

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

**Minutes
April 5, 2012**

MEMBERS PRESENT: A. Kalra, L. Kniss, A. Lloyd, A. Tissier, K. Yeager

MEMBERS ABSENT: J. Cisneros, M. Cohen, J. Deal, T. Nolan

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

Chair Adrienne Tissier called the meeting to order at 10:17 a.m. and led the Pledge of Allegiance.

PUBLIC COMMENT

Nancy Shepherd, Palo Alto City Councilmember, said Palo Alto has the second largest ridership on the Caltrain system and feels Caltrain is a vital part of getting people to work in Palo Alto and Stanford. They have submitted a Letter of Interest describing what the City Council would like to see in the Memorandum of Understanding (MOU). The council supports the modernization of Caltrain but says the High Speed Rail (HSR) project should be terminated because it does not follow Proposition 1A. Should the State move forward with the blended system in the Peninsula segment, Caltrain should be the lead agency for any project on the corridor. Based on past experience, the MOU process should also include all Peninsula cities on the Caltrain corridor.

Shirley Johnson, San Francisco, thanked the Board for keeping Warm Planet Bike Facility open. One small thing to help cyclists is to change Train 324 from a Bombardier consist to a Gallery consist so it can carry 80 bikes instead of 48. Train 324 departs San Francisco at 8:14 a.m. and bumps more bikes than any train in the system. A simple equipment swap to a Gallery set would make the world of difference for customers.

Karl "Kash" Hass, Warm Planet Bike Facility operator, thanked the Board for an interim contract and subsidy funding last month. This funding has allowed him to convert retail space into bike parking to satisfy a recent surge in demand. He thanked Manager, Real Estate and Property Development, Brian Fitzpatrick for his work on getting this contract done. This contract guarantees uninterrupted service for bicyclists.

Irvin Dawid, Palo Alto, said yesterday he boarded in Redwood City and the problem was the Giants special train arrived before the normally scheduled train and there was a lot of confusion among the passengers. The visual messaging signs should indicate when the Giants special train is arriving.

Jeff Carter, Burlingame, said he has seen the same situation as mentioned by the previous speaker, especially on the weekends. There are concerns in the community of Palo Alto that are

fueled by anti-rail propaganda. There needs to be accurate information in the community on HSR. He asked why grade separations being proposed in Palo Alto are twice as long as the one in Millbrae at Hillcrest.

Pat Giorni, Burlingame, said last month there were only 66 bumps. Golden Gate Ferry District is also dealing with Clipper tickets and they are putting the surcharge increase on Clipper and not on the paper ticket passenger.

Chair Tissier said to satisfy each of the transit agencies with Clipper, the Metropolitan Transportation Commission (MTC) decided to cater to each agencies' needs and therefore things are not the same in each and every area.

CONSENT CALENDAR

- a. Approval of Minutes of March 1, 2012
- b. Authorize the Filing of Applications for State Proposition 1B Transit Security Grant Program Funds
- c. Authorize an 18-Month Pilot Program to Encourage Advance Group Sales by Providing a 10 percent Discount

The Board approved the Consent Calendar (Kniss/Lloyd).

CHAIRPERSON'S REPORT

Chair Tissier reported:

- The JPB Citizens Advisory Committee (CAC) recruitment has begun and closes April 30. The application is available on the Caltrain website.
- The MTC unanimously approved the MOU that will lead to Caltrain electrification and Positive Train Control. MTC gave \$750 million to be matched by money from HSR.

REPORT OF THE CAC

CAC Chair Paul Bendix reported on their March 21 meeting:

- Seamus Murphy, Manager, Government Affairs gave an update on the Caltrain Modernization Program.
- Staff reported on ridership and revenue for February 2012.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Michael Scanlon reported:

- The San Francisco Municipal Transportation Agency is celebrating its 100th birthday today. The three San Francisco representatives will be fully briefed on the presentations being given at today's meeting.
- Gillian Gillette, San Francisco Mayor Ed Lee's Director of Transportation Policy was introduced and will be joining Staff Coordinating Council.
- Key Caltrain Performance Statistics
 - Monthly Performance Statistics – February 2012 compared to February 2011
 - Total Ridership was 1,088,162, an increase of 19.9 percent.
 - Average Weekday Ridership was 42,959, an increase of 15.9 percent.
 - Total Revenue was \$4,694,065, an increase of 24.4 percent.
 - On-time Performance was 94.6 percent, an increase of 0.7 percent.

