

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

**Minutes  
November 3, 2011**

**MEMBERS PRESENT:** J. Cisneros, S. Elsbernd (Chair), A. Kalra, L. Kniss,  
A. Lloyd, T. Nolan, A. Tissier

**MEMBERS ABSENT:** J. Deal, K. Yeager

**STAFF PRESENT:** M. Bouchard, J. Cassman, C. Cavitt, G. Harrington, C. Harvey,  
R. Haskin, A. Hughes, M. Lee, M. Martinez, N. McKenna,  
D. Miller, M. Scanlon, M. Simon

Chair Sean Elsbernd called the meeting to order at 10:05 a.m. Director José Cisneros led the Pledge of Allegiance.

**PUBLIC COMMENT**

Jeff Carter, Burlingame, said the California High Speed Rail (CHSRA) Business Plan came out this week and shows they did their research and hopes it satisfies the critics. He said additional service is needed for Caltrain.

Shirley Johnson, San Francisco Bicycle Coalition (SFBC), said something needs to be done regarding the bike parking facility at the Fourth and King Caltrain Station. There is a crisis situation with a successful operator. Interim funds are needed now or the facility will close down. She asked the Board to work with staff to find funding for Warm Planet Bikes.

Pat Giorni, Burlingame, said last month there were more than 122 bicycle bumps and this month there is approximately 99 bumps. When equipment is changed there is more bumping. She is pushing for a third bike car on the Bombardier train sets.

Director Tom Nolan asked how much money is needed to keep Warm Planet Bikes open. Deputy CEO Chuck Harvey said over a five-year period Warm Planet Bikes is asking for more than \$800,000. Director Nolan said \$161,000 per year doesn't seem like a big problem.

Director Adrienne Tissier arrived at 10:14 a.m.

**CONSENT CALENDAR**

- a. Approval of Minutes of October 6, 2011
- b. Approval of 2012 Board of Directors Meeting Calendar
- c. Authorize Annual Adoption of Investment Policy and Authorization to Invest Monies with the Local Agency Investment Fund
- d. Authorize Execution of Easement Agreement with the City of Santa Clara to Install and Maintain Underground Electrical Facilities at the Santa Clara Caltrain Station

The Board approved the consent calendar (Kniss/Nolan).

## **CHAIRPERSON'S REPORT**

### **Appointment of Director José Cisneros to the Transbay Joint Powers Authority**

Chair Elsbernd said this item will be continued to the December meeting.

## **REPORT OF THE CITIZENS ADVISORY COMMITTEE**

CAC Chair Bruce Jenkins said staff provided an update on the award of contract to Parsons Transportation Group for the Communications Based Overlay Signal System/Positive Train Control.

## **REPORT OF THE EXECUTIVE DIRECTOR**

Executive Director Michael Scanlon reported:

- Key Caltrain Performance Statistics
  - Monthly Performance Statistics – September 2011 compared to September 2010
    - Total Ridership was 1,190,227, an increase of 11 percent.
    - Average Weekday Ridership was 45,374, an increase of 9.8 percent.
    - Total Revenue was \$4,984,656, an increase of 24.6 percent.
    - On-time Performance was 93.6 percent, an increase of 0.2 percent.
    - Caltrain Shuttle Ridership was 6,799, an increase of 22.2 percent.
  - Year-to-Date Performance Statistics – September 2011 compared to September 2010
    - Total Ridership was 3,609,095, an increase of 10.7 percent.
    - Average Weekday Ridership was 44,901, an increase of 9.6 percent.
    - Total Revenue was \$15,305,664, an increase of 26.9 percent.
    - On-time Performance was 92.6 percent, a decrease of 0.7 percent.
    - Caltrain Shuttle Ridership was 6,768, an increase of 27.6 percent.
- Mr. Harvey presented Director Liz Kniss with a Caltrain hardhat for completing her first head-end ride in a Caltrain cab. She said people riding the bullets in the morning are young and work at jobs that are not banking or financial and understands why staff is hearing the request for Wi-Fi from riders.
- Rail operator transition is continuing with the issuance of a Notice to Proceed on October 1.
- Special service:
  - Sharks ridership carried an additional 500 riders.
  - Stanford football carried an extra 1,700 per game which is an 82 percent increase.
  - Berkeley played two games in October and carried an additional 6,638 riders.
  - An early train will run on Thanksgiving morning for service to the Turkey Trot in San Jose. The train will leave San Francisco at 6:07 a.m.
- A Sunday schedule will be operated on Thanksgiving Day and a Saturday schedule on the day after Thanksgiving.
- The Holiday Transit Toy Drive will consist of an event here at Central on November 28 and staff will host a booth and participate in the Redwood City Hometown Holidays event on December 3.
- The reading file contains the Bicycle Advisory Committee (BAC) recruitment Take One and the September Safety and Security Report.
- The BAC will meet on November 17.

