

**Peninsula Corridor Joint Powers Board
Board of Directors Meeting
County Building/Santa Clara Board of Supervisors Chambers
70 W. Hedding Street, San Jose, CA 95110**

**Minutes
May 7, 2009**

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

MEMBERS ABSENT: J. Cisneros, A. Kalra

MTC LIAISON: S. Lempert

STAFF PRESENT: G. Cameron, G. Harrington, C. Harvey, R. Haskin, R. Lake,
R. Lee, M. Martinez, I. McAvoy, N. McKenna, D. Miller,
S. Murphy, M. Scanlon, M. Simon

PUBLIC COMMENT

Jeff Oldham, San Jose, said working together with bicyclists will improve Caltrain service for all passengers.

Shirley Johnson, San Francisco Bicycle Coalition (SFBC), said Caltrain abruptly stopped distributing yellow destination bike tags. At the February JPB meeting bicyclists asked for the return of the destination tags. Director Ken Yeager asked about the stoppage and staff cited extreme cost. The SFBC stepped in and provided green destination tags for bicyclists.

Director Yeager asked if the bike tags could be sold at staffed stations in San Francisco and San Jose. Executive Director Michael Scanlon said staff will resume providing the yellow destination bike tags.

Jeff Carter, Burlingame, said he has heard from passengers that the San Jose Diridon station is not well stocked with timetables and Amtrak information. He said he is glad to see the new signage at the Diridon station directing people to the correct tracks.

Pat Giorni, Burlingame, said she attended the December Bicycle Advisory Committee (BAC) meeting and staff said the bike destination tags were no longer going to be produced and distributed citing costs. At the March BAC meeting staff suggested perhaps the bike coalition might step up to produce and distribute destination tags since the Caltrain tag downloading strategy did not appear to solve the problem. Ms. Giorni said this is a perfect reason for transforming the BAC into a true openly public forum rather than continuing it as an in-house technical advisory group. She would encourage the Board to direct staff to create an open and formal BAC by posting a public notice and soliciting public membership and participation.

Director Nat Ford arrived at 10:11 a.m.

Ed DeLanoy, San Carlos, said it is time for management to take over the running of Caltrain and have shorter trains to save fuel.

Chair Gage said the JPB has a \$10 million deficit. Everyone has spoken about giving the maximum service so everyone is happy. Chair Gage said that is not going to happen. He doesn't want anyone to be disillusioned now because if the Board has to start cutting service, the level of service that has been provided in the past will cease. Chair Gage said the Board will ask the questions, listen to the public and all ideas are appreciated, but the reality is when there is no money, there is no service. Chair Gage said he knows everyone will step up to the idea of helping the Board try to resolve this problem, but he doesn't want to bust anyone's bubble thinking they are going to get everything they need.

Jacob Park, San Francisco Bay Railroad, said he represents the short-line in San Francisco and supports electrification and High Speed Rail (HSR). He is concerned about a Memorandum of Understanding (MOU) between the state and railroad agencies reducing pollution levels to 1990 standards by 2030. The current plans of Caltrain allow freight for five hours between midnight and 5 a.m. and basically eliminate the South San Francisco yard and lower the clearance to 17 feet. This does not accommodate freight and does not allow for growth of freight. Mr. Park said the Port of San Francisco, the Port of Redwood City and the 24 shippers on the line require freight to stay in business. Mr. Park said both freight and passenger rail coexisted for 150 years and can still coexist as long as there is room for improvement.

CONSENT CALENDAR

Director Sean Elsbernd asked that item (d) Award of Contract to Ojo Technology, Inc. to Provide Maintenance and Repair Services for the Closed Circuit Television (CCTV) Security Video System be removed from the consent calendar for discussion.

The Board approved the following items:

- a) Approval of Minutes of April 2, 2009
- b) Acceptance of the Statement of Revenues and Expenses, March 2009
- c) Authorization to Enter into a License Agreement for an Underground Utility Crossing with Pacific Gas and Electric (PG&E)

Award of Contract to Ojo Technology, Inc. to Provide Maintenance and Repair Services for the Closed Circuit Television (CCTV) Security Video System

Director Elsbernd said more than 40 people looked at this proposal on the Web, nine firms attended the pre-bid conference, but only one bid was submitted. He said given this economy he thought more bids would have been received. Director Elsbernd asked what efforts are being taken to make sure more bids are received in the future and what kind of inquiries were made about why more bids were not received.