- Caltrain Shuttle Ridership was 7,871, an increase of 45.1 percent.
- Year-to-Date Performance Statistics – February 2012 compared to February 2011
 - Total Ridership was 9,097,902, an increase of 10.7 percent.
 - Average Weekday Ridership was 42,788, an increase of 9.1 percent.
 - Total Revenue was \$38,338,717, an increase of 23.6 percent.
 - On-time Performance was 93.6, a decrease of 0.4 percent.
 - Caltrain Shuttle Ridership was 7,002, an increase of 32.7 percent.
- Rail operator transition continues to go well. All union agreements have been signed and training and hiring is underway.
- The Bicycle Advisory Committee (BAC) met on March 15. Richard Coughlin, Associate Principal with ARUP, and Robert Beck, Senior Program Manager with the San Francisco Transbay Joint Power Authority (TJPA), presented the plans for bike facilities at the new Transbay Terminal. Interim Community Relations Manager Gina Simi updated the BAC on the Warm Planet Bike Facility and bike locker survey. Next meeting is Thursday May 17.
- Train 324 is a difficult situation. It is advantageous to non-bike riders to have the Bombardier cars. These cars have lower floors, two doors and helps with dwell time.
- The San Mateo County Transit District was awarded a grant from MTC for a pilot car share program in Redwood City. ZipCar was selected to place nine carshare vehicles in downtown Redwood City. This program will start in mid-May.
- Special service:
 - Sharks played 10 games in March and season to date, ridership is up 20 percent.
 - There was a doubleheader soccer match on March 17 and extra service was provided and carried 5,300 riders.
 - Giants season opens on Friday, April 13 at 1:35 p.m. and Caltrain will be providing extra service.
- Pile driving for the grade separation in San Bruno began in early February and should be completed in April.
- The Out of the Darkness walk is an 18-mile overnight walk that begins at dusk at Fort Mason. It is a bold statement that brings the issue of suicide out into the light. Caltrain is sponsoring a team and currently there are nine members.

Director of Caltrain Modernization Program Marian Lee said since the last Board meeting staff completed the blended operations analysis. The comments received from the public have been addressed and are included in the report which is available on the website. On April 2, the HSR released its revised Business Plan and staff is reviewing the document. It is very clear in the Plan HSR has embraced the blended system and there is an acknowledgement of the MOU on the early investment projects in the corridor to be done by 2020. There are some inconsistencies in the Plan and staff will be looking at relative information for the corridor. The CHSRA Board is scheduled take this Plan for adoption at its meeting on April 12. The Caltrain Modernization team is continuing to move forward with the planning studies. Good progress has been made on the grade crossing analysis as well as some of the service plan what-if scenarios. A lot of the work right now is on running models and data crunching, but staff hopes to have some preliminary findings to share within the next couple of months.

Mr. Scanlon continued:

- The reading file contains the CAC recruitment TakeOne, Safety & Security Report, Giants baseball brochure and the latest issue of *Track the Fun*.

Annual Passenger Counts

Deputy CEO Chuck Harvey reported:

- The annual ridership counts provide a measurement relative to previous years and are used to evaluate service changes, identify trends, validate revenue-based ridership estimates, and identify potential access issues.
- Headcounts are done on every weekday train averaged over five weekdays and on every weekend train for one weekend only.
- Average weekday ridership rose 12.1 percent over last year and since the reinvention of Baby Bullet service has increased 64 percent.

