

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

**Minutes
March 4, 2010**

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

MEMBERS ABSENT: J. Cisneros, N. Ford

MTC LIAISON: S. Lempert

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

Chair Sean Elsbernd called the meeting to order at 10:04 a.m. and led the Pledge of Allegiance.

PUBLIC COMMENT

Mike Cohn, San Francisco, said he again requests priority seating for bicyclists in bike cars. At the December meeting there were two requests from the Board regarding priority seating for cyclists. So far, staff has not publicly responded to the Board's request. Mr. Cohn said it takes a simple sticker or casual verbal reminder to give priority seating.

Shirley Johnson, San Francisco Bicycle Coalition (SFBC), said she has been a loyal Caltrain commuter for the last 10 years. She was bumped in February during the rainy season because less than half the consists had two bike cars. At the February JPB meeting, the SFBC presented a report entitled "Increased Onboard Bicycle Capacity." She said the time for questioning is over and the trial period is done. The SFBC requests the Board direct staff to upgrade all consists to 80 bikes per train to eliminate bumping by spring.

Director Mark Church arrived at 10:08 a.m.

Jeff Carter, Burlingame, said he attended the Burlingame City Council meeting on Monday and High Speed Rail (HSR) was discussed. Burlingame wants the trains to run underground so the property can be developed above ground. Mr. Carter said last month after a Sharks game, the train departing San Jose was overcrowded and the crew refused to open the last car on the train to ease congestion.

CONSENT CALENDAR

The Board approved the following items (Gage/Lloyd):

- a. Approval of Minutes of February 4, 2010
- b. Authorize Assignment of Contract with Tamalpais Wealth Advisors to CSI Capital Management, Inc. to Provide Investment Management Services

CHAIRPERSON'S REPORT

No report

METROPOLITAN TRANSPORTATION COMMISSION (MTC) LIAISON REPORT

MTC Liaison Sue Lempert reported:

- BART's Oakland Airporter Project did not get the required approval from the Federal government, so monies were distributed to various transit agencies.
- Next week there is a meeting on emissions that MTC is co-sponsoring with the Association of Bay Area Governments and the California Air Resources Board. She said there is a big drive to lower emissions because of climate concerns. She suggested staff distribute the chart that former Director Jerry Hill had on emissions.
- Attended the San Mateo City Council meeting on HSR.

REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)

Chair John Hronowski reported on the February meeting:

- The committee received a presentation on the San Bruno Grade Separation Project.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Michael Scanlon reported:

- Monthly Performance Statistics – January 2010 compared to January 2009
 - a. Total Ridership was 920,103, a decrease of 6.2 percent.
 - b. Average Weekday Ridership was 35,584, a decrease of 5.2 percent.
 - c. Total Revenue was \$3,214,335, a decrease of 4.7 percent.
 - d. On-time Performance was 94.8 percent, a decrease of 2.4 percent.
 - e. Caltrain Shuttle Ridership was 6,551, an increase of 14.7 percent.
 - f. Caltrain Non-Marguerite Shuttle Ridership was 3,127, a decrease of 12.8 percent.
- Year-to-date Performance Statistics ending January 2010 compared to January 2009
 - f. Total Ridership was 6,995,558, a decrease of 9 percent.
 - g. Average Weekday Ridership was 37,704, a decrease of 8.8 percent.
 - h. Total Revenue was \$24,619,523, a decrease of 4.5 percent.
 - i. On-time Performance was 93.8 percent, a decrease of 0.8 percent.
 - j. Caltrain Shuttle Ridership was 5,649, a decrease of 9.3 percent.

Director Ash Kalra arrived at 10:17 a.m.

- February 25 was a very difficult day. In the morning the first northbound train struck an abandoned vehicle in Santa Clara County. The Santa Clara Valley Transportation Authority did an outstanding job assisting with a bus bridge. In the evening, a southbound train struck a person south of the San Antonio Caltrain Station.
- The high-pressure water line at the Centralized Equipment Maintenance and Operations Facility has been repaired and trains are now being washed.
- Staff had a meeting with City of Palo Alto officials and are working on safety enhancements in the area of the cluster of suicides. Some of the safety improvements include installation of 850 feet of fencing and staff is waiting for approval of an additional 500 feet. Vegetation is also being cleared to reduce the potential access and increase visibility.
- Bikes on board remains a robust part of the business. Last month, the Board was presented with a report by the SFBC, but staff thinks it would be better to move forward in a more constructive way and do bike counts in the spring and specifically look at dwell times. Staff

is moving forward with a Bicycle Advisory Committee (BAC). Members will be selected by the Staff Coordinating Council (SCC). Staff continues to address the bicycle issue as part of the Comprehensive Access Program. Stickers suggesting seating in the bike cars for cyclists are in production.