Director of Contracts and Procurement Cheryl Cavitt said staff takes all measures to make sure contracts are well advertised. She said an e-mail notification is sent to everyone on the Contracts and Procurement database, advertisements are put in newspapers and on the District's procurement Web page. Ms. Cavitt said this was also run through the Disadvantaged Business Enterprise (DBE) officer who maintains a separate database of vendors and a special notification

is sent to them.

Mr. Scanlon asked staff to conduct a survey of those who did not participate.

The Board approved the award of Contract to Ojo Technology, Inc. to Provide Maintenance and Repair Services for the Closed Circuit Television (CCTV) Security Video System

CHAIRPERSON'S REPORT

No report.

MTC LIAISON REPORT

Sue Lempert reported:

- She has been attending weekly meetings on HSR and also attended Assemblyman Jerry Hill's town hall meeting in Belmont. She said staff has done an outstanding job of listening and answering the public's concerns. A coalition has been formed with some of these cities and they are working for and against HSR.
- There was a climate change meeting at the Metropolitan Transportation Commission (MTC) on May 4, 2009. Ms. Lempert said it is very important to move ahead with HSR and electrification because it is overwhelming what it does to address climate change. Ms. Lempert suggested Mr. Scanlon distribute the diesel emission chart to the Board.

Director Yeager said that at the climate change meeting it was stated that to achieve climate change will require a revolution in the consumption habits of Americans, and that such sweeping change will be uncomfortable.

REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)

CAC Chair Gerry Graham reported at the April meeting:

- A presentation was given on TransLink.
- Staff said the mini-high platforms were installed at Mountain View and will be added at Menlo Park, Redwood City and San Carlos.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Scanlon reported the following:

- Monthly Performance Statistics – March 2009
 - a. Total Ridership was 964,058, a decrease of 1 percent.
 - b. Average Weekday Ridership was 36,529, a decrease of 0.3 percent.
 - c. Total Revenue was \$3,387,013, an increase of 4.6 percent.
 - d. On-time Performance was 98.1 percent, an increase of 3.6 percent.
 - e. Caltrain Shuttle Ridership was 6,333, an increase of 8.5 percent.
- Year-to-date Performance Statistics ending March 2009
 - f. Total Ridership was 9,538,594, an increase of 10.3 percent.
 - g. Average Weekday Ridership was 40,237, an increase of 10.3 percent.
 - h. Total Revenue was \$32,314,984, an increase of 11.7 percent.
 - i. On-time Performance was 95.3 percent, an increase of 2 percent.
 - j. Caltrain Shuttle Ridership was 6,193, an increase of 19 percent.
- The preliminary budget faces serious issues that were exacerbated by State Transit Assistance (STA) cuts.

- There were two fatalities this week.
- HSR and Bikes on Board continue to be of great interest.
- Since Board approval of the MOU with HSR last month, staff has been making significant progress, particularly in shaping a meaningful public participation process.
- As of the first weekend in May a total of 18 of the 27 gallery cars have been converted to provide the 40 bike spaces each and the remaining cars will be done by the end of May. Staff hopes to have the Bombardier cars converted by the end of July. During the month of April the two-bike-car consists were operating 96.2 percent of the time.
- Upcoming special events in May include KaBoom on May 9, Bay to Breakers on May 17 and Kids R Giants Too on May 27.
- Ridership for the Sharks season was up 9 percent over last year on regularly scheduled trains.
- Giants ridership through April is up 23 percent.
- The transition to the 8-ride ticket is going well.
- The reading file contains the monthly Safety & Security Report.

Electrification Update

Chief Development Officer Ian McAvoy said the environmental document has been submitted to the Federal Railroad Administration (FRA). Staff has received questions from the FRA on changes on the cost estimation and funding issues to make sure there is a valid funding plan for the project. Electrification is on every list for funding. Mr. McAvoy said staff is receiving requests from individual cities to provide an update on electrification. Presentations have been set at San Mateo on May 18, South San Francisco on May 27 and Burlingame on June 1.