Director Liz Kniss asked what is causing the increase in ridership. Mr. Scanlon said it started with the reinvention of the service in 2004. Some of the current trends are not just the service, but compounded by the price of fuel and increased employment.

- Ridership for traditional peak (northbound) increased 12.1 percent and reverse peak (southbound) increased 12.4 percent. Peak ridership accounts for 82 percent of all passengers.
- There were increases in all stations, but two.
- The top 10 stations comprise of 79 percent of all Caltrain riders.
- Santa Clara County saw the largest increase in ridership by 14 percent.
- The Gilroy extension ridership has decreased 6.8 percent since 2006.
- There is robust growth on all service types.
- Maximum loads are on northbound Trains 329, 323, 369, 319 and 217 and southbound Trains 378, 324, 280, 372, 314.
- Midday ridership increased despite reduction of four midday trains.
- Average trip length has decreased slightly from 23.1 in 2011.
- Average weekday bike ridership increased 15.8 percent in 2012.
- On-board bike capacity was increased by 31 percent in June 2011.
- For the first time bike denials were counted and results are consistent with self-reporting and information shared in the Board reading file. Denials were found on Trains 324, 369 and 378, which also has standing non-bike passengers.
- Weekend service was down 2.1 percent, but counts were only done one weekend.
- Weekend pilot Baby Bullet service remains robust.
- Fiscal Year (FY) 2013 budget remains challenging with fuel prices increasing and relies heavily on one-time funding sources.
- Staff remains very concerned about the projected deficit for FY2014, which will require finding additional one-time funds absent any dedicated revenue source for Caltrain operations. FY2014 final budget is the subject of negotiations between the JPB partners.
- This data will be used to develop potential service scenarios that positively impact the greatest number of customers and balances fiscal constraints with continued growing demand for service.

Director Ash Kalra commended staff and the Board for the commitment for keeping the level of service during the fiscal downturn. He has heard people would like to have earlier Baby Bullet trains on the weekend. Mr. Harvey said the reason the time slots were selected was the ability to use crews.

Director Kalra asked if there is information available for how far a bike passenger travels. Mr. Harvey said no.

Director Kniss said the shuttle information is very helpful, and asked if parking is a problem at any of the stations. Mr. Harvey said the Baby Bullet stations parking lots are full and staff is working on overflow lots.

Public Comment

Jeff Carter, Millbrae, thanked staff for the excellent report. The counts are actually done by a contractor and he asked whether, with the change in operator, the counts will still take place in the same manner. The weekend counts were done on the day of a Forty-Niner playoff game which could askew the counts.

Pat Giorni, Burlingame, said the county-by-county comparison and the formula needs to be changed for what the partners pay. There needs to be more of a balance.

Shirley Johnson, San Francisco Bicycle Coalition, said it is important to note that there was a robust discussion on the Transbay Terminal bike parking at the last BAC meeting and there will only be capacity for 500 bikes. She thanked staff for counting the bikes this year. Bike capacity is inconsistent and can't count on 80 bike spaces. We need consistent bike capacity and should have three bike cars on Bombardier consists.

Irvin Dawid, Palo Alto, said there is a critical need for rail cars, not seats. Every train needs to have more than five cars, especially on the Baby Bullet and Giants trains. He suggested doing an origin and destination count.

Adina Levin, Menlo Park, said there are studies that show age trends and younger people don't like driving. It would be great to see connectivity trends to Caltrain.

Roland LeBrun, San Jose, said cars are coming from Morgan Hill, Gilroy and beyond and they are causing massive congestion around San Jose. He said most people board at Tamien because there is not enough service to Blossom Hill. He said staff should experiment turning trains around at Blossom Hill. He drives now to Diridon because having one train per hour to Tamien is not enough.

ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR FEBRUARY 2012

Deputy CEO Gigi Harrington said operating revenue is \$2.4 million over budget in farebox and there are \$3.8 million in savings on the expense side. Fuel was \$3.36 per gallon last week and year-to-date is \$3.15 per gallon. The fuel hedge was tripped in March and the agency received a check from the bank for \$65,000 and year-to-date has received \$231,000.

