

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

**Minutes
April 4, 2013**

MEMBERS PRESENT: J. Cisneros, M. Cohen, J. Deal, A. Kalra, A. Lloyd, T. Nolan, A. Tissier, K. Yeager

MEMBERS ABSENT: P. Woodward

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

Chair Ken Yeager called the meeting to order at 10:01 a.m. and led the Pledge of Allegiance.

PUBLIC COMMENT

Morris Brown, Menlo Park, said he sent an e-mail to the Board regarding the Memorandum of Understanding (MOU) with the California High Speed Rail Authority (CHSRA) along with a funding chart. The Proposition 1A funds include \$440 million to buy electric multiple units (EMUs) for the Caltrain operation. These EMUs cannot be funded using Proposition 1A funds dedicated to High Speed Rail (HSR) so the funding must come from local funds. Mr. Brown said local funds that Caltrain is providing to match the Proposition 1A funds are no longer at the same amount as the Proposition 1A HSR funds. This violates the matching funds requirement of Proposition 1A. The MOU funding plan also includes funds for the Communications-based Overlay Signal System/Positive Train Control (CBOSS/PTC). CBOSS is not compatible with the PTC system HSR is going to use. Mr. Brown said the total matching fund requirement for Proposition 1A is more than \$400 million short. He has raised this issue with the CHSRA and was told Caltrain would respond to him. He has yet to hear anything.

Paul Jones, Atherton, said he urges the Board to approve funding for the engineering and cost investigation into eliminating hold-out requirements at South San Francisco, Broadway and Atherton Caltrain stations. This is a serious safety risk for the entire system.

Roland LeBrun, San Jose, said he attended the Environmental Impact Report (EIR) scoping meeting for the Great Oaks Project, which requires rezoning of a 77-acre site within 1 mile of the Blossom Hill Caltrain Station. This project plans for an additional 720 housing units on top of the existing 2,800 planned for the Santa Theresa Transit Village. He said the problem is the Blossom Hill Caltrain Station only has a northbound platform and there is no parking. Mr. LeBrun said help is needed from the Santa Clara Valley Transportation Authority, including planning for four tracks to get ready for HSR. He said the Board is being asked to approve millions of dollars for on-call contracts while negating all responsibility for managing these contracts by the Staff Coordinating

Council (SCC). This problem needs to be resolved through supervision by the Citizens Advisory Committee (CAC).

Director Malia Cohen arrived at 10:06 a.m.

Director Adrienne Tissier arrived at 10:07 a.m.

Greg Conlon, Atherton, said safety issues are still a concern and something needs to be done. He said San Mateo County has dedicated \$400 million for grade separations. There is also the option to install quad gates through the entire system.

CONSENT CALENDAR

- a. Approval of Minutes of March 7, 2013

A motion (Nolan/Deal) to approve the Consent Calendar was unanimous.

CHAIRPERSON'S REPORT

Chair Yeager said the JPB is accepting applications to fill three seats on the CAC. Recruitment will open on April 8, applications are due May 3 and appointments will be made at the June 6 JPB meeting.

REPORT OF THE CAC

CAC Chair Kevin Gardiner said at its March 20 meeting, the CAC:

- Received a presentation on the San Bruno Grade Separation Project.
- Committee comments included a discussion of a bike policy change, bike sharing and status of the Guadalupe Bridge project.

Public Comment

Roland LeBrun, San Jose, said currently the CAC receives second-hand reports on items approved at the previous Board meeting. This is wrong and the CAC should be the first to review any item that will eventually require Board approval. Both the San Francisco Municipal Transportation Agency (SFMTA) and VTA have items that require Board approval go to the CAC first. Mr. LeBrun said the San Bruno Grade Separation Project has no plans to elevate the temporary shoofly. He is requesting all work be suspended on the east side of the project until the engineering is complete, the cost estimates are updated and the funding for the two additional tracks is lined up.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Michael Scanlon reported:

- Key Caltrain Performance Statistics
 - Monthly Performance Statistics – February 2013 compared to February 2012
 - Total Ridership was 11,166,994, an increase of 7.2 percent.
 - Average Weekday Ridership was 48,032, an increase of 11.8 percent.
 - Total Revenue was \$5,256,938, an increase of 12 percent.
 - On-time Performance was 93.5 percent, a decrease of 1.1 percent.
 - Caltrain Shuttle Ridership was 7,720, a decrease of 4.6 percent.

- Year-to-date Performance Statistics – February 2013 compared to February 2012
 - Total Ridership was 10,126,786, an increase of 11.3 percent.
 - Average Weekday Ridership was 47,869, an increase of 11.9 percent.
 - Total Revenue was \$44,683,905, an increase of 16.6 percent.
 - On-time Performance was 90.7 percent, a decrease of 2.9 percent.
 - Caltrain Shuttle Ridership was 8,182, an increase of 16 percent.
- Annual onboard passenger counts are complete and staff will present the results next month.
- The Bicycle Advisory Committee met on March 21 and received a Brown Act presentation and staff provided an overview on the bike program. Next meeting is May 16.
- Special service:
 - The World Baseball Classic was held March 17-19 and an additional 13,000 passengers were carried.
 - Giants exhibition games were on March 28-29 and an additional 13,000 passengers were carried.
 - Sharks had six home games in March and an additional 2,800 passengers were carried, up 29 percent over last season.
 - Giants home opener is April 5 and traditional baseball service will be provided.
- Staff partnered with VTA for the Gilroy Open House at the Gilroy Caltrain Station on March 23.
- The ticket vending machines will have a San Francisco baseball button for passengers to purchase same-day roundtrip tickets.
- The “How to Ride” video was shown.
- Staff has been receiving recognition for social media efforts, most recently in *Skedaddle*.
- The reading file contains correspondence, the February Safety and Security Report, Giants brochure, *Track the Fun* and a Takeone for the CAC recruitment.

Caltrain Modernization Program

Executive Officer, Caltrain Modernization Marian Lee said staff is currently summarizing more than 200 comments in response to the scoping Notice of Preparation for the project EIR. The draft blended system planning studies will be out in April for public review.

Ms. Lee said staff is starting to expand resources for the Caltrain Modernization Program in preparation for the completion of the environmental document and the next steps. Ms. Lee said staff will develop a process to select the most appropriate project delivery approach for corridor electrification and vehicle procurement, which will be coupled with updating the cost estimates of the project and translating the funding plan into cash flow needs. Ms. Lee said staff wrote a letter to the Metropolitan Transportation Commission to start the preparation of cash flowing the program. Staff will continue with the funding plan and looking at all the cash flow needs with the nine parties of the MOU and continue to meet all the Proposition 1A requirements, as well as all the other local, regional, State and Federal requirements that come with the various sources that are funding the program.

Ms. Lee said staff will start reaching out to the experts on vehicles and electrification and will hold an industry day to roll out the program and set a level playing field for all interested in future procurements.

Mr. Scanlon said staff will be back in May with the annual passenger counts, preliminary Fiscal Year (FY) 2014 budgets and some possible strategies to get more capacity to accommodate riders. The capital budget will have a provision to start looking at the engineering of the hold-out station rules.

Director Ash Kalra asked if there