ANNUAL PASSENGER COUNTS

Chief Operating Officer Chuck Harvey made a presentation that included the following information:

- This annual count is conducted every February to provide year-to-year historical measurements and to guide the allocation of resources. This data is also part of ongoing negotiations with the three partner agencies on how to distribute the operating subsidies per year by county.
- Physical headcounts are done on every weekday train for five straight days and averaged; one weekend is counted.
- Average weekday ridership is 39,422 up 5.8 percent.
- There was an increase in ridership in all time frames.
- All station groupings had increased ridership.
- Nineteen stations had an increase in ridership and five stations had a decrease in ridership.
- The top ten stations are San Francisco, Palo Alto, Mountain View, San Jose Diridon, Millbrae, Redwood City, Hillsdale, Sunnyvale, Menlo Park and San Mateo.
- Peak period ridership on the Baby Bullet trains averaged 549 riders; express/local trains 501 riders; mid-line/skip trains 431 riders; and local trains 273 riders.
- All three counties had increased ridership; Santa Clara County has the highest ridership.
- Ridership on the Gilroy extension is staying fairly constant.
- Average weekday bicycle ridership was up 21.3 percent.
- Top five stations for bicycle boardings are San Francisco 4th/King, Palo Alto, Mountain View, San Jose Diridon and Redwood City.
- Bike capacity will be increased by 28 percent in summer of 2009.

- Weekend service decreased 7 percent from 2008, but is up from pre-shutdown ridership.
- Fiscal Year 2010 budget remains challenging with a projected deficit. This data will be used to develop service suspension scenarios that impact the fewest number of customers, maintain service productivity and secure the largest cost reduction with the ability to reinstate service when possible.

Chair Gage asked if these counts will eventually go to an automated system. Mr. Harvey said it is not currently in the plan.

Ms. Lempert asked about the ridership per station and if the number is influenced by parking availability at the stations. She said staff should look at land use.

Director Yeager asked how a decrease in ridership can be evaluated if service is cut and fares are increased.

Mr. Harvey said this budget problem cannot be solved solely by cutting service or increasing fares. There isn't enough revenue to get close to the \$10 million gap unless fares are doubled or tripled.

Public Comment

Shirley Johnson, SFBC, said bicyclists want to help Caltrain during these difficult times. She said revenue will increase by removing more seats to accommodate more bicyclists. Ms. Johnson said once Caltrain improves consistency and adds enough bike capacity to eliminate bumping, cyclists who have abandoned Caltrain and new cyclists will come back.

Director Jim Hartnett raised the issue of staff focus on priorities and the ability of the Board to be able to focus on priorities, particularly as it relates to bikes on board. He thinks it is absolutely tremendous staff has received good ideas from the biking community and that everyone has been working together to increase bike capacity and consistency of service. Director Hartnett said staff started a plan that developed from working together and the plan will not be fully implemented until the summer. He said he finds it difficult to justify staff devoting much in the way of resources to the bikes on board issue until after the plan is fully implemented and evaluated because there is limited amount of staff time and there are tremendous needs overall in the system. Director Hartnett said from his perspective he is happy for staff to focus its efforts on other things and not feel like they are going to get pressure from the Board to keep addressing, on a daily basis, bikes on board because it can't be justified. Secondly, Director Harnett is concerned about the repetition of similar data or arguments that staff and the Board have been hearing for a long period of time and that staff has fully evaluated and considered as the Board tries to address the bikes capacity issue. Director Harnett said the repetition does not generate additional credibility and at a certain point in time reduces the credibility. He also is concerned the Board is told from a national point of view that Caltrain is one of the most progressive systems in the country in terms of how bikes on board are handled and even allowed. Director Hartnett is concerned that Caltrain is never going to meet the expectations of people who wish to have bikes on board in the way that the system is currently operating. After implementation is completed, with what is possible, and the system is still failing to meet the expectations of the bicyclists it should be considered whether or not to provide the service. When a very good product is being sold and people say "I don't like it even

though it has some great qualities because it doesn't meet what I really need, it is not consistent, it doesn't do for me what I need, which primarily is consistency," then the Board and staff have to consider whether or not to even sell a product. Director Hartnett said he is not suggesting discontinuing bike service, but is suggesting that if the expectations are going to be at a certain level and they can't be filled then he is not sure it's a great idea to continue the service.