A motion (Lloyd/Kniss) to accept the February 2012 statement was approved unanimously.

CALTRAIN MODERNIZATION EARLY INVESTMENT MEMORANDUM OF UNDERSTANDING UPDATE

Ms. Lee said last month staff presented projects for submission to MTC and the CHRSA for funding consideration. Since that time, MTC got the transportation agencies in the region together and was able to achieve an agreement on two key issues: the conceptual definition of what the blended system is and a prioritization of projects that would compete well for HSR money to make the blended system happen.

The MOU is an agreement by nine parties -- the CHSRA, MTC, JPB, transportation agencies from each of the three counties Caltrain represents, the TJPA and the cities of San Francisco and San Jose. These parties have in common a role in planning, funding, construction and/or operations in the corridor. The MOU defines the blended system as primarily a two-track system, not a four-track system, from San Jose to the northern terminus at the Transbay Transit Center in downtown San Francisco. It also says there are several interrelated projects necessary for the blended system, including the Caltrain enhanced signal system, electrification of the system, acquisition of electric multiple units (EMU), the Downtown Extension project, HSR stations at Diridon and Millbrae, as well as core capacity projects that include system upgrades to existing Caltrain stations, tunnels, bridges, tracks and crossings. The MOU has identified two projects as the early investment projects: the advanced signal system and electrification of the system. The MOU includes a \$1.5 billion funding plan and there is a commitment to implement these projects by 2015 and 2019, respectively. There is an approximate 50/50 match to Proposition 1A funding.

Ms. Lee said the MOU includes a commitment to pursue a primarily two-track system. This is very important to our communities as they are opposed to a four-track system. This blended system would be used by Caltrain, HSR, freight and other existing rail tenants. As the design of the project is advanced, it will be planned and designed in a way that supports local land use policies and transit oriented development policies. There is a commitment by Caltrain to update and recirculate the Caltrain environmental electrification document.

Ms. Lee said there are some concerns or comments not addressed in the MOU and they include:

- Funding needs to be identified for the projects not identified for early investment projects and staff will continue to work with MTC and partner agencies in finding these other funding sources.
- Three key funding sources are leveraging San Mateo County local sales tax money for grade separations; supporting the TJPA on New Starts Money for the Downtown Extension Project; and getting Federal grants targeted for HSR corridors to fund the other projects.

- Staff also received comments related to local planning, and many of those didn't make it into the MOU. The JPB has committed to leading the project to implement the Caltrain Modernization Project and it may be more appropriate for our agency to address those local planning matters.
- The most common issues heard were related to issues on passing tracks -- if we need to have them and, if so, where they would go; how to upgrade at-grade crossings given the impact anticipated on gate down time and local traffic. There also is an issue related to HSR maintenance and storage facility -- if there needs be one in our segment and, if so, where and how big. These are all being addressed in the current planning efforts or will be addressed when the environmental document is updated and recirculated.
- The last set of stakeholder comments that did not get into the MOU relate to HSR policies and responsibilities – opposition to HSR's selected alignment and its decision to start in the Central Valley; a request to remove all four-track references from the previous HSR Business Plan and the current one too; a determination if the state attorney general concurs that the blended system meets the Proposition 1A requirements; and HSR needing to have discussions with Union Pacific. These are all relevant matters and staff has forwarded them to CHSRA.

Ms. Lee said MTC approved this MOU at its March 28 meeting. The eight remaining parties need to take this MOU to their boards. CHSRA is scheduled to approve the MOU on April 12 in San Francisco. The Santa Clara Valley Transportation Authority, the JPB and the San Mateo County Transportation Authority will take this item at their May meeting. The TJPA and the City of San Jose are taking this item at their June meeting.

