

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

**Minutes
January 6, 2011**

MEMBERS PRESENT: O. Ahmad, J. Cisneros, S. Elsbernd (Chair), L. Kniss, A. Kalra, A. Lloyd, K. Yeager

MEMBERS ABSENT: N. Ford

MTC LIAISON: S. Lempert

STAFF PRESENT: L. Bhuller, J. Cassman, C. Cavitt, 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 10:00 a.m. Director Ash Kalra led the Pledge of Allegiance.

SWEARING IN OF LIZ KNISS (REPRESENTING THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA))

Director Liz Kniss (San Jose City Council) representing VTA was sworn in.

PUBLIC COMMENT

Yoriko Ishimoto, Friends of Caltrain, said plans are coming along for the January 29 summit. The goals of the summit are to educate the public about Caltrain; the lack of dedicated funding for Caltrain; stimulate creative thinking on possible solutions, including cost containment, regional rail connections and revenue; increase ridership using pre-tax dollars; build partnerships with neighborhood groups, cyclists, chambers of commerce; empower grass roots groups; build and coordinate leadership for Caltrain across the three counties.

Ed DeLanoy, San Carlos, said consists should be three cars and five car consists should only be used when there is a ridership need. This would result in the use of half the diesel fuel.

Shirley Johnson, San Francisco, asked that Caltrain start implementing its plan to increase onboard bicycle capacity to 80 spots. Bicyclists are often bumped due to insufficient bike capacity. Ms. Johnson said adding bike capacity will bring in more revenue.

Jeff Carter, Burlingame, said a dedicated funding source needs to be found for Caltrain. Mr. Carter said he went and tried the new Baby Bullet weekend service and it was well received, even for a holiday weekend.

Jim Fink, Monterey, said he is alarmed at the discontinuation of paper Monthly passes. There are a number of Caltrain passengers that transfer to Monterey-Salinas Transit Route 55 at San Jose Diridon and use their Caltrain Monthly passes as fare media. The discontinuation of the existing paper monthly ticket is going to cause problems for these passengers. Mr. Fink said an inter-agency cooperation needs to be maintained for those who do not have a Clipper card.

CONSENT CALENDAR

- a. Approval of Minutes of December 2, 2010
- b. Adoption of the Amended Conflict of Interest Code

The Board approved the consent calendar (Lloyd/Kalra).

CHAIRPERSON'S REPORT

Appointment of Nominating Committee for 2011

Chair Elsbernd appointed Directors Nat Ford, Art Lloyd and Kniss to the nominating committee for the election of 2011 officers.

METROPOLITAN TRANSPORTATION COMMISSION (MTC) LIAISON REPORT

MTC Commissioner Sue Lempert reported:

- She received several complaints from Caltrain commuters on the Clipper system and she will be sharing those with MTC staff.
- The Association of Bay Area Governments will be celebrating its 50th anniversary and MTC will be celebrating its 40th anniversary, both later this month.

REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)

CAC Member Bruce Jenkins reported on the December 15 meeting:

- He was elected chair and Bruce Bendix was elected vice chair.
- Received a presentation on the Regional Bike Sharing Program.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Michael Scanlon reported:

- Welcomed Director Kniss to the Board.
- Acknowledged there are problems and a learning curve with Clipper.
- Staff is working on a consistent fleet with two bike cars per consists.
- Monthly Performance Statistics – November 2010 compared to November 2009
 - a. Total Ridership was 1,002,283, an increase of 5.7 percent.
 - b. Average Weekday Ridership was 39,036, an increase of 4.4 percent.
 - c. Total Revenue was \$3,723,097, an increase of 12.3 percent.
 - d. On-time Performance was 93.9 percent, an increase of 1.9 percent.
 - e. Caltrain Shuttle Ridership was 5,714, an increase of 13.6 percent.
- Year-to-Date Performance Statistics – November 2010 compared to November 2009
 - f. Total Ridership was 5,389,703, an increase of 4 percent.
 - g. Average Weekday Ridership was 40,884, an increase of 4.1 percent.
 - h. Total Revenue was \$19,957,189, an increase of 9.1 percent.
 - i. On-time Performance was 93.4 percent, a decrease of 0.3 percent.
 - j. Caltrain Shuttle Ridership was 5,485, a decrease of 1.5 percent.
- As encouraging as the performance statistics are, there is an extraordinarily large deficit for Fiscal Year (FY) 2012. A subcommittee of the Board continues to meet in an effort to find solutions.
- The Friends of Caltrain summit will be here January 29 and he is encouraged by the amount of interest.
- The Silicon Valley Leadership Group will be holding a Caltrain summit January 21 at Stanford University.

