five years of the lease, JPB shall compensate Tenant for its unamortized renovation costs in an amount not to exceed \$200,000.

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors of the JPB authorizes the Executive Director, or his designee, to execute a 10-year Lease with the Tenant in a form approved by legal counsel, at a base rent of \$3,862.50 per month with rent increases commencing on the 25th month of the Lease, adjusting at a fixed rate of

three percent per annum thereafter, totaling over \$500,000 over a 10-year period, and with additional terms consistent with this Resolution; and

BE IT FURTHER RESOLVED that the Board of Directors authorizes the Executive Director, or designee, to take any other actions necessary to give effect to this resolution.

Regularly passed and adopted this 4th day of December, 2014 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Martha Martinez
JPB Secretary

SUBJECT: **AMENDMENT OF CITIZENS ADVISORY COMMITTEE BYLAWS TO CHANGE THE
DEFINITION OF A QUORUM**

ACTION

Staff Coordinating Council recommends the Board amend the Citizens Advisory Committee (CAC) Bylaws – Article V – Parliamentary Authority, Section 2 to change the section on quorums to define a quorum as a majority of seats currently filled rather than as a majority of the entire membership. The proposed amended section of the Bylaws is attached.

SIGNIFICANCE

At its November 19 meeting, the CAC discussed and approved by vote a change to its bylaws concerning how a quorum is defined due to a recent extended period of time during which there have been fewer than nine members on the committee, and the fact that meetings sometimes end early or start late due to a lack of a quorum. If seven of the nine seats are filled due to vacancies, the quorum will be four rather than five. The revised definition will apply for purposes of convening a meeting as well as for taking action.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

The CAC was established as a JPB advisory group by Resolution No. 1992-28, dated June 3, 1992. The Committee serves as a forum for conveying community information, ideas and comments to the Board. The Board adopted a set of Bylaws under Resolution No. 2002-13, dated May 2, 2002, to formalize the rules of procedure governing the manner in which the Committee functions.

Prepared by: Josh Averill, Assistant District Secretary

650.508.6223

Section 2. A quorum is defined as a majority of ~~the entire membership~~seats currently filled. All official acts of the Committee shall require a quorum of ~~the entire membership~~seats currently filled.

ARTICLE VI – AMENDMENT OF BY-LAWS

These by-laws may be amended at any regular meeting of the CAC by a two-thirds (2/3) vote of the CAC members present and voting, provided that the amendment has been submitted in writing at the previous regular meeting.

ARTICLE VII – CONFLICT OF INTEREST

There shall be no personal or monetary gain by members of the CAC as a result of their membership and actions on the CAC. Reimbursement for expenses that may be authorized by the Executive Director from time to time shall not be deemed to be compensation.

ARTICLE VIII – MAJORITY/MINORITY REPORTS

CAC members may elect to present separate reports on decisions and actions by the CAC under the following circumstances: A majority report will reflect at least two-thirds (2/3) of the CAC members present and voting. A minority report will reflect at least twenty-five percent (25%) of the CAC members present and voting.

RESOLUTION NO. 2014 –

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

* * *

**AMENDING THE BYLAWS OF THE
CITIZENS ADVISORY COMMITTEE TO CHANGE THE DEFINITION OF A QUORUM**

WHEREAS, pursuant to Resolution No. 1992-28, dated June 3, 1992, the Peninsula Corridor Joint Powers Board (Board) established a Citizens Advisory Committee (CAC) to provide an organized forum for conveying community information, ideas and comments to the Board; and

WHEREAS, pursuant to Resolution No. 2002-13, dated May 2, 2002, the Board adopted Bylaws to govern CAC proceedings; and

WHEREAS, Article V – Parliamentary Authority, Section 2 of the CAC Bylaws state that a quorum is defined as a majority of the entire membership, and that all official acts of the Committee shall require a quorum of the entire membership; and

WHEREAS, the CAC has requested that the Board amend the Bylaws to state that a quorum is defined as a majority of seats currently filled and all official acts of the Committee shall require a quorum of seats currently filled.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby amends Article V – Parliamentary Authority, Section 2 of the CAC Bylaws to read, “A quorum is defined as a majority of seats currently filled. All official acts of the Committee shall require a quorum of seats currently filled.”

Regularly passed and adopted this 4th day of December, 2014 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 OCTOBER 2014**

The month of October brought Caltrain ridership records once again. Both average weekday ridership (AWR) and total ridership in October 2014 were all-time record highs. AWR in October was 61,673. This is an increase of 9,932 or 19.2 percent over October 2013 AWR of 51,741. The total number of passengers who rode Caltrain in October 2014 was 1,699,129, which is 18.3 percent more than in October 2013.

On-time performance (OTP) for October 2014 was 89.8 percent, which is lower than the 92 percent OTP for October 2013. When trains arriving within 10 minutes of the scheduled arrival time are included, October 2014 OTP rises to 94.1 percent. There was one weekend day when 100 percent of the trains operated on time. An additional nine days operated with 95 percent or better OTP.

Three days significantly affected the overall OTP. If these three days are removed from the calculations, OTP would be 92.8 percent (and 96.9 percent when trains within 10 minutes are included):

- **Trespasser Fatality:** On Wednesday, October 15, at approximately 5:37 p.m., an adult male was struck by southbound Train 264 near Charleston Avenue in Palo Alto. Twenty-five trains were delayed or cancelled as a result.
- **Mechanical Delays:** The most significant mechanical delays were on October 28. Three separate mechanical issues occurred. The three incident trains were cancelled and an additional 34 trains were delayed throughout the day as a result. Overall in October 2014, there were 1,896 delay minutes, compared with 2,411 delay minutes in October 2013.
- **World Series Victory Parade:** There were delays on Friday, October 31 due to the 2014 World Series victory parade. While extra service was provided in the morning, heavy crowds created delays to morning northbound service. Southbound afternoon service was provided on a "load and go" basis with the schedule between 2:30 p.m. and 7:30 p.m. being most significantly affected.

Looking at customer service statistics, there were 13.6 complaints per 100,000 passengers in October 2014. This is higher than the 12.6 complaints in October 2013, but

significantly lower than the October 2012 (26.6 complaints), which also had a World Series victory parade and substantial mechanical delays.

Shuttle ridership is up 21.2 percent from last year. The Marguerite shuttles have improved the accuracy of their ridership reporting this year, which accounts for much of the ridership increase. When comparing the same shuttle routes as last year and the Marguerite shuttles are removed, overall shuttle ridership increased 1 percent over October 2013. For the station shuttles, the Millbrae-Broadway shuttle averaged 236 daily riders. The Belmont-Hillsdale shuttle averaged 74 daily riders. The weekend Tamien-San Jose shuttle averaged 63 riders per day.

Caltrain Promotions – October 2014

Off-peak & Weekend Campaign – Caltrain is in the second month of a two-month ridership campaign focused on off-peak and weekend trains. The campaign focuses on using Caltrain to **Shop • Play • Go**. Promotional elements include the electronic billboard along Highway 101 in Redwood City, Pandora Internet radio, KCBS, KQED and social media.

World Series Victory Parade – Caltrain’s Halloween treat this year was transporting thousands and thousands of happy baseball fans to the San Francisco Giants World Series victory parade in the rain. The rail agency supplemented its morning northbound commute with additional trains. The afternoon southbound service, which also included extra trains, was converted to all locals to accommodate the mass of customers. Information about the service changes was distributed via the Caltrain website, including a homepage crawler, conductor announcements, social media, station signs, a news release, a service alert to Caltrain real-time subscribers and a recording on Caltrain’s 800 number. Total additional ridership boarding and alighting at the San Francisco station was 18,430.

Giants Playoffs and World Series – The Giants played eight post-season home games: five playoff and three World Series. The post-season service was promoted on the Caltrain website, electronic station signs, a news release and social media. Caltrain carried more than 93,000 customers, a 27 percent increase compared to the 2012 post-season service (six games).