- Chair Elsbernd and Directors Ken Yeager and Omar Ahmad were thanked for their willingness to be the subcommittee to oversee the competitive procurement to provide Caltrain services.
- A new market, Lukes Local, has opened at the Hillsdale Caltrain Station.
- At the request of the Chair, the monthly finances have been moved from the consent calendar to its own item on the agenda. Seven months into the fiscal year things are in good shape. Fiscal Year 2011 is going to be extremely troubling. All three partner agencies have reduced sales tax revenues and the economy continues to hurt ridership from all transit agencies.
- Baseball service begins April 1 and the Giants home opener is April 9. The Giants will be wrapping one train car and it will be in service starting the week of March 15.
- The Safety and Security Report is very complimentary of the engineering and Amtrak employees who have been doing a good job keeping the tracks in shape and minimizing water around tracks.

Director Don Gage asked if staff could provide numbers for the cost to convert bike cars. He said there may be opportunities where people may want to donate money and have a car named after them.

Chair Elsbernd asked how much Caltrain received from the Federal government as a result of the Oakland Airport project being pulled. Mr. Scanlon said, out of the \$70 million, Caltrain will receive approximately \$2.2-\$2.5 million and most of the money will be used for bridge repairs.

Peninsula Rail Program Update

Peninsula Rail Program Director Bob Doty reported:

- The California High Speed Rail Authority (CHSRA) is meeting today and the alternatives analysis will be presented to the Authority on April 8 in San Jose.
- The American Recovery and Reinvestment Act funding is due to arrive anytime. Staff doesn't know what the rules are, but it is \$1.85 billion and is matchable by bond money.
- The alternatives analysis will address very specifically the resolution of issues related to the Transbay Terminal option. This has to be approved through the Federal Railroad Administration.
- Chair Curt Pringle visited recently and it was a very positive meeting.
- Staff is continuing outreach and had an excellent meeting in San Jose Tuesday night.
- This is the only section in California doing Context Sensitive Solutions (CSS).
 - Staff will soon be releasing the toolkit in phases. People will be able to review and provide feedback.
 - The vertical options matrix has a list of categories along with a list of positive and negative consequences that will allow the public to look at all the options.
 - There will be 17 sessions where staff will train people on the use of the toolkit.
 - Some of the information and participation opportunities include newsletters, press releases, city briefings, public meetings and workshops.

Mr. Scanlon said staff is doing a beta test release, but people need to understand this a very effective but complex tool.

Director Art Lloyd asked about the freight service on Union Pacific (UP) and the intercity provision.

Legal Counsel David Miller said the trackage rights agreement and purchase agreement with Southern Pacific provided for reservation of exclusive freight rights and obligations to UP as well as intercity.

Director Ash Kalra asked how word gets out about countywide workshops and community meetings. Mr. Doty said the overall environmental document will be discussed at the countywide meetings. Secondly, there will be a series of at least 17 meetings for each community to go through the toolkit.

Director Gage asked when will people be able to access this document. Mr. Doty said the document will be available next week.

Director Ahmad said he has looked at the tool and it is very complete. He would request the Oglivy Group move with urgency on this matter.

Ms. Lempert said it is really important the local press understands the pros and cons of this project. She said there is such distress in communities that the public works managers, city managers and city councils need to present this project to the communities as a positive thing. Ms. Lempert said the message needs to get out as to why HSR is needed and the reason for where it is being built.

Director Kalra said it is very important as elected officials to ease people's concerns on HSR and the benefits of the project.

Mr. Scanlon said staff is going to get the Oglivy Group involved in getting simple public outreach done under a CSS approach. The news media is reporting things that are scaring the public.

Public Comment

Jeff Carter, Burlingame, thanked Mr. Doty and staff for a great report. He said today's *Daily Post* states 225 homes are threatened and everyday there is some negative news on HSR. Mr. Carter said he is pleased that the rider aspect is being looked at on the system.

Pat Giorni, Burlingame, said she is happy to hear the toolkit will be on the Web. Ms. Giorni understands the public meetings will be about CSS, and asked if they will coincide with the alternatives analysis.

Ted Crocker, Burlingame, asked about the direction of the Caltrain operating budget during construction and after HSR is built. Mr. Scanlon said there is no budget as of yet. Mr. Crocker is very excited about the toolkit and said it is long overdue. Mr. Scanlon said people don't need to do the toolkit to do CSS.