ACCEPTANCE OF THE QUARTERLY INVESTMENT REPORT AND FIXED INCOME MARKET REVIEW AND OUTLOOK FOR THE QUARTER ENDED MARCH 31, 2009

Bill Osher of Tamalpais Wealth Management reported the JPB portfolio is doing exceptionally well. He purchased some very high quality securities before interest rates fell. Mr. Osher is impressed by a number of things going on including production in key areas of the economy, which is far below the demand. Mr. Osher said there are clear signs the worst is over. Interest rates rose by 100 basis points during a period when the economy declined by 6 percent. Mr. Osher said people have to be aware that there was a very powerful decline, perhaps the worst recession since the Great Depression. The stock market has gone up day-after-day for weeks, but people should expect continued volatility and not be surprised to see a bit of a set back.

The motion (Ford/Elsbernd) to accept the quarterly investment report was approved.

INTRODUCTION OF PROPOSED ACTION TO AMEND THE RULES OF PROCEDURE FOR THE PENINSULA CORRIDOR JOINT POWERS BOARD TO EXTEND THE PUBLIC COMMENT PERIOD ON NON-AGENDIZED ITEMS FROM ONE MINUTE TO TWO MINUTES

There was no discussion on this item.

Public Comment

Jeff Carter, Burlingame, thanked the Board for addressing this issue, but would like to suggest increasing the time to three minutes and the Chair could use discretion to lower the time to two minutes, depending on the agenda.

Mr. Gage indicated the chair already has discretion to adjust the public comment period to manage the Board meetings.

PUBLICATION AND APPROVAL OF THE PROPOSED DISADVANTAGED BUSINESS ENTERPRISE (DBE) OVERALL ANNUAL GOAL OF 13 PERCENT FOR THE FISCAL YEAR 2010

Disadvantaged Business Enterprise (DBE) Officer Raymond Lee asked the Board for authorization to publish for public comment the proposed DBE participation goal of 13 percent for the next federal fiscal year, which commences on October 1. Mr. Lee said the JPB is required to develop DBE participation goals on federally assisted contracts on an annual basis. For the upcoming year the JPB expects to utilize approximately \$68 million in FTA funds for various construction and engineering projects, including approximately \$10 million in American Recovery Reinvestment Act (ARRA) funds. He said the recommended goal of 13 percent was analyzed and developed in accordance with prescribed federal methodologies. Mr. Lee said a public meeting was jointly held with other Bay Area transit agencies on April 22. Mr. Lee said the 13 percent is a reasonable projection for DBE participation for the upcoming federal fiscal

year. He said the JPB does recommend achieving the goal on both a combination of race-neutral and race-conscious-measures. Mr. Lee said race-neutral means awarding contracts without consideration of race or gender and race-conscious means setting individual contract goals for DBE participation. Mr. Lee said staff will use race-conscious measures only when race-neutral measures fail. Staff is recommending the Board authorize the Executive Director to execute the California Department of Transportation Disadvantaged Business Enterprise Program Implementation Agreement for Local Agencies in order to maintain federal highway eligibility; the JPB is expecting about \$13.6 million of federal highway assistance in the next federal fiscal year. Mr. Lee said public input is a required element of the DBE program and in the event there is no public comment that requires a change to this goal staff recommends the Board authorize the Executive Director to submit the goal to the FTA.

For fiscal year 2009 the overall goal is 13 percent and as of March 31, the JPB is at 13.72 percent with an additional six months remaining in the year.

The motion (Hartnett/Lloyd) to approve the proposed DBE overall annual goal of 13 percent for fiscal year 2010 was approved by roll call.

AUTHORIZATION TO INITIATE THE PROCESS OF ESTABLISHING A FUEL HEDGING PROGRAM AND SELECTING A FINANCIAL INSTITUTION

Chief Financial Officer Gigi Harrington said this is a request to allow staff to initiate the process for a fuel hedging program for fiscal year 2010. Ms. Harrington said staff is proposing to hedge 50 percent of the fuel portfolio and keep the remaining 50 percent at market prices. Staff will be using a financial mechanism called a cap, which essentially is a form of insurance purchased at the beginning of the fiscal year for a fixed fee determined on bid day.

Ms. Harrington said should fuel go above this price, the financial institution will pay the amount which was paid and if the price of the fuel is below the price paid then market prices are paid. Ms. Harrington said half of the fuel prices will be capped or fixed for one fiscal year. The JPB will enter into an agreement with a financial institution that has at least one AA rating. Ms. Harrington said staff is proposing to come back next spring with a report to the Board before making any recommendations.

Public Comment

Jeff Carter, Burlingame, said this looks like a good program for Caltrain and hopes the Board approves it.

Ed DeLanoy, San Carlos, said there is a surplus of oil and fuel and 50 percent is a large amount to hedge.