Cal Bears vs. Oregon Ducks – The Bears and Ducks went head-to-head at Levi’s® Stadium in late October for the first college football game played at the new venue. Service to the game was promoted through the usual channels (website, social media, news release, station electronic message signs) and through the Santa Clara Valley Transportation Authority (VTA). Caltrain transported 1,180 customers after the game.

49ers – In October, the 49ers were on the road more than they were at home, having played just one game at Levi’s® Stadium. Caltrain, in partnership with VTA, continued to play an important role in getting football fans to the stadium. Information about Caltrain service is included on the Levi’s® Stadium website. Caltrain pushed information through its website, including a big button on its home page, *Caltrain Connection*,

conductor announcements, station message signs, *Track the Fun* brochure, social media and a news release. Nearly 5,500 people rode Caltrain for the game.

Stanford Football – The Farm hosted two Stanford Cardinal football games in October, with Caltrain providing special stops at the Stanford Stadium station for the one Saturday game. Caltrain continued to promote its service with a station banner, radio spots and banner ads on Pandora, news release, social media, station message signs, conductor announcements, web button and dedicated page on its website. Service information also was included in two Caltrain publications, *Track the Fun* and *Caltrain Connection*. Stanford produced an onboard brochure and posted information on gostanford.com. Caltrain served 2,275 fans at the Stanford Stadium station. Year-to-date ridership is up 17 percent compared to last season. Because the Stanford station doesn't have a Clipper card tagging device or ticket machines, an unknown number of customers also used the Palo Alto station.

San Jose Sharks – In addition to transporting thousands of football and baseball fans, Caltrain also is the go-to service for ice hockey fans heading to the San Jose Sharks. In October, the San Jose Sharks played three home games at SAP Center, located across the street from the San Jose Diridon station. Service to the Shark Tank is promoted through onboard adcards produced by the Sharks, a link from the Sharks website to Caltrain, Pandora spots and banner ads, web button and dedicated page on caltrain.com, included in the fall editions of *Track the Fun* and *Caltrain Connection*, social media and a news release. For the games, Caltrain carried an extra 1,224 customers. Year-to-date ridership in up 19 percent compared to last year.

Where Public Transportation Goes Community Grows – Caltrain, in partnership with SamTrans, extended its participation in the American Public Transportation Association's *Where Public Transportation Goes Community Grows* initiative for an additional month. The goal of the initiative is to let decision makers and other stakeholders know that investment in public transportation drives growth. Transit attracts development and increases property values along its corridors. Public transit also connects employers to employees, restaurants to diners, landlords to renters and families to local stores. Caltrain conveyed the message through bus shelter ads, exterior bus ads, web banners and social media.

Prepared By:	Rita P. Haskin, Executive Officer, Customer Service and Marketing	650.508.6248
	Catherine David, Senior Planner	650.508.6471

Table A

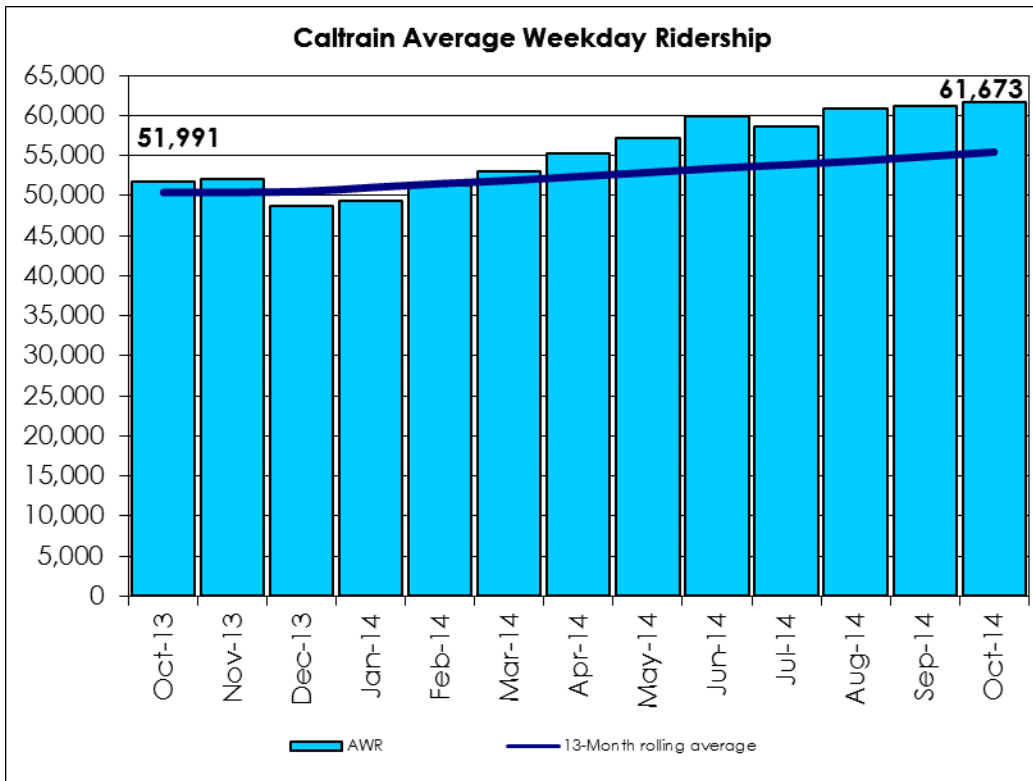
October 2014

	FY2013	FY2014	% Change
Total Ridership	1,435,694	1,699,129	18.3%
Average Weekday Ridership	51,741	61,673	19.2%
Total Farebox Revenue	\$6,158,615	\$7,649,147	24.2%
On-time Performance	92.0%	89.8%	-2.4%
Average Caltrain Shuttle Ridership	6,803	8,246	21.2%