Mr. Scanlon said he and Director of Caltrain Modernization Program Marian Lee were in Sacramento for the rollout of the CHSRA Business Plan.

Ms. Lee reported that staff has completed the outreach of the preliminary findings of the capacity study. There have been a lot of questions about the next steps. Staff will speak with stakeholders regarding next steps, timeframes in conducting the next steps and will be sharing the scope of work for additional analysis.

Staff has an understanding, at a conceptual level, of how the CHSRA Business Plan was approached and will be doing a thorough analysis of the Plan. Staff believes the very transparent process is good and a very different approach than previously discussed. The biggest change and approach from CHSRA is that they are looking at implementation as a program consisting of many projects, rather than just as one large project.

Update on Capacity Analysis:

- Staff has been asked to look at sharing the existing tracks with High Speed Rail (HSR) to minimize impacts that might happen if more tracks were added. This blended system will be smaller than a larger project that was previously discussed.
- Capacity analysis only looks at the operational feasibility of the blended system.
- Work was conducted by LTK Engineering Services.
- LTK built a simulation model from San Francisco to San Jose Diridon stations with the assumption it would connect to the rest of the HSR system going to Los Angeles. The model assumes a completely electrified system with CBOSS and electric multiple unit trains.
- The model was designed from San Francisco Fourth and King to San Jose Diridon and staff knows the blended system needs to go to the Transbay Terminal. The model assumes three HSR stations at Diridon, Millbrae and San Francisco. Staff did not assume any of the candidate stations that CHSRA is considering in the mid-Peninsula.

Chair Elsbernd asked why Transbay Terminal wasn't considered. Ms. Lee replied that the model looks at existing tracks.

- Passing tracks were tested so HSR can pass Caltrain. Some options offer better performance in terms of operations, but multiple options are being looked at.
- From an operational perspective only the analysis shows Caltrain can share the existing tracks with HSR and together on existing tracks plus some additional tracks can support up to 10 trains per hour per direction. Without the passing tracks the total capacity is eight trains.

Chair Elsbernd asked if Caltrain is being limited with the assumption of going from five to six trains. Ms. Lee said the next step in the Caltrain Modernization Program is to advance the electrification project and that project looked at increasing the service to the six trains per hour in the peak direction.

Chair Elsbernd asked if electrification can be achieved without HSR. Ms. Lee said the problem is how to fund the electrification project. If HSR were to disappear, the vision would not go away but we would have to find another funding strategy.

- Service characteristics that were tested included travel speeds, headways and station stops.

- There is a lot of effort focused on the work CHSRA is doing in the Central Valley so the work in the Caltrain corridor has stopped. What will restart the project is figuring out what to build in the Peninsula segment and what the blended system alternatives are, this will be the driving reason for CHSRA to start the work again.

Chair Elsbernd asked about revised ridership numbers with the CHSRA Business Plan and does staff think there will be a loss of ridership with HSR going from San Jose Diridon to San Francisco.

Ms. Lee said as part of the analysis Caltrain will have to look at ridership numbers and when this is done staff will factor in HSR assumptions.

Mr. Scanlon said all the negotiations and the terms for which would use the right of way have yet to be discussed.

Director Art Lloyd said Caltrain could restrict express passengers and charge express fares.

Deputy CEO Gigi Harrington presented an update on Wi-Fi. She said there was a Wi-Fi experiment back in 2006 and at the time there was no business model that would make this type of technology work. Staff has been working with a vendor to put together a work directive proposal to put Wi-Fi on one train set for a 90-day trial to see how it works and what the performance level is. Staff has not started working on the business model. After the 90-day trial period staff will consider whether to include it into the Capital Budget process where it would compete with other capital projects for funding.

Director Ash Kalra asked if there will be a survey done for those passengers on the train during the trial period. Ms. Harrington said yes.

Director Kalra hoped there would be a way to provide service without charging. Ms. Harrington said all options will be explored, but need to make sure the train can accommodate what is needed to run the service.

Mr. Scanlon said if employers would recognize when their employees sign on and off on the Wi-Fi on the trains as part of their work day it would provide for a good quality of life for riders and they would consider the benefits of transit.