Director Art Lloyd asked if we are requiring Union Pacific (UP) to keep operating its trains in the evening. Also Union Pacific inherited from Southern Pacific the rights to intercity passenger service and HSR will fall into that category. Legal Counsel David Miller said the project covered by the MOU is a Caltrain project. It is not an intercity project so UP consent to implement what is in the MOU is not required. HSR issues will be a separate issue. The MOU concerns the Caltrain electrification project and related items. The trackage rights agreement addresses UP's rights and as previously discussed passenger service has the priority on the rail line.

Public Comment

Jim Bigelow, Redwood City/San Mateo County/Menlo Park Chambers, said the chambers wrote to MTC in support of the MOU. The key thing is Caltrain needs to be the lead on the implementation of the blended system and its identification. Caltrain will do much better on outreach than CHSRA.

Adina Levin, Friends of Caltrain, said it was great seeing the people speaking in support of Caltrain electrification at the MTC meeting and she is glad to see Caltrain is playing the lead role with the communities along the corridor in the planning.

Andy Chow, Bay Rail Alliance, said they have been a long-term supporter of electrification and are very pleased with the MOU. Bay Rail Alliance believes HSR has been a very exciting project, but disappointed after the ballot measure was passed there was backlash because the CHSRA didn't know how to proceed.

Pat Giorni, Burlingame, said a few months ago at a JPB meeting, a sales tax was discussed as a way to raise money to finance operations, but today we hear about sales tax for grade separations in San Mateo County. Is staff looking at two sales taxes? Mr. Scanlon said the reference is to the existing Measure A sales tax for local match to build grade separations.

Chair Tissier said it is very clear Caltrain is going to be the lead agency. MTC plays a major role in the electrification of Caltrain to the tune of \$700 million and they will be a major player. If it wasn't for MTC there would be no electrification.

Director Ken Yeager asked if the MOU could be voted on today especially since there is no opposition. Mr. Miller said this item is intended as an informational item, but the agenda does state any item listed as informational can be acted on. Chair Tissier said the MOU is one thing, but the JPB has to have a resolution to capture some of the issues the community has and how we will accomplish them. She thinks it would be best for the Board to take the action at the May meeting.

Director Yeager said there are several things he would like to see in the resolution. He would like to see who is in charge in the resolution and that Caltrain owns the right of way, Caltrain will manage the project's construction including what is built, how it is built and how the construction will be performed and that Caltrain will be the agency in charge of recirculating the EIR for electrification.

Director Kniss said she totally concurs with Director Yeager's comments and it would be reassuring to the many cities in the corridor.

Director Lloyd said presently the two freight trains terminate and originate in South San Francisco, but asked if staff will restrict the switching operations to night time too. Mr. Harvey said it would depend on how the train is utilized. If it is on the freight designated tracks only and not on the mainline corridor there are ways to work with UP.

ASSESSMENT OF THE FISCAL YEAR 2012 FUEL HEDGING PROGRAM

Ms. Harrington said staff will be back next month to set up the transaction for next fiscal year. Staff will be asking the Board to slightly revise the policy to allow for more flexibility if credit ratings drop, and authorize staff to move forward with the transaction and approve a contract with the hedge counsel.

LEGISLATIVE UPDATE

Government Affairs Manager Seamus Murphy said the State Legislature is on recess and bills will start being heard in policy committees next week. Congress approved a 90-day extension on the Surface Transportation Bill. The Senate has approved a two-year bill and the House said they are going to work on something that is closer to five years. Staff doesn't expect the next proposal to be any better than the previous ones with approximately 30-35 percent cuts to Surface Transportation Programs especially because the House just approved a non-binding budget resolution that cuts transportation programs by that amount.

CORRESPONDENCE

No discussion.

BOARD MEMBER REQUESTS

None

GENERAL COUNSEL REPORT

No report.

DATE/TIME/PLACE OF NEXT MEETING

The next meeting will be Thursday, May 3, 2012, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070.

ADJOURNED

Director Lloyd requested the meeting be adjourned in memory of Bob Alexander, a former Burlington Northern-Santa Fe employee, who was very instrumental in the California State Operation Lifesaver Program.

Adjourned at 11:55 a.m.