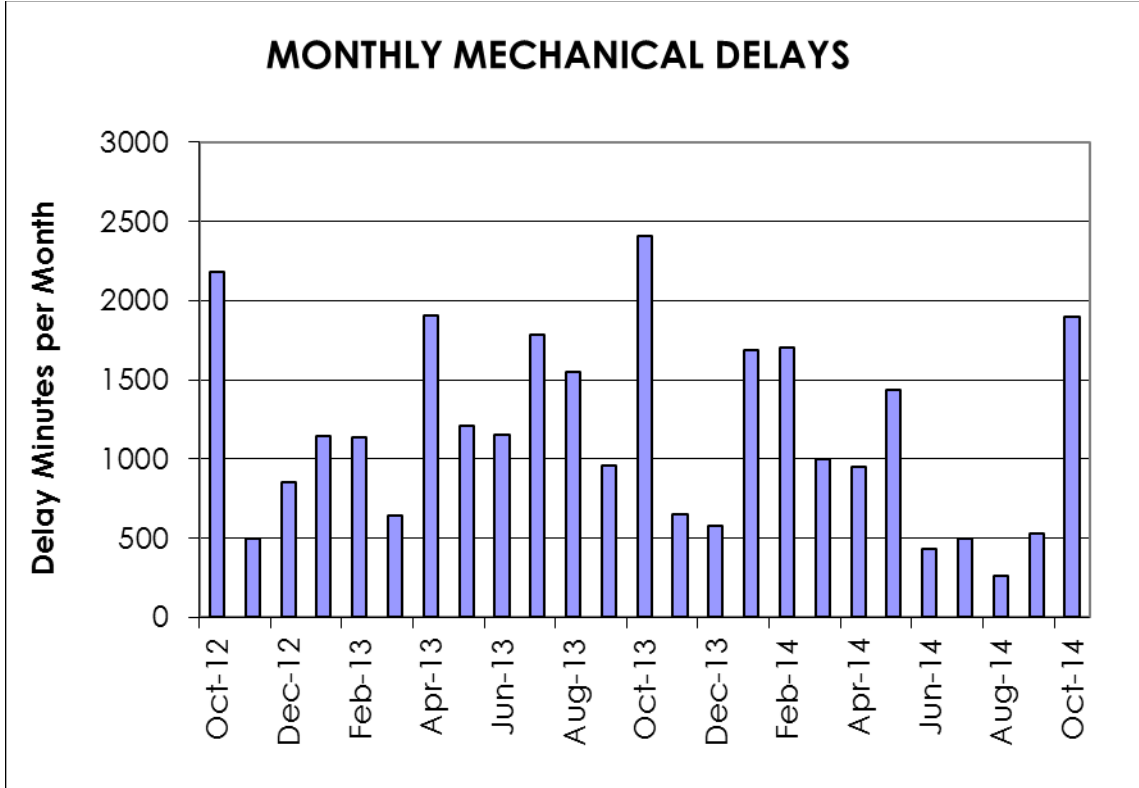
Year to Date

	FY2013	FY2014	% Change
Total Ridership	5,789,459	6,520,585	12.6%
Average Weekday Ridership	53,720	60,591	12.8%
Total Farebox Revenue	\$25,599,827	\$29,194,566	14.0%
On-time Performance	91.1%	91.6%	0.5%
Average Caltrain Shuttle Ridership	6,944	8,901	28.2%

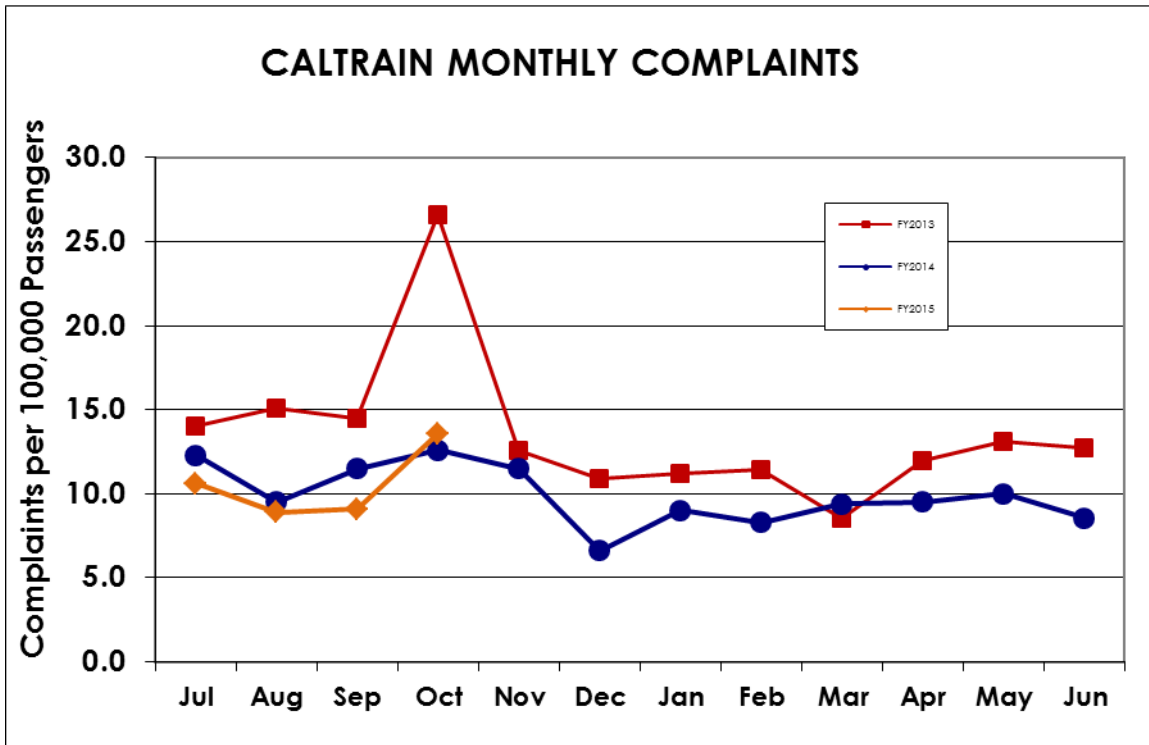
Graph A



Graph B



Graph C



**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Marian Lee, Executive Officer
Caltrain Modernization Program

SUBJECT: **PENINSULA CORRIDOR ELECTRIFICATION PROJECT (PCEP) FINAL
ENVIRONMENTAL IMPACT REPORT (FEIR) RELEASE**

ACTION

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

SIGNIFICANCE

Consistent with the 2013 Joint Powers Board (JPB)/California High-speed Rail Authority Agreement and the 2012 nine-party Memorandum of Understanding (MOU) High-speed Rail Early investment Strategy for a Blended System in the Peninsula Corridor, Caltrain staff has been advancing the PCEP.

For the PCEP, the California Environmental Quality Act (CEQA) environmental clearance process was initiated on January 31, 2013 with the issuance of the Notice of Preparation. The Draft EIR (DEIR) was released on February 28, 2014 for a 60-day review and public comment period. Four public meetings were held during March and April to solicit input on the draft impacts of the proposed project. Approximately 112 people attended the public meetings and 229 written comments on the DEIR were received during the comment period.

Since the close of the DEIR comment period, the project team has prepared written responses to substantive comments on the environmental evaluation in the DEIR and prepared necessary revisions to the EIR. These changes and responses are included as part of the Final Environmental Impact Report (FEIR).

Rich Walter, consultant with ICF International, will provide the Board with a summary of the key issues raised in comments received and the most substantive revisions reflected in the FEIR.

The next step for the environmental review process is to present the FEIR to the Board for consideration of certification. Once the Board certifies the FEIR, it can consider approval of the PCEP. These actions are scheduled for the January 2015 Board meeting.

BUDGET IMPACT

There is no impact to the existing budget.

BACKGROUND

Caltrain completed an Environmental Assessment/Environmental Impact Report (EA/EIR) in 2009 for the Caltrain Electrification Project. The EA is prepared in accordance with the National Environmental Policy Act (NEPA), the Federal environmental review statute. The EIR is prepared in accordance with CEQA, the State environmental review statute. The Federal Transit Administration issued a Finding of No Significant Impact (FONSI), which completed the Federal NEPA environmental review. However, the JPB chose not to certify the CEQA EIR due to uncertainties associated with the high-speed rail (HSR) project, which has not yet completed the CEQA environmental process for this segment.

With the development of the concept of a Caltrain and HSR blended system in the Peninsula Corridor, as reflected in funding and new agreements, Caltrain committed to preparing a new environmental document in order to implement the PCEP. Given that the 2009 FONSI was previously completed, it was determined that the new environmental document would be required for State CEQA clearance only.

In accordance with CEQA, a scoping period was held in February and March of 2013 to receive public and agency comment on the scope of the EIR. Scoping comments were reviewed to identify topics of analysis for the EIR. The results of the scoping are memorialized in the Scoping Report posted on the Caltrain website.

The investigation for the DEIR included field surveys for noise, trees and other biological resources, visual aesthetics, and traffic conditions. Data was collected from a variety of sources to support the environmental impact evaluation. All resource areas required under CEQA were evaluated including direct, indirect and cumulative impacts. Impacts were compared to significance thresholds to identify whether impacts would or would not be significant. Where significant impacts were identified, feasible mitigation is proposed, if available. Alternatives suggested in scoping were reviewed; only alternatives determined to be feasible, to meet most of the project's purpose and need to lower one or more significant impact of the proposed project were analyzed in detail.

The FEIR responds to substantive comments concerning the environmental analysis in the DEIR and provides any necessary revisions pursuant to substantive comments. The FEIR also includes several Caltrain-staff initiated revisions.

Prepared By: Stacy Cocke, Senior Planner

650.508.6207

the industries and geographical markets relevant to the project.

The DBE Office has scheduled a public participation event at the SamTrans administrative offices on December 5, 2014 for minority, women's and general contractor groups, community organizations and other officials or organizations that could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and our efforts to establish a level playing field for the participation of DBEs. In addition, a published notice announcing the proposed project-specific goal will be posted on the Caltrain website for 30 days and inviting public comment.