Mr. Harvey provided an update on current engineering capital projects. He said the Jerrold Avenue Bridge replacement in San Francisco is a \$13.6 million project that was completed in a tight timeframe. The South Terminal project has two new platforms and a new signal system, which will speed up the entry and exit into the station. The project is 95 percent completed. On October 28-29 service was shutdown at Santa Clara Station to integrate three new signal control points.

Director Kniss said she takes the train to get to the Board meetings but cannot take it back. At what point will midday expansion be looked at? Mr. Scanlon said the issue is money to bring back midday service.

**ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR JUNE 2011 (UNAUDITED)**

Ms. Harrington said this statement is for fiscal year-end. Staff was looking to have about \$9 million available to roll forward into the current fiscal year and this was achieved. The financial statements will be available in January.

Public Comment

Vaughn Wolfe, Pleasanton, asked why the insurance expense is so high. Ms. Harrington said there was a significant claim this year and insurance moves up and down with the marketplace.

A motion (Lloyd/Nolan) to accept the June 2011 (unaudited) statement was approved unanimously.

**ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR SEPTEMBER 2011**

Ms. Harrington said farebox revenue is over budget. Early numbers for October show this revenue trend continuing. Expenses are within budget. The fuel hedge has returned \$66,000 through the end of October. Last week fuel was \$3.23 per gallon and was hedged at \$2.90 per gallon.

A motion (Nolan/Lloyd) to accept the September 2011 statement was approved unanimously.

**ACCEPTANCE OF QUARTERLY INVESTMENT REPORT AND FIXED INCOME MARKET REVIEW AND OUTLOOK FOR THE QUARTER ENDED SEPTEMBER 30, 2011**

Bill Osher, from CSI Group, said the portfolio is a short-term, high-quality portfolio. In this type of market there is virtually no return on short-term safe portfolios and it does not look like this is going to change any time in the future. Mr. Osher said there were a lot of interesting things going on this past quarter including an announcement by the Federal Reserve Bank to keep interest rates low. Policymakers are trying to stimulate the economy by keeping interest rates as low as they possibly can. The portfolio is managed for safety to come first.

A motion (Kniss/Nolan) to accept the report was approved unanimously.

**AUTHORIZE AWARD OF A REVENUE SHARING CONTRACT TO ALL VISION, LLC FOR BILLBOARD ADVERTISING OPTIMIZATION FOR A THREE-YEAR PERIOD**

Director of Contracts and Procurement Cheryl Cavitt said Staff Coordinating Council (SCC) requests Board approval of a revenue sharing contract for billboard advertising optimization. Staff conducted the normal Request for Proposal (RFP) process and one proposal was received. The services are to assess the revenue potential of existing billboards, identify new billboard locations, work with the cities to determine the types of billboard facilities that would be appropriate and to negotiate with billboard companies.

Chair Elsbernd asked why there was only one respondent. Mr. Scanlon said this firm approached staff with this opportunity and to be transparent staff decided to do the contract through an RFP in case there were other interested parties.

A motion (Nolan/Kalra) to award a contract to All Vision LLC for billboard advertising optimization was approved unanimously by roll call.

**AUTHORIZE AMENDMENT NO. 1 TO THE CLIPPER MEMORANDUM OF UNDERSTANDING (MOU)**

Executive Officer, Customer Service and Marketing Rita Haskin said SCC recommends the Board authorize the Executive Director to enter into an amendment to the Clipper MOU regarding who is responsible for paying the one percent commission for products loaded for Caltrain by third-party transit benefit providers. This agreement would run through June 2013 and commence when all seven agencies have signed on.

Public Comment

Doug DeLong, Mountain View, said it is hard to use the words customer service and Clipper in the same sentence. It is inconvenient that media is not instantly loaded on Clipper card when purchased.

Pat Giorni, Burlingame, said she has not bought into to the Clipper system because of all the problems she is hearing.

Director Adrienne Tissier said there are a lot of problems with Clipper and the Metropolitan Transportation Commission (MTC) is looking at the technology.

A motion (Cisneros/Tissier) to authorize Amendment No. 1 to the Clipper MOU was approved unanimously by roll call.