Director Sean Elsbernd confirmed this action is to just initiate discussion and staff will be coming back to the Board with the numbers. Ms. Harrington said she will be providing an update at the June meeting and will bring documents for consideration.

The motion (Elsbernd/Ford) to initiate the process of establishing a fuel hedging program and selecting a financial institution was approved by roll call.

PRELIMINARY FISCAL YEAR 2010 OPERATING BUDGET

Ms. Harrington made the following points:

- Fiscal Year 2010 budget assumes the same current level of service as FY2009.
- The estimated FY2010 budget is out of balance by \$10.1 million.
- Total estimated revenue for FY2010 is \$91.9 million and total estimated expenses are \$102.1 million.
- The largest increase in expenses is \$3.1 million for the Amtrak contract. The total increase in the FY2010 budget is \$4.3 million.
- The annual member agency contribution is projected to remain flat for the coming fiscal year.

Director Yeager asked about the \$1 million increase in administrative fees and what are the options to reduce this amount. Mr. Scanlon said this number has already been cut significantly. A professional firm was brought in to look at overhead at SamTrans. Mr. Scanlon said staff will look again, but isn't very optimistic a lot will be found to be reduced.

Ms. Lempert said it might be worthwhile to look at other agencies that share administrative fees to see what they pay in fees.

Mr. Scanlon said a cost allocation firm came in and spent a lot of time with staff, they looked at what people do and how they do it. The art of charging time is something that is very critical. Staff is now more diligent to make sure that the charges are right.

Ms. Lempert said when there are budget cuts the first thing to look at is administration because it hurts the user less.

Director Elsbernd asked about the Shuttle Revenue and Expense line item.

Ms. Harrington said there is \$1.1 million in employer contributions and the JPB receives about \$1 million in grants from AB434 for the shuttle program so the actual amount that has to be funded directly by the JPB is relatively small. She will look at how these numbers are tracking.

Chair Gage said there is no need to have board meetings in the other counties if this saves money and it is more cost effective to have them in San Carlos.

Ms. Harrington and Mr. Harvey described current and possible steps that could assist in reducing the \$10.1 million gap:

- A hiring freeze is in place and has saved almost \$1 million; the freeze will be rolled forward into FY2010. There is also a fuel savings in 2009.
- In FY2010 there is potentially an opportunity to discuss preventative maintenance, the fuel hedging program will allow the fuel budget to be reduced and staff will go through the administrative and Amtrak budget with a fine tooth comb for any opportunities.
- Staff looked at service suspension scenarios that do not directly impact the core ridership, which are the peak periods.
- Service suspensions include the total elimination of weekend service. On a net basis the preliminary numbers show a savings of about \$2 million on an annualized basis. One of the problems is that these service changes cannot be implemented by July 1. Staff has to

- conduct a public hearing, implement changes with Amtrak crews, re-bid and redesign work and post layoff notices. The earliest these changes can be made is October.
- Midday service could be taken back to hourly and would have the least impact on potential ridership and revenue.
 - If weekend service is suspended, 1 million riders will be lost from the yearly total. If service is reduced during midday to hourly Caltrain will lose about 100,000-200,000 riders.
 - The savings on midday service could be as much as \$2.5 million on an annualized basis through more efficient scheduling and crew runs.
 - Gilroy service is not very expensive to operate since there are only three trains a day in each direction. The cost is about \$400,000, but eliminating the service could make the budget problem bigger because these are long-distance riders who produce high revenue.
 - Staff is going to study the impact of a 25-cent increase on the base fare and/or a 25-cent increase on the zone. The zone fare increase would probably result in a loss of between 500,000-600,000 passengers per year, but would net about \$2.2 million on an annualized basis or \$1.7 million over three-quarters of a fiscal year. The base fare increase of 25-cents would result in the loss of 400,000 riders, but net \$1.5 million or \$1.1 million over three-quarters of a year. If both fare increases are implemented about 1 million riders would be lost, but there would be a gain of about \$3.7 million dollars in net annual revenue.
 - Pricing of the GO Pass will be looked at. Staff is looking at surveys completed by the users and suspects the GO Pass is under-priced and needs to be adjusted, but staff has to be careful how far it is adjusted on a daily and monthly rate.
 - Next steps include public meetings in May, a public hearing on June 4, approval of a budget in July that includes any changes needed to balance the budget and implement any service or fare changes on October 1.