A unique consideration for this project goal is that the JPB will require a large portion of the work, 45 percent of the contract value, to be self-performed by the Design-Builder. Due to the financial qualifications required for a project of this magnitude, a small business will not be able to participate as the Design-Builder. Since a DBE is by definition a small business, staff believes that the project DBE goal should reflect the absence of opportunity for small businesses within the self-perform requirement. Therefore, although the DBE project goal is expressed as a percentage of the total estimated value of the project, the actual value of the DBE goal only represents the opportunities for subcontracting under the Design-Builder.

Staff recommends implementing a DBE program for the project with race-neutral measures to the greatest extent possible, as well as use of race-conscious contract goals only when necessary to meet its DBE project goal during the term of the project. As part of the Request for Proposals evaluation process, staff will evaluate bidders based upon how they plan to design, administer and monitor their DBE plan for this project. The DBE Office will schedule several outreach events to engage the local small business community about business opportunities on this project. In a couple of months staff will bring a recommendation to the Board to approve a Project Labor Agreement for this project that will address, among other things, hiring of qualified DBE contractors. Additional opportunities for DBEs will be available through the JPB's purchase of new Electrical Multiple Unit trains which will require the vendor to implement a Transit Vehicle Manufacturer DBE Program directly with the FTA.

If circumstances change between projected and actual contracting activity that will impact the proposed goal, staff will analyze the impact, report to the Board, and will submit a request to the DOT for approval of an adjustment to the project goal.

It is recommended that final adoption of the project goal be delegated to the Executive Director in the event that no public comments are received that would require the Board to modify the proposed goal. If reconsideration is needed, the Board will be asked to review and approve the final project goal at the January Board meeting. Once this project goal is adopted, staff will submit the proposed DBE project goal to the FTA for review.

Prepared By: John Barker, Labor Compliance Officer 650.508.7940
Bill Carson, Manager, Employee Relations and Civil Rights 650.508.6234

RESOLUTION NO. 2014 –

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

* * *

**AUTHORIZING PUBLICATION OF PROPOSED PROJECT-SPECIFIC DISADVANTAGED
BUSINESS ENTERPRISE GOAL FOR THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT**

WHEREAS, the Board of Directors of the Peninsula Corridor Joint Powers Board (JPB), by Resolution No. 2013-24, adopted a Fiscal Year (FY) 2014-2016 Disadvantaged Business Enterprise (DBE) overall goal of 12 percent, applicable to Federal Transit Administration (FTA)-assisted contracts, which did not include the Peninsula Corridor Electrification Project (PCEP); and

WHEREAS, the U.S. Department of Transportation regulations pertaining to the JPB's DBE Program (located in 49 CFR Part 26, hereinafter "Regulations"), allow for a project-specific DBE goal to be established for a design-build contract, separate from the DBE overall goal, whereby the design-builder commits to satisfy the project-specific DBE project goal through race neutral measures, and where appropriate, by setting DBE subcontract goals for its subcontracts; and

WHEREAS, in accordance with the Regulations, the DBE Officer and DBE Liaison Officer have analyzed the subcontracting opportunities for DBE participation for the PCEP and recommend that a project-specific DBE goal be established for the duration of the project; and

WHEREAS, based upon the recommendation from the DBE Officer and DBE Liaison Officer, with the concurrence of the DBE Program Review Committee, the Executive Director has recommended the establishment of a proposed DBE project goal of 5.2 percent, in accordance with the methodology set forth in the Regulations; and

WHEREAS, the Regulations prescribe a 30-day public comment period regarding the proposed DBE project goal; and

WHEREAS, the Board of Directors finds that the project-specific DBE goal is appropriate and reasonable.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorizes the dissemination of the proposed project-specific DBE goal for the PCEP of 5.2 percent for public review and comment, with the understanding that final adoption of the project-specific DBE goal will be considered at the completion of a public comment period; and

BE IT FURTHER RESOLVED that the Board of Directors authorizes the Executive Director to adopt the project-specific DBE goal for the PCEP on behalf of the Peninsula Corridor Joint Powers Board, in the event that no public comments are received that require the Board to reconsider or modify the proposed goal; and

BE IT FURTHER RESOLVED that the Board of Directors directs the Executive Director to submit the adopted project-specific DBE goal for the PCEP to the U.S. Department of Transportation through the FTA, in accordance with the Regulations.

Regularly passed and adopted this 4th day of December, 2014 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

BUDGET IMPACT

Funding for the exercise of Option 2, Phase 4 is included in the approved Fiscal Year 2015 capital budget.

BACKGROUND

In October 2008, Congress enacted the Rail Safety Improvement Act of 2008 (RSIA), which mandates the development and implementation of PTC systems on "Class I" and commuter railroads such as Caltrain by December 31, 2015.

The Caltrain CBOSS/PTC system includes the four key requirements of the RSIA: a system that reliably and functionally prevents: (1) train-to-train collisions, (2) overspeed derailments, (3) unauthorized incursions into work zones and (4) routing over misaligned switches. The Caltrain CBOSS/PTC will not only improve rail safety, but it will also provide enhanced operational benefits including improved schedule management, station stop enforcement, crossing safety improvements, and optimized operating performance. The Caltrain CBOSS/PTC will be implemented on all main tracks between San Francisco and Control Point Lick in south San Jose and will be interoperable with its tenant and host railroads. The Caltrain CBOSS/PTC will provide significant advances to the signaling system capabilities.

Pursuant to Resolution No. 2011-43, the JPB entered into an agreement with PTG to implement CBOSS/PTC for Caltrain on December 28, 2011. The CBOSS/PTC Project originally consisted of three Phases, described in the contract as a base term (Phase 1) for the critical design of PTC, with two subsequent contractual options for the continuing implementation and deployment of the PTC system. The options were to be executed if deemed to be in the best interest of the agency, and subject to Board approval.

Phase 1 of the CBOSS/PTC Project, consisting of the completion of the Project Execution Plan, completion of the PTC Development Plan, and commencement of system and subsystem critical design, was concluded in March 2013.

In accordance with the terms of the agreement, Option 1, Phase 2 provides for a final design, integrated subsystem/system factory acceptance testing, and data communication subsystem installation. Option 1, Phase 2 was exercised by the JPB on January 3, 2013, pursuant to Resolution No. 2013-07.

Option 2, Phase 3 provides for the remaining subsystem installation, subsystem testing and completion of the Backup Central Control Facility. Option 2, Phase 3 was exercised by the JPB on August 3, 2013, pursuant to Resolution No. 2013-37.

Option 2, Phase 4, recommended to be exercised here, is to provide system integration testing, safety certification, commissioning, final system acceptance, and warranty.

The JPB and PTG have completed or anticipate the completion of the following:

- Completed Project Execution Planning (PEP)
- Completed Project Preliminary Design and Approval

- Completed system and subsystem Critical Design and Approval
- Completion of subsystem and system Final Design and Approval
- Submitted Project PTC Development Plan to Federal Railroad Administration (FRA) and received type approval from the FRA in Sept 2014
- Completion of BCCF Build Out as part of Option 2 Phase 3 work
- Completion of data communication system installation including fiber optic backhaul from Control Point Lick to Menlo Park
- Completion of Segment 3 wayside installation
- Completion of the onboard installation for all pilots
- Completion of the Railroad Operation Control System 2 software development and factory testing
- Developed Caltrain Interoperability Coordination Plan for FRA and other railroads review and comments. Continue work with Union Pacific Railroad and other tenant railroads for establishing Interoperability coordination plan process and working groups

JPB staff feels it is critical to exercise Option 2, Phase 4 of the Caltrain CBOSS/PTC Project in support of field system integration testing scheduled to commence early 2015 and ultimately support CBOSS/PTC Revenue Service Demonstration before the end of 2015. The total amount identified for Option 2, Phase 4 is \$32,809,927. The current total value of the CBOSS contract is \$139,152,981.