**LEGISLATIVE UPDATE**

Executive Officer, Public Affairs Mark Simon reported:

State Update

The California Air Resources Board approved a cap and trade program to reduce emissions from the State's largest polluters in accordance with AB 32. The program covers 360 businesses and requires a reduction in emissions by 20 percent beginning next year or the purchase of emissions allowances at regularly scheduled auctions. There is no legislation yet that indicates how the money from the auctions will be allocated. The part of AB 32 implementation affecting public transit and transportation is embodied in SB 375, which requires organizations like MTC to adopt a Sustainable Community Strategy that focuses on concentrating housing near job centers and public transit to reduce vehicle miles traveled. Expanding transit service to accommodate these plans will require additional revenue with no funding source identified. Senator Darrell Steinberg has proposed legislation that would allow organizations, such as MTC, to place a gas tax before voters to help with implementation of this part of SB 375.

Federal Update

- On Tuesday, November 1, the Senate approved an appropriations minibus bill that is smaller than the omnibus, covering agriculture, commerce, justice, science and transportation and housing programs. The Senate bill maintains existing Federal investments to transportation programs. The House version would cut transportation programs by 30-40 percent. Now that both have passed bills, they can meet in conference and negotiate the final funding levels before the current extension expires on November 18.

- The Senate is expected to consider the second part of President Obama's jobs legislation now that the proposal has been divided into separate bills. The proposal they will consider this week calls for \$50 billion in transportation formula funding and \$10 billion for a National Infrastructure Bank. The Republicans have pledged to offer a counter proposal that would instead focus on the Senate's Transportation Reauthorization bill. Senator Barbara Boxer has proposed a two-year reauthorization measure that preserves existing transportation investments through a surtax on millionaires. Her bill is scheduled for markup on November 9.

### **CORRESPONDENCE**

Mr. Scanlon said there are two students from Stanford who submitted late comment cards and he would like to offer them the opportunity at this time to speak. Nicholas Chen and Kristen Leach said they are interested in seeing Caltrain's funding improve and some ideas they had were putting local businesses on Caltrain platforms. They have spoken to passengers who liked the idea and wanted to get the Board's feedback.

Director Adrienne Tissier thinks it is a very interesting concept and has seen this concept in Washington D.C. It would be interesting to see if it would be possible to add in this area if the land and space is available.

Mr. Scanlon applauded the students and said they are onto something very important that could drive ridership because it makes it convenient for riders. The only problem with this idea is the safety issue. Platforms do not have capacity to accommodate this concept, but development at stations is possible.

Director Kniss said Palo Alto has a nice coffee shop and may be able to expand to other things.

Director Kalra said there are different models to look at around the world.

### **BOARD MEMBER REQUESTS**

Director Nolan said a big change that has occurred on this Board since he was previously on it is the importance of bicycles to the system. He said this is an extremely important demographic and asked if there is a plan to make sure that Warm Planet Bikes stays. Mr. Harvey said when the bike station was originally built it was done with a grant and this Board set a policy that this business would ultimately operate without a subsidy. There was an initial operating grant that came from another source to get Warm Planet Bikes going and the operator had a retail business that was supposed to keep the business sustained. Staff does provide a subsidy by providing the building rent free. The current agreement is being managed on a month-to-month basis and staff has reached out to the vendor to find what adjustments need to be made to reestablish the retail business to reduce the need for a subsidy. Staff would like to have an ongoing dialogue instead of a response to a demand. One idea may be to fence the area to store additional bikes. The reason staff needs to go out and advertise the service and not just give it to the current operator is to find an operator who does not require a subsidy.

Director Nolan said he, Director Cisneros and Chair Elsbernd have been having discussions about possibly having an event in San Francisco in January to help the public understand and appreciate Caltrain, HSR and the Transbay Terminal and one of the most effective lobby groups in San Francisco is the bike coalition.

**DATE/TIME/PLACE OF NEXT MEETING**

The next meeting will be Thursday, December 1, 2011, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2<sup>nd</sup> Floor, 1250 San Carlos Avenue, San Carlos, CA 94070.

**GENERAL COUNSEL REPORT**

Legal Counsel David Miller said the Board will convene in closed session to consider two matters. One is a matter of pending litigation of Antonio Santiago against the JPB, the San Mateo County Transit District (SamTrans) and the County of San Mateo and the other item will be a brief report on potential litigation.

Adjourned to closed session at 11:45 a.m.

Reconvened to open session at 11:55 a.m.

Mr. Miller said the Board met in closed session as permitted by the Brown Act on two matters. A report was presented by counsel on the pending case of Mr. Santiago. This was an informational item and no action is required at this time. The potential litigation item was also informational and no action is required at this time.

**ADJOURNED**

Adjourned at 12:00 p.m.