Shirley Johnson, SFBC, said she is glad that riders are being asked for input. She thanked staff for the formation of a BAC. She asked if the BAC will report to the Board the same way as the

CAC does and how soon will it start. Ms. Johnson said the stickers are a great welcome to bicyclists. Mr. Scanlon said the BAC will report to SCC.

ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR JANUARY 2010

Deputy CEO Gigi Harrington said farebox revenues are below budget by about \$400,000 and parking revenue is under budget. These are offset by higher than anticipated payments for shared track use. Ms. Harrington said expenses are under budget in the operating contract and the fuel budget.

A motion (Lloyd/Gage) to accept the January statement was approved unanimously by roll call.

AUTHORIZE ENTERING INTO MEMORANDA OF UNDERSTANDINGS WITH THE CITIES OF SAN FRANCISCO AND SAN BRUNO TO RECEIVE SECTION 190 GRADE SEPARATION FUNDING UP TO \$15,000,000

Director of Budgets and Grants April Chan said SCC is requesting Board authorization to enter into Memoranda of Understandings with the City & County of San Francisco and the City of San Bruno to provide State Public Utilities Commission (PUC) 190 Grade Separation Funds for two capital projects: The Jerrold Avenue bridge replacement project in San Francisco and the San Bruno Grade Separation project.

Ms. Chan said staff would have applied for the funds directly, but there is a rule in the PUC program that would preclude the JPB from getting more than \$5 million for one particular project over a 10-year period. Staff has asked the cities to apply for the funds and pass the funds through to the JPB.

A motion (Gage/Church) to enter into Memoranda of Understandings with the Cities of San Francisco and San Bruno was approved unanimously by roll call.

AUTHORIZE APPROVAL OF A CONTRACT CHANGE ORDER FOR THE PROCUREMENT OF RAILROAD SIGNAL HOUSES WITH GRANITE CONSTRUCTION COMPANY FOR A NOT-TO-EXCEED AMOUNT OF \$2,000,000

Director of Contracts and Procurement Cheryl Cavitt said SCC is requesting the Board approve a contract change order for the Signal Optimization Project contract with Granite Construction for the procurement of railroad signal houses for a not-to-exceed amount of \$2 million for the San Bruno Grade Separation Project. Ms. Cavitt said staff has negotiated a final price of \$1.7 million. She said a total of six signal houses will be required to construct both the new control point and support the shoofly needed to route rail traffic around the construction. Ms. Cavitt said the manufacturing lead time for these customized signal houses is too long to prevent staff from doing a stand-alone solicitation.

A motion (Church/Lloyd) to authorize approval of a contract change order with Granite Construction was approved unanimously by roll call.

**ASSESSMENT OF THE FISCAL YEAR 2010 FUEL HEDGE PROGRAM AND
AUTHORIZE ADOPTION OF A FUEL HEDGING POLICY**

Ms. Harrington said this item proposes going forward with a fuel hedge transaction for next year with the same structure that is in place now. The fuel hedge has been tripped once over the past year. Staff will go through a competitive process to solicit a new financial institution.

Ms. Harrington said she will come to the Board several times during the process with updates.

Director Ahmad said the hedge covers roughly half of the fuel usage and was hedged at \$2 per gallon. He asked if staff expects that to be the same for next year. Ms. Harrington said staff will evaluate the bids when they come in and it will depend what is going on in the market the day staff solicits the bids. She said the lower the hedge the more it costs. Director Ahmad asked about the fueling charge for trackside delivery and if the JPB is paying additional county taxes. Ms. Harrington said a series of taxes are paid based on where the fuel is delivered.

A motion (Ahmad/Gage) to adopt a fuel hedging policy was approved unanimously by roll call.

STATE AND FEDERAL LEGISLATIVE UPDATE

Government Affairs Manager Seamus Murphy made the following report:

State Level

There are some substantial reforms being proposed to the State transportation finance structure. The Legislature has scheduled floor votes today on bills in response to the governor's proposed gas tax swap proposal. Staff has been working with the California Transit Association (CTA) to negotiate some base level of funding for transit following last year's 100 percent diversion of State Transit Assistance (STA) and the subsequent lawsuit that ruled those diversions were illegal. The Legislature's proposal would still eliminate the sales tax on gasoline and replace it with a 17.9-cent increase in the State excise tax on gasoline. However, the Legislature would increase the sales tax on diesel fuel to 6.75 percent and reserve 75 percent of these revenues for the STA program in 2012. In addition, the Legislature will appropriate \$400 million to cover STA through the next fiscal year. Caltrain's share of this appropriation will be approximately \$5 million. The proposal removes any possibility that transit agencies would benefit from gasoline spillover funds.