PMO Director: Karen Antion

415.836.5605

**RESOLUTION NO. 2014 –
BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD
STATE OF CALIFORNIA**

* * *

**AUTHORIZING EXERCISE OF OPTION 2, PHASE 4 OF THE CONTRACT FOR A
COMMUNICATIONS-BASED OVERLAY SIGNAL SYSTEM/POSITIVE TRAIN CONTROL
(CBOSS/PTC) FOR CALTRAIN IN THE AMOUNT OF \$32,809,927**

WHEREAS, on December 28, 2011, pursuant to Resolution No. 2011-43, the Peninsula Corridor Joint Powers Board (JPB) awarded a contract to implement CBOSS/PTC for Caltrain to Parsons Transportation Group (PTG) in the amount of \$138,135,673, since amended to \$139,152,981, consisting of three Phases: a Base contract, Phase 1 for the critical design, with two subsequent options, Option 1, Phase 2 and Option 2, Phase 3, for the continuing implementation and deployment of the PTC system; and

WHEREAS, in accordance with the contract, the options are to be executed if deemed to be in the best interest of the JPB and subject to Board approval; and

WHEREAS, on January 3, 2013, pursuant to Resolution No. 2013-07, the JPB authorized the exercise of Option 1, Phase 2 in the amount of \$35,253,855 to provide the JPB with a final design, integrated subsystem/system factory acceptance testing, and the installation of the data communication subsystem which includes a fiber optic backbone; and

WHEREAS, on August 1, 2013, pursuant to Resolution No. 2013-37, the JPB authorized splitting Option 2, Phase 3 into two Phases (new Phases 3 and 4), and further authorized the exercise of new Option 2, Phase 3 in the amount of \$54,746,797 for remaining subsystem installation, subsystem testing, and completion of the Backup Central Control Facility; and

WHEREAS, staff now considers it appropriate to exercise Option 2, Phase 4 in the amount of \$32,809,927 to provide for the system integration testing, safety certification, commissioning, final system acceptance, and warranty; and

WHEREAS, funding for Option 2, Phase 4, has been budgeted in the Caltrain Fiscal Year 2015 Capital budget.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorizes the Executive Director or his designee to exercise Option 2, Phase 4 to the Agreement with Parsons Transportation Group of Washington, D.C. in the amount of \$32,809,927.

Regularly passed and adopted this 4th day of December, 2014 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: April Chan
Executive Officer, Planning and Development

SUBJECT: **AUTHORIZE THE FILING OF APPLICATIONS TO THE METROPOLITAN
TRANSPORTATION COMMISSION (MTC) FOR PROGRAMMING OF FEDERAL
TRANSIT ADMINISTRATION (FTA) FORMULA FUNDS FOR THE CALTRAIN
MODERNIZATION (CALMOD) PROGRAM AND THE ROLLING STOCK STATE OF
GOOD REPAIR (SOGR) PROJECT**

ACTION

Staff Coordinating Council recommends the Board authorize the Executive Director, or his designee, to submit fund programming applications to the MTC; and to:

1. Program \$5,398,033 in Fiscal Year (FY) 2015 FTA funds for the CalMod Program and Rolling Stock SOGR Project; and
2. Commit \$1,349,509 in local matching funds; and
3. Take such actions as may be necessary to give effect to this resolution, including executing any agreements, certifications and assurances or other documentation required in order to receive the FTA funds.

SIGNIFICANCE

Staff is proposing to submit fund programming applications to the MTC for FY2015 FTA Formula funds to support the following projects:

	<u>Federal Funds</u>	<u>Local Funds</u>	<u>Total</u>
CalMod Program – Electric Multiple Units (EMUs) Specs Development	\$5,234,766	\$1,308,692	\$6,543,458
Rolling Stock SOGR	<u>\$163,267</u>	<u>\$40,817</u>	<u>\$204,084</u>
Total	\$5,398,033	\$1,349,509	\$6,747,542

BUDGET IMPACT

There is no budget impact associated with this action. Both the proposed FTA and local match amounts are already included in the FY2015 Caltrain Capital Budget.

BACKGROUND

As part of the High-speed Rail Early Investment Program Memorandum of Understanding (MOU), MTC is slated to provide Federal funds for the EMU portion of the CalMod Program. The FTA funding request is consistent with the MOU, and provides the amount that is needed in FY2015 to support ongoing work in EMU specs development.

The proposed amount for the rolling stock SOGR work is provided to Caltrain as part of the MTC's annual fund programming for SOGR work.

Prepared by: Peter Skinner, Senior Grants Analyst

650.622.7818

RESOLUTION NO. 2014 –

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

* * *

AUTHORIZING THE FILING OF APPLICATIONS TO THE METROPOLITAN TRANSPORTATION
COMMISSION FOR PROGRAMMING OF FEDERAL TRANSIT ADMINISTRATION FORMULA
FUNDS FOR THE CALTRAIN MODERNIZATION PROGRAM AND THE ROLLING STOCK
STATE OF GOOD REPAIR PROJECT

WHEREAS, Moving Ahead for Progress in the 21st Century (MAP-21; Public Law 112-141) establishes new Federal Transit Administration (FTA) formula programs (23 U.S.C. Chapter 53); and

WHEREAS, pursuant to MAP-21 and the regulations promulgated thereunder, eligible project sponsors wishing to receive FTA Section 5307 Urbanized Area Formula Program grants, Section 5337 State of Good Repair Grants, or Section 5339 Bus and Bus Facilities Formula Grants (collectively, FTA Formula Programs) for a project shall first submit an application with the appropriate metropolitan transportation planning organization (MPO) for review and inclusion in the MPO's Transportation Improvement Program (TIP); and

WHEREAS, the successor legislation to MAP-21 is anticipated to continue authorization of the FTA Formula Programs; and

WHEREAS, the Metropolitan Transportation Commission (MTC) is the MPO for the San Francisco Bay region; and

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) is an eligible project sponsor for the FTA Formula Programs; and

WHEREAS, the JPB wishes to submit an application to the MTC to program funding for the Caltrain Modernization (CalMod) Program and the Rolling Stock State of Good Repair Project (Projects).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors that the JPB is authorized to execute and file an application to the MTC for FTA Formula Program funds in the amount of \$5,398,033; and

BE IT FURTHER RESOLVED that:

1. The JPB will provide \$1,349,509 in local matching funds; and
2. The JPB understands that the FTA Formula Program funding for the Projects is fixed, that any cost increases must be funded by the JPB from local matching funds, and that the JPB does not expect any cost increases to be funded with FTA Formula Program funds; and
3. The Projects will be built and operated as described in this resolution and, if approved by the MTC, for the amount shown in the MTC's TIP with obligation occurring within the timeframe established below; and
4. The program funds are expected to be obligated by January 31 of the year the Projects are programmed for in the TIP; and
5. The JPB will comply with FTA requirements and all other applicable Federal, State and Local laws and regulations with respect to the Projects; and

BE IT FURTHER RESOLVED that:

1. The JPB is an eligible sponsor of projects in the program for FTA Formula Program funds; and
2. The JPB is authorized to submit an application for FTA Formula Program funds for the Projects; and

3. There is no legal impediment to the JPB making applications for FTA Formula Program funds; and
4. There is no pending or threatened litigation which might in any way adversely affect the proposed Projects, or the ability of the JPB to deliver such Projects; and
5. The JPB agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution 3866; and
6. A copy of Resolution 3866 will be transmitted to the MTC prior to MTC programming the FTA Formula Program funded Projects in the TIP; and
7. The MTC is requested to support the application for the Projects described in the resolution and to program the Projects, if approved, in MTC's TIP; and
8. The Board of Directors authorizes the Executive Director or his designee to take such actions as may be necessary to give effect to this resolution, including executing any agreements, certifications and assurances or other documentation required in order to receive the FTA Formula Program funds.