Director Harnett said he appreciates all the time and effort that went into this. The Board is currently dealing with this year's challenges and FY2010 budget. Director Hartnett said it is important to look out the next year or two and the plans include a process for dealing with establishing principles for dealing with a three-year budget. He knows a two-year budget cannot be adopted, but it would be very helpful to have two or three years set out. Director Hartnett said the Board needs to look at revenue sources for this organization and embark, sooner rather than later, on a united effort to identify any consistent revenue source that can support this operation. Also a timetable needs to be identified by which this independent source of revenue is secured. Director Hartnett isn't sure how in two years out Caltrain operates and this concerns him greatly. He would at some point like to have a better understanding of the implications of working with HSR that is revenue neutral.

CALL FOR A PUBLIC HEARING ON JUNE 4, 2009 TO DECLARE A FISCAL EMERGENCY FOR THE PENINSULA CORRIDOR JOINTS POWER BOARD FOR FISCAL YEAR 2010

Ms. Harrington said this item requests the Board to call for a public hearing to consider declaring a fiscal emergency. A fiscal emergency under the California Environmental Quality Act (CEQA) would allow the Board to make service adjustments without a prolonged environmental process. Staff is asking to call for this public hearing in the event the Board does decide to make adjustments to the service.

The motion (Ford/Yeager) to call for a public hearing on June 4, 2009 to declare a fiscal emergency for FY2010 was approved.

CALL FOR A PUBLIC HEARING ON JUNE 4, 2009 FOR CONSIDERATION OF SERVICE SUSPENSIONS AND/OR FARE CHANGES FOR THE FISCAL YEAR 2010 BUDGET

Mr. Harvey said this formalizes the recommendation staff presented in the prior report to call for a public hearing for the regularly scheduled Board meeting on June 4 to receive comments on potential options for service adjustments and fare changes to address the budget deficit. The specific proposals will be advertised to the public for the public meetings and presented to the Board.

Mr. Scanlon requested the specific proposals include the possibility of a surcharge for people with bikes. He heard it loud and clear today the bike community wants to help and he thinks they are genuine. Special Assistant to the CEO Mark Simon has received three or more e-mails suggesting this recommendation from the bike community.

Chair Gage said everything needs to be put on the table with a \$10 million deficit and in order to continue the service everything needs to be looked at.

The motion (Lloyd/Ford) to call for a public hearing on June 4, 2009 for consideration of service suspensions and/or fare changes for FY2010 was approved.

STATE AND FEDERAL LEGISLATIVE UPDATE

Government Affairs Manager Seamus Murphy made the following points:

- The SamTrans sponsored AB116 passed unanimously out of the Assembly Appropriations Committee last week. This bill provides a more streamlined contracting and procurement process for both Caltrain and SamTrans.
- The state budget could have a potential shortfall of \$23 billion over the current fiscal year. Staff has serious concerns because this shortfall could potentially freeze some of the bond financings, including HSR as well as Proposition 1B.
- HSR continues to attract more attention at the state level. Some of the legislators are soliciting Caltrain for opinions on these bills and asking what Caltrain's position might be. There is clearly a call for greater oversight and accountability to the HSR Authority. Staff will be meeting with lawmakers to make two things clear: First, the agreement with HSR is preserved and protected regardless of how the governance issues are resolved, and, secondly, nothing in regards to governance affects Caltrain's potential access to ARRA funds at the federal level.
- The administration released a strategic plan a couple of weeks ago and Caltrain projects are well positioned to fit into the first two phases of funding.

Public Comment

Jeff Carter, Burlingame, spoke about the fiscal emergency and asked why a public agency has to pay taxes on fuel when it is being used for the good of the public. He said dedicated funding has been brought up many times for the past 25 years and blown off and only since Mr. Scanlon has been here has it been taken seriously. Mr. Carter said with a fiscal emergency being declared next month can Caltrain look at getting gas or sales tax increased to help solve the problem.

Director Yeager left at 11:45 a.m.

CORRESPONDENCE

Provided in the reading file.

BOARD MEMBER REQUESTS

None.

GENERAL COUNSEL REPORT

No report.

DATE/TIME/PLACE OF NEXT MEETING

Thursday, June 4, 2009, 10 a.m. at San Mateo County Transit District Administrative Building,
Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070

ADJOURNED

Adjourned at 11:50 a.m.