- Staff continues to work diligently on the budget and as of right now the service will be at less than one-half, with daily trains less than half and no weekend, evening or special service and a lot fewer stations, and with that, the budget is still not in balance.
- A subcommittee of the Board has been working with staff on the Caltrain Operating and Maintenance Procurement. Five proposals have been received from Keolis Rail Services America, Peninsula Corridor Rail Services (a joint venture between Amtrak and Bombardier), Peninsula Rail Services (a joint venture between Rail American and RATP), Transit American Services, Inc. and Veolia. An evaluation team is conducting evaluations and due diligence. Staff anticipates awarding the contract in late spring or early summer and begin service of the new contract by the end of 2011.
- Special service includes:
 - Sharks service is averaging about 223 extra riders after each game, which is down about 11 percent from last year.
 - A modified Saturday schedule was run on Christmas Eve and New Year's Eve with one roundtrip to Gilroy and four Baby Bullet trains. Christmas Eve ridership was 2.3 percent less than a typical Saturday and New Year's Eve ridership was about 71 percent higher than a typical Saturday. Free rides were offered after 11 p.m. New Year's Eve and additional post-fireworks trains were added out of San Francisco. The extra trains carried a little more than 2,500 extra riders, a decrease of about 30 percent from last year, but weather was a factor.
 - The Kraft Fight Hunger Bowl is Sunday, January 9 at AT&T Park and extra service will be provided.
 - Regular service will run January 17 for the Martin Luther King Jr. holiday, along with two chartered Freedom Trains, which will be making limited stops.
- Fare and service changes went into affect January 1. Staff feels we are hitting a number where we could start losing riders if the fares are increased even more.
- Weekend Baby Bullet service started on January 1.
- The first fatality occurred this morning at 1:20 a.m., about half-mile north of the California Avenue Caltrain Station at a location where there is no crossing.
- Peninsula Rail Program Director Bob Doty has been recruited by HNTB to work on High Speed Rail (HSR) on the national level. His last day will be January 21.

Peninsula Rail Program (PRP) Update

Mr. Doty reported:

- The last month for HSR has been a transitory moment. There is a new program manager that has come into the organization that is extraordinarily good. He is making changes to bring structure to the organization that is desperately needed.
- There is going to be a new schedule and a new sequence. This will change what is expected and what HSR can provide. There is going to be a period of time to figure out what the new relationship is.
- Caltrain is in a position to be a huge winner out of this relationship and we need to figure out how to do that, but it can't be done unless the relationship between the two organizations is redefined.
- If the focal point is toward service, that is Caltrain, it is no longer a Caltrain service or HSR service, it is a passenger service.
- Thanked the Board for allowing him to play with their train.

Chair Elsbernd thanked Mr. Doty for all he has done for the people of the peninsula and the system.

Ms. Lempert said it is not only the presentations Mr. Doty gave at the Board meetings, but all the outside meetings he attended and listened to the concerned citizens. It is a tremendous loss for Caltrain.

Director Lloyd said Mr. Doty has been outstanding in his worldwide knowledge and will truly be missed.

ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR NOVEMBER 2010

Deputy CEO Gigi Harrington said fare revenue is over budget by \$1.4 million and there are savings on the expense side in the fuel and operating line items. Last week, fuel was \$2.60 per gallon. The hedge was tripped in December and a check for \$33,000 was received from the bank.

Director Omar Ahmad asked about the pretty reasonable jump over last year in the insurance line item 28. Ms. Harrington said the budget was amended in the fall to assist in settling a claim.

Public Comment

Shirley Johnson, San Francisco Bicycle Coalition, said in examining the revenues and expenses, Caltrain is showing \$1.1 million favorable variance and it would be smart to increase revenue even more by upgrading the remaining bike cars. She said you need to spend money to make money.

A motion (Lloyd/Ahmad) to accept the November 2010 statement was approved unanimously.

AUTHORIZE AMENDING THE FISCAL YEAR (FY) 2011 OPERATING BUDGET BY \$1,342,325 FROM \$100,869,615 TO \$102,211,940

Manager of Budgets Ladi Bhuller said Staff Coordinating Council (SCC) is recommending the Board amend the FY2011 Operating Budget by \$1.3 million. She said in July, the Board adopted the FY2011 Operating Budget with a gap between revenue and expenses in the amount of \$2.3 million. Ms. Bhuller said staff conducted a comprehensive outreach process culminating with a public hearing in September, followed by proposed scenarios to bridge the \$2.3 million gap. Staff is proposing to increase farebox revenue by \$1.2 million, decrease rail operator service by \$870,000 and fuel by \$182,000. She said in addition staff is proposing to include some unspent FY2010 grant funds in the amount of \$182,000 to be carried forward into FY2011 for projects that are in progress. Ms. Bhuller said the corresponding expenses for these grants fall under professional services. She said staff will continue to monitor the budget and recognize any operational savings that can be realized by year-end.

A motion (Kniss/Ahmad) to amend the FY2011 Operating Budget was approved unanimously by roll call.

AUTHORIZE AWARD OF CONTRACT TO GTSI CORPORATION FOR INSTALLATION AND INTEGRATION OF A CLOSED-CIRCUIT TELEVISION, SECURITY VIDEO SYSTEM (CCTV-SVS) AT THE CENTRALIZED EQUIPMENT AND MAINTENANCE OPERATIONS FACILITY (CEMOF) FOR A TOTAL ESTIMATED COST OF \$633,512

Director of Contracts and Procurement Cheryl Cavitt said SCC is recommending the Board award a contract to GTSI Corporation for a CCTV system at CEMOF in San Jose. Ms. Cavitt said installation of the system will enhance surveillance and control access to the facility.