Regularly passed and adopted this 4th day of December, 2014 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 INCREASE THE FISCAL YEAR 2015 CALTRAIN CAPITAL BUDGET IN THE AMOUNT OF \$10 MILLION FOR THE RAIL CAR CAPACITY EXPANSION PROJECT FOR A TOTAL CAPITAL BUDGET OF \$54,554,725 AND APPROVE THE ASSET PURCHASE AGREEMENT WITH SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY**

ACTION

Staff Coordinating Council recommends the Board:

- 1) Amend the Fiscal Year (FY) 2015 Capital Budget to include an additional \$10 million for the Rail Car Capacity Expansion Project for a total Capital Budget of \$54,554,725, as in Attachment A.
- 2) Approve the Asset Purchase Agreement, which includes a storage agreement and \$1 million deposit for the purchase of 16 rail cars from Southern California Regional Rail Authority (SCRRA), the operator of the Metrolink commuter rail service in the Los Angeles Basin.
- 3) Authorize the Executive Director or the Deputy CEO, Finance and Administration, to execute a contract with SCRRA in full conformity with the term sheet approved by the Board by Resolution No. 2014-44 and subject to final approval by legal counsel.

SIGNIFICANCE

The Rail Car Capacity Expansion Project will enable procurement of 16 railcars to improve capacity along the corridor. The additional railcars will need to be rehabilitated before they are ready for service. These railcars will be strategically deployed to increase capacity and replace existing cars as they are rotated through the State of Good Repair (SOGR) Program.

Peninsula Corridor Joint Powers Board (JPB) staff has estimated the cost of the Rail Car Capacity Expansion Project to be \$15 million, which will encompass the acquisition and renovation of rail cars from Metrolink, including costs of platform modifications required to accommodate longer train sets and the costs of acquiring new wheels to be used in connection with this project.

FY15 CALTRAIN CAPITAL BUDGET

Amendment #2 - December 4, 2014

Attachment A

Item #	PROJECT TITLE/DESCRIPTION	FY 15 PROJECT PHASE	EST. TOTAL COST	PREVIOUSLY PROGRAMMED	FY15 Request	FUTURE NEEDS
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I. SOGR

Station & Intermodal Access

1.01	So. San Francisco Station Improvements	Final Des	46,623,000	0	1,233,000	45,390,000
1.02	Station Area Modifications to Allow for 6-Car Train Service	Pre. Eng., Final Des., Constr	1,000,000	0	1,000,000	0
1.03	Systemwide Station Improvements	Final Des / Constr	500,000	0	500,000	0
1.04	Sunnyvale Station Platform Rehabilitation	Final Des / Constr	650,000	0	650,000	0
1.05	Painting of Bayshore Station	Final Des / Constr	875,000	775,000	100,000	0
					3,483,000	45,390,000

Right of Way / Signal & Communications

1.06	San Mateo Bridges Replacement - Construction	Constr	38,000,000	30,000,000	8,000,000	0
1.07	ROCS and PADS Development	Constr	526,285	0	200,000	326,285
1.08	Signal Rehab	Final Des / Constr	1,000,000	0	1,000,000	0
1.09	Systemwide Track Rehab	Fin Des / Constr	8,374,000	0	7,374,000	1,000,000
1.10	Four New Control Points	Pre. Eng / Final Des / ROW	17,415,000	0	5,000,000	12,415,000
1.11	Rail Grinding III	Constr	2,207,142	770,714	700,700	735,728
					22,274,700	14,477,013

Rolling Stock

1.12	F40PH-2C & F40PH-2CAT Locomotive Mid-Life Overhaul	Construction	8,844,829	0	3,900,000	4,944,829
1.13	Rail Car Capacity Expansion Project	Procurement	14,000,000	4,000,000	10,000,000	0
					13,900,000	4,944,829

II. CALTRAIN MODERNIZATION

2.01	Rolling Stock Replacement	Pre Eng	440,000,000	7,108,000	695,000	432,197,000
2.02	Electrification	Pre Eng	769,147,000	14,370,670	7,706,890	747,069,440
2.03	Program Implementation and Management	Pre Eng	15,853,000	14,963,665	889,335	0
					9,291,225	1,179,266,440

III. LEGAL MANDATES AND REQUIRED ENHANCEMENTS

3.01	Railroad Bridge Load Rating Calculation	Final Des	2,700,000	0	1,000,000	1,700,000
3.02	MS4 Stormwater Program	Des / Constr	TBD	99,000	332,000	0
3.03	DRA Clipper Requirements	Constr	262,800	0	262,800	0
					1,594,800	1,700,000

IV. OPERATIONAL IMPROVEMENTS/ENHANCEMENTS

4.01	FY15 Right of Way Safety Fencing	Construction	11,990,872	7,448,872	771,000	3,771,000
4.02	Inward Facing Cameras on Trains	Final Des / Constr	520,000	0	500,000	20,000
4.03	South Terminal Phase II	Pre Eng / Final / ROW	TBD	2,023,000	1,000,000	

Proposed Funding Plan											
Federal		State		Other		JPB					
Amount	Source	Amount	Source	Amount	Source	Amount	Source	Amount	Source	FY15 TOTAL	
				1,233,000	SMCTA					1,233,000	
				1,000,000	Bonds					1,000,000	
								500,000	Members	500,000	
						290,000	Other	360,000	Members	650,000	
								100,000	Members	100,000	
0		0		2,523,000				960,000		3,483,000	
				8,000,000	SMCTA					8,000,000	
150,000	FTA							50,000	Members	200,000	
800,000	FTA							200,000	Members	1,000,000	
5,899,200	FTA							1,474,800	Members	7,374,000	
4,000,000	STP/CMAQ See Note 1							1,000,000	Members	5,000,000	
80,300	FTA							620,400	Members	700,700	
10,929,500		0		8,000,000				3,345,200		22,274,700	
960,000	FTA Set-Aside		140,000	Prop 1B		140,000	Other		2,660,000	Members	3,900,000
						10,000,000	Bonds			10,000,000	
960,000		140,000		10,140,000				2,660,000		13,900,000	
						695,000	EIP			695,000	
						7,706,890	EIP			7,706,890	
						889,335	EIP			889,335	
0		0		9,291,225				0		9,291,225	
								1,000,000	Members	1,000,000	
								332,000	Members	332,000	
								262,800	Members	262,800	
0		0		0				1,594,800		1,594,800	
						771,000	Prop 1B			771,000	
						500,000	Prop 1B			500,000	
								1,000,000	CCJPA	1,000,000	

FY15 CALTRAIN CAPITAL BUDGET

Amendment #2 - December 4, 2014

							Proposed Funding Plan									
							Federal		State		Other		JPB			
Item #	PROJECT TITLE/DESCRIPTION	FY 15 PROJECT PHASE	EST. TOTAL COST	PREVIOUSLY PROGRAMMED	FY15 Request	FUTURE NEEDS	Amount	Source	Amount	Source	Amount	Source	Amount	Source	FY15 TOTAL	
						2,271,000	3,771,000	0	1,271,000	1,000,000	0	0	2,271,000			
V. PLANNING/STUDIES																
5.01	Capital Project Development		500,000	0	500,000	0								500,000	Members	500,000
5.02	Capital Program Management		500,000	0	250,000	250,000								250,000	Members	250,000
5.03	Capital Contingency Funds (Engineering)		330,000	0	330,000	0								330,000	Members	330,000
5.04	Capital Contingency Funds (Rail)		660,000	0	660,000	0								660,000	Members	660,000
						1,740,000	250,000	0	0	0	1,740,000	1,740,000				
FY15 DRAFT Capital Budget					54,554,725	11,889,500	1,411,000	30,954,225	10,300,000	54,554,725						

1) \$2.3M of STP/CMAQ funding is discretionary funding that has been applied for through MTC's Transit Performance Incentive program.
 2) The total member contribution for FY15 is \$3.5M per member, which includes \$200K that was amended into the FY14 budget at the July 3, 2014 Board meeting.