**AUTHORIZE SUPPORT OF THE LOCAL TAXPAYER, PUBLIC SAFETY AND
TRANSPORTATION PROTECTION ACT OF 2010 FOR CALIFORNIA'S NOVEMBER
2010 STATEWIDE BALLOT**

Mr. Murphy said SCC is recommending the Board adopt a resolution in support of the Local Taxpayer, Public Safety and Transportation Protection Act of 2010. This is a statewide ballot measure sponsored by the CTA, the League of California Cities and the California Alliance for Jobs. Mr. Murphy said the measure was drafted and filed in response to a long history of cuts and diversion of local government funding and it would protect the use of various revenues for very specific local services, including transportation and transit. He said the transit-specific protections deal primarily with the STA program and transportation sales taxes collected at the local level. Mr. Murphy said since 2007 the State has diverted more than \$2.8 billion in STA funding from transit agencies, including more than \$37 million from Caltrain. Last year, the court ruled that the diversion of gasoline sales tax spillover revenue is illegal. This measure would offer expanded protection to those funds and expand those protections to other traditional sources of STA funding. Mr. Murphy said this initiative would protect against the diversion of

the quarter-cent sales tax provided through the Transportation Development Act, as well as local sales taxes enacted by self-help counties. The measure also would protect the Highway Users Tax Account which funds local streets and road improvements. Mr. Murphy said aside from the 100 percent diversion of transit funds last year, the State also borrowed \$4 billion in property tax and redevelopment funds from local cities and counties. This measure would make those diversions illegal by expanding the scope of protections offered under Proposition 1A and close loopholes in that measure that allowed periodic borrowing of local revenue by the State.

A motion (Lloyd/Ahmad) to support the November 2010 ballot initiative was approved unanimously by roll call.

CALTRAIN COMPREHENSIVE ACCESS PROGRAM

Executive Officer Planning and Development Marian Lee made the following points:

- Looking 20 years out, the travel forecast model shows the potential market is expected to increase 100 percent.
- The four components of the program are setting policy, strategic access plan, capital improvement plan and a monitoring program. All components will be developed with stakeholder input.
- Forecasting 20 years out, transit-oriented developments density will increase by 40-60 percent.
- There is a competing demand for land, which will constrain access and limit ridership.
- Challenges include maximizing the future market, increased access capacity and shift access modes.
- The six goals staff is proposing to guide access investment decisions are:
 - Increase access capacity to support ridership growth.
 - Prioritize sustainable “green” access.
 - More effectively manage land and capital assets.
 - Prioritize cost-effective access modes.
 - Enhance customer satisfaction.
 - Solidify partnerships to implement improvement.
- A two-tier approach will be taken for prioritization of the goals. One will be at a system level and one is at a station level.
- The system priority focuses on reducing auto dependency. The station priority focuses on flexibility so staff can be context-sensitive to local needs.
- Staff will be doing stakeholder outreach and bring this item back to the Board in May for adoption.

Director Kalra said it is important to solidify partnerships to make this program work.

Ms. Lempert said this presentation should be shared with the planning departments of local cities.

Director Ahmad said he would like to encourage the opportunity to see where car sharing could be employed at the stations.

Public Comment

Jeff Carter, Burlingame, said he appreciates the emphasis on walking and bicycle access in the program.

Shirley Johnson, SFBC, said the comprehensive access scope shows riders to trains so where is bikes on board in the planning process because it was not in the Short Range Transit Plan and it is not in this plan.

Chair Elsbernd said bikes on board is definitely a big part of this report.

Vaughn Wolffe, Pleasanton, said when staff talks about trains in the future they may have to consider congestion at the station when 800 people, many with bikes, board and alight.

Director Ken Yeager left at 11:55 a.m.

QUARTERLY CAPITAL REPORT

Ms. Chan said she is available to meet with Board members if they have any questions.

CORRESPONDENCE

None

BOARD MEMBER REQUESTS

None

DATE/TIME/PLACE OF NEXT MEETING

Thursday, April 1, 2010, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070

GENERAL COUNSEL REPORT

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

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

Mr. Miller said there is no need for a closed session today. The SamTrans Board, at the JPB's request, will be taking up these items next week. As reported previously, in order to receive the \$30 million in State funds to award a contract for the San Bruno Grade Separation construction by June 30, the JPB is required to have in place agreements to have possession of the property before that date. The SamTrans Board will be holding hearings on Resolutions of Necessity next Tuesday and Mr. Miller will report back at the April meeting.

ADJOURNED

Adjourned at 12:03 p.m.