Director Ahmad asked if this is a capital expenditure. Ms. Cavitt said yes.

A motion (Ahmad/Lloyd) to authorize award of contract to GTSI Corporation was approved unanimously by roll call.

UPDATE ON CLIPPER ON CALTRAIN

Executive Officer Customer Service and Marketing Rita Haskin made the following points:

- This is a MTC initiative to introduce a regional fare payment system.
- AC Transit, BART, Golden Gate Transit and Ferry, Muni and SamTrans are now accepting Clipper.
- Staff started testing the system in spring 2009, the soft launch was in summer 2009 and the full launch was in April 2010.
- In February 2011, paper 8-ride tickets will be eliminated and paper Monthly passes will be eliminated in March 2011.
- Green TransLink cards are still in use, but MTC wants to transition everyone to the blue Clipper card.
- Passengers need to tag on if they are using e-cash or an 8-ride ticket. If a passenger has a Monthly pass they only need to tag on and off the first of the month to set the parameters.
- There are customer reminders as you exit the train to tag off on the platform. If a passenger doesn't tag off, they will be charged the maximum fare.
- In December 2010, there were 8,300 people who used paper Monthly passes and only 2,600 had transitioned to Clipper.
- In November 2010 there were 14,000 people still using paper 8-ride tickets and 2,700 people had transitioned to Clipper.
- Some of the marketing efforts include station flyers, conductor announcements, take-ones, onboard brochures, outreach and news releases.
- Customer feedback included the ease of use, the limited number of vendor outlets and their lack of knowledge, the three- to five-day lag time when loading product via the Web or phone and the Customer Service Bureau is slow to respond.

Director Ahmad asked why there is a three- to five-day lag time when loading product. He said this is unacceptable. Ms. Haskin said the information has to get disbursed out to where the card interface devices are so it can read what is on the card.

Ms. Lempert said she has used her Clipper card numerous times and has never had her card checked. She said during sporting events the trains are so crowded there is no way for the conductors to see if people have bought a ticket. Ms. Lempert said at the Stanford Caltrain Station there is no Clipper machine to tag card.

Mr. Scanlon said there are about one-quarter a million fare checks each month and year-to-date through November there have been more than 3,000 proof-of-payment citations.

Ms. Haskin said Stanford is an issue because there are no card readers at the station. She said staff will see if MTC can fund mobile card readers that can be put at the station during football season and also be used at 4th & King in San Francisco after baseball games and special events.

Public Comment

Andy Chow, Bay Rail Alliance, said monthly and 8-ride tickets can be loaded at any Muni/BART station in downtown San Francisco. He said there should be Clipper machines at San Francisco, Millbrae Intermodal and San Jose Diridon. Mr. Chow said there is a need for additional readers at Millbrae Intermodal for those transferring to and from BART to Caltrain. He said Bay Rail Alliance thanks Mr. Doty for challenging how people and the community think outside of the box about Caltrain.

Jim Fink, Monterey, said the Monterey-Salinas Bus Route 79 serves students and those who work at the Monterey Presidio Defense Institute and travel to San Jose Diridon. He thinks paper tickets need to be retained, along with the Clipper card, for those who like to keep paper records and for interconnection transfers for agencies not set-up with Clipper.

Jeff Carter, Burlingame, said conductors seem to be checking tickets more often now. He asked if Clipper provides origin and destination specific data.

ADOPTION OF 2011 STATE AND FEDERAL LEGISLATIVE PROGRAM

Government Affairs Manager Seamus Murphy said SCC is recommending the Board adopt the 2011 Legislative Program to guide advocacy efforts for the next calendar year. He said the program is written broadly to allow staff and legislative advocates in Sacramento and Washington, D.C. to respond quickly to issues that may arise. Mr. Murphy said engagement on issues outside the scope of this document would be brought before the Board for action. He said many of the objectives are carried over from 2010, but there are some new issues. The State program reflects new efforts to preserve transit funding following voter approval of Proposition 26 and it also includes a focus on preserving the flexibility of Proposition 1A High Speed Rail Connectivity funding allocated to transit agencies. Mr. Murphy said the Federal program adds the new Federal Transit Safety Regulations being considered at the Department of Transportation. He said it is possible that those proposals will impact how commuter rail safety is regulated and staff will be working with the American Public Transportation Association as the details emerge.

A motion (Lloyd/Ahmad) to adopt the 2011 State and Federal Legislative Program was approved unanimously.

STATE AND FEDERAL LEGISLATIVE UPDATE

No report.

CORRESPONDENCE

In the reading file.

BOARD MEMBER REQUESTS

Director Lloyd said Amtrak will be celebrating its 40th anniversary on May 1 this year.

GENERAL COUNSEL REPORT

Legal Counsel David Miller said he, Joan Cassman and the entire legal team will truly miss Mr. Doty's insight and wish him the best of luck.

DATE/TIME/PLACE OF NEXT MEETING

Thursday, February 3, 2011, 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 11:24 a.m.