3,433,333 Per Partner Contribution ²⁾

RESOLUTION NO. 2014 –

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

* * *

**AUTHORIZING AMENDMENT TO INCREASE THE FISCAL YEAR 2015 CAPITAL BUDGET
IN THE AMOUNT OF \$10 MILLION FOR THE RAIL CAR CAPACITY EXPANSION
PROJECT FOR A TOTAL CAPITAL BUDGET OF \$54,554,725 AND APPROVING AN
ASSET PURCHASE AGREEMENT WITH
SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY**

WHEREAS, pursuant to Resolution No. 2014-06, adopted on January 9, 2014, the Peninsula Corridor Joint Powers Board (JPB) approved the budget for the Rail Car Capacity Expansion Project (Project) with a total authorized budget of \$4 million; and

WHEREAS, pursuant to Resolution No. 2014-44, adopted on September 4, 2014, the JPB approved the term sheet negotiated with the Southern California Regional Rail Authority (SCRRA), the operator of the Metrolink commuter rail service in the Los Angeles Basin, for the purchase of 16 Bombardier Bi-level Generation 2 rail cars for the Rail Car Capacity Expansion Project; and

WHEREAS, JPB staff now estimates the cost of the Project to be \$15 million, which will encompass the acquisition and renovation of rail cars from SCRRA, including costs of platform modifications required to accommodate longer train sets and the costs of acquiring new wheels to be used in connection with the Caltrain commuter rail service operated by the JPB; and

WHEREAS, pursuant to Resolution No. 2014-41, adopted on August 7, 2014, the JPB adopted the Fiscal Year (FY) 2015 Capital Budget in the total amount of \$43,554,725, which includes a \$1 million budget for platform modifications to accommodate longer train sets, which is part of the estimated costs for the \$15 million Project; and

WHEREAS, pursuant to Resolution No. 2014-46, adopted on September 4, 2014, the JPB approved the amendment to increase the FY2015 Capital Budget for an unrelated project to bring the total authorized budget to \$44,554,725; and

WHEREAS, following review and deliberation, in order to accommodate the increased cost estimate for the Project, the Staff Coordinating Council (SCC) recommends and the Executive Director concurs that the Board amend the FY2015 Capital Budget to include \$10 million to fully fund the Project for a total Capital Budget in the amount of \$54,554,725;

WHEREAS, additionally, the SCC recommends and the Executive Director concurs that the Board approve the Asset Purchase Agreement, which includes a storage agreement and \$1 million deposit negotiated with SCRRA to purchase the 16 Bombardier Bi-level Generation 2 railcars in full conformity with the term sheet approved by the Board by Resolution No. 2014-44 and subject to final approval by legal counsel.

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

- 1) Amends the FY2015 Capital Budget to include an additional \$10 million to fund the Rail Car Capacity Expansion Project for a total Capital Budget of \$54,554,725;
- 2) Approves the Asset Purchase Agreement, which includes a storage agreement and \$1 million deposit for the purchase of 16 rail cars from SCRRA;
- 3) Authorizes the Executive Director or the Deputy CEO, Finance and Administration, to execute a contract with SCRRA in full conformity with

the term sheet approved by the Board by Resolution No. 2014-44 and
subject to final approval by legal counsel.

Regularly passed and adopted this 4th day of December, 2014 by the following
vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

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

SUBJECT: **AUTHORIZE AWARD OF A CONTRACT FOR THE SAN FRANCISCO ROADWAY
BRIDGES REPLACEMENT PROJECT**

ACTION

Staff Coordinating Council (SCC) recommends the Board:

1. Award a contract to the lowest, responsive and responsible bidder, Disney Construction, Inc. (DCI), in the total amount of \$8,393,333.
2. Authorize the Executive Director or his designee to execute the contract in full conformity with the terms and conditions of the solicitation documents.

SIGNIFICANCE

Award of this construction contract will provide three new vehicular roadway bridges (San Francisco Vehicular Bridges) over the Caltrain tracks at 22nd Street, 23rd Street and Paul Avenue. Work under the contract also will strengthen an existing pier foundation at Jerrold Avenue in San Francisco.

The vehicular roadway bridges are required to be replaced due to their current state of disrepair. The strengthening of the pier foundation at Jerrold Avenue is part of the Peninsula Corridor Joint Powers Board's (JPB) State of Good Repair maintenance.

BUDGET IMPACT

Funding for this contract has been fully budgeted in the approved Caltrain capital budgets and includes Federal, State and local funds.

BACKGROUND

San Francisco Vehicular Bridges

An agreement exists between the city of San Francisco and JPB that states the maintenance of the San Francisco Vehicular Bridges is to be done by the JPB. The California State Department of Transportation identified these bridges to be structurally deficient and functionally obsolete in 2006. Their determination thus required the JPB to prepare plans, specifications, and estimates for the replacement of these bridges, which will mitigate the existing bridges' structural deficiencies and seismic vulnerabilities, and upgrade their functionality to current standards. This project includes structure, civil, and utility work.

Jerrold Avenue Span Removal – Phase 1

This portion of the contract was solicited as an addendum to the Invitation to Bid to accelerate the Jerrold Avenue Span Removal project. Phase 1 is for strengthening of the existing Span 1 pier foundation. The subsequent phases will be conducted under a separate procurement.

The solicitation was advertised in a newspaper of general circulation and on the JPB's procurement website. Solicitation notification was sent out to interested bidders including Small Business and Disadvantaged Business Enterprises (DBE) that were registered in the vendor database. Five bids were received as listed below:

	Company	Total Bid Amount
	<i>Engineer's Estimate</i>	<i>\$11,750,000</i>
1.	Disney Construction, Inc., Burlingame, CA	\$8,393,333 *
2.	USS Cal Builders Inc., Stanton, CA	\$10,222,000
3.	Proven Management, Inc., Berkeley, CA	\$10,755,777
4.	Con-Quest Contractors, Inc., San Francisco, CA	\$12,710,000
5.	Golden State Bridge, Inc., Benicia, CA	\$13,000,112

* DCI's bid of \$8,393,000 contained a mathematical error, which was corrected to \$8,393,333.

DCI submitted all required bid documentation. Staff has determined, and legal counsel has concurred, that the bid submitted by DCI is responsive.

DCI had two irregularities that staff and legal counsel determined were of a minor nature, did not give DCI any competitive advantage over the other bidders, and would not have provided basis for DCI to seek relief from its bid. Accordingly, these irregularities are subject to waiver.

The bid from DCI is 29 percent lower than the final engineer's estimate. Staff determined that the difference between DCI's bid and the engineer's estimate is likely due to DCI's use of lower contingency and cost escalation factors than were used in the engineer's estimate. Staff believes that DCI's bid is fair and reasonable.

DCI is an established Bay Area contractor and background reference checks confirm that it is experienced and competent. Therefore, staff concludes that DCI is appropriately qualified and capable of meeting the contract requirements and, therefore, is the lowest, responsive and responsible bidder.

The DBE Program Officer reviewed DCI's proposal and determined that the estimated DBE participation of 2.1 percent coupled with extensive good faith efforts by DCI to meet the 5.3 percent DBE contract goal is consistent with federal regulations and meets the requirements of the JPB's DBE program.

Contract Officer: Evelyn Marcal
Project Manager: Rafael Bolon

650.508.7958
650.622.7805

RESOLUTION NO. 2014 –

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

* * *

**AUTHORIZING AWARD OF CONTRACT TO DISNEY CONSTRUCTION, INC. FOR THE
SAN FRANCISCO ROADWAY BRIDGES REPLACEMENT PROJECT
AT A TOTAL COST OF \$8,393,333**

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) solicited bids for the San Francisco Roadway Bridges Replacement Project; and

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

WHEREAS, staff and legal counsel have reviewed the bids and determined that Disney Construction, Inc., (DCI) of Burlingame, California is the lowest, responsive and responsible bidder; and

WHEREAS, Staff Coordinating Council recommends and the Executive Director concurs that a contract be awarded to DCI, whose bid meets all of the requirements of the solicitation documents.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the JPB hereby awards a contract to DCI of Burlingame, California for the San Francisco Roadway Bridges Replacement Project for a total cost of \$8,393,333; and

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

Regularly passed and adopted this 4th day of December, 2014 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 AWARD OF CONTRACTS TO PFM ASSET MANAGEMENT, LLC FOR INVESTMENT MANAGEMENT SERVICES AND TO U.S. BANK FOR CUSTODY SERVICES**

ACTION

Staff Coordinating Council recommends the Board approve the following:

1. Award a contract to PFM Asset Management, LLC to provide investment management services for a three-year base term in accordance with fee structure described under Budget Impact below.
2. Award a contract to U.S. Bank to provide custody services for a three-year base term in accordance with fee structure described under Budget Impact below.
3. Authorize the Executive Director, or his designee, to execute contracts with PFM Asset Management, LLC and U.S. Bank in full conformity with the terms and conditions of the solicitation documents and negotiated agreements.
4. Authorize the Executive Director, or designee, to exercise up to two one-year option terms to extend each of the contracts, which are exercisable at the sole discretion of the Peninsula Corridor Joint Powers Board (JPB).

SIGNIFICANCE

Approval of the above actions will provide the JPB with continuing management assistance with respect to the JPB's future investment portfolio. Additionally, it will ensure all investments will be made in full accordance with applicable California law governing the investment of local agency funds and the JPB's current Statement of Investment Policy.

BUDGET IMPACT

For investment management services, PFM Asset Management, LLC will be compensated in accordance with the following fee schedule:

- For the first \$25 million of assets under management the annual fee will be 10 basis points (0.10 percent),

- The next \$25 million of assets under management will have an annual fee of 8 basis points (0.08 percent),
- The next \$50 million of assets under management will have an annual fee of 7 basis points (0.07 percent), and
- For assets under management over \$100 million the annual fee will be 6 basis points (0.06 percent).

For custody services, U.S. Bank will charge an annual 0.5 basis points fee on all assets as well as an \$8 per transaction fee.

The fees incurred will be paid through revenues generated through investments.

BACKGROUND

Staff determined that a joint solicitation with the San Mateo County Transit District and the San Mateo County Transportation Authority was a cost-effective approach to procure the required financial consulting services. A joint Request for Proposals (RFP) to provide investment management and custody services was issued detailing the scope of services. The solicitation was advertised in a newspaper of general circulation and on the JPB’s website. Staff received a total of nine proposals, five for investment management services and four for custody services.

An Evaluation Committee (Committee) composed of qualified staff reviewed and ranked proposals for each service category according to the following weighted criteria set forth in the RFP:

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

After the preliminary completion of the review and evaluation, interviews were conducted with the firms determined to be in the competitive range. Upon completion of the interviews, checking of references, financial review, and final scoring of the proposals, the Committee came to a consensus scoring. PFM Asset Management, LLC and U.S. Bank submitted a joint proposal and received the highest ranking in each of their respective service categories as described below.

The firms determined to be in the competitive range and accordingly that participated in interviews are listed below in order of their final consensus ranking:

Investment Management Services:

1. PFM Asset Management, LLC.
2. Chandler Asset
3. High Mark
4. SunTrust
5. JP Morgan

Custody Services:

1. U.S. Bank
2. Union Bank
3. Wells Fargo
4. SunTrust

Although there is no Disadvantaged Business Enterprise (DBE) participation on these contracts, the DBE Office reviewed the proposal documents submitted and determined that each firm was responsive to the proposal's DBE requirements.

Prepared By: Alan Chan, Contract Officer
Project Manager: Rima Lobo, Director, Finance

650.508.6256
650.508.6274

RESOLUTION NO. 2014 –

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

* * *

**AUTHORIZING AWARD OF CONTRACTS TO PFM ASSET MANAGEMENT, LLC
FOR INVESTMENT MANAGEMENT SERVICES AND TO U.S. BANK FOR CUSTODY SERVICES**

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) joined with the San Mateo County Transit District and the San Mateo County Transportation Authority to solicit competitive proposals to provide investment management and custody services; and

WHEREAS, in response to the Agencies' advertised solicitation, the Agencies received nine proposals, five for investment management services and four for custody services; and

WHEREAS, an Evaluation/Selection Committee (Committee) composed of qualified staff reviewed the proposals and scored them in accordance with the evaluation criteria set forth in the RFP; and

WHEREAS, upon completion of proposal evaluation and negotiations, the Committee determined that the joint proposal submitted by PFM Asset Management, LLC and U.S. Bank to provide investment management and custody services, respectively, was the highest ranked in each of the respective service categories; and

WHEREAS, the firms will be compensated in accordance with the following fee schedules:

- a. For investment management services: the annual fee will be 10 basis points (0.10 percent) for the first \$25 million of assets under management, 8 basis points (0.08 percent) for the next \$25 million of assets under management,

7 basis points (0.07 percent) for the next \$50 million of assets under management, and 6 basis points (0.06 percent) for assets under management over \$100 million;

- b. For custody services: the annual fee will be 0.5 basis points on all assets and there will be a \$8 per transaction fee; and

WHEREAS, the Staff Coordinating Council (SCC) recommends that a contract be awarded to PFM Asset Management, LLC for investment management services for a three-year base term with two additional one-year options.

WHEREAS, the SCC recommends that a contract be awarded to U.S. Bank of San Francisco for custody services for a three-year base term with two additional one-year options.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors (Board) of the Peninsula Joint Powers Board hereby awards contracts to PFM Asset Management, LLC for the provision of investment management services and to U.S. Bank for the provision of custody services for a three-year base terms in accordance with the following fee schedules:

- a. For investment management services: the annual fee will be 10 basis points (0.10 percent) for the first \$25 million of assets under management, 8 basis points (0.08 percent) for the next \$25 million of assets under management, 7 basis points (0.07 percent) for the next \$50 million of assets under management, and 6 basis points (0.06 percent), and the annual fee will be 6 basis points (0.06 percent) for assets under management over \$100; and
- b. For custody services: the annual fee will be 0.5 basis points on all assets and there will be a \$8 per transaction fee; and

BE IT FURTHER RESOLVED the Board authorizes the Executive Director or designee to execute contracts on behalf of the JPB with PFM Asset Management, LLC and U.S. Bank in full conformity with all of the terms and conditions of the solicitation documents and negotiated agreements; and

BE IT FURTHER RESOLVED that the Executive Director or designee is authorized to exercise up to two additional one-year options terms with either or both of PFM Asset Management, LLC and U.S. Bank at the same fee structures provided under the base three-year contract term, if deemed in the best interest of the JPB.

Regularly passed and adopted this 4th day of December, 2014 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: 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.

STATE ISSUES

Nothing to report.

FEDERAL ISSUES

Nothing to report.

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

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michael J. Scanlon
Executive Director

FROM: Gigi Harrington
Deputy CEO

C.H. (Chuck) Harvey
Deputy CEO

SUBJECT: **CAPITAL PROJECTS QUARTERLY STATUS REPORT –
1st QUARTER FISCAL YEAR 2015**

ACTION

No action required. The [Capital Projects Quarterly Status Report](#) is submitted to the Board for information only.

SIGNIFICANCE

The Capital Projects Quarterly Status Report is submitted to keep the Board advised as to the scope, budget and progress of current ongoing capital projects.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

Staff prepares the Capital Projects Quarterly Status Report for the Board on a quarterly basis. The report is a summary of the scope, budget and progress of capital projects. It is being presented to the Board for informational purposes and is intended to better inform the Board of the capital project status.

Prepared by: Kelvin Yu, Manager, Project Controls

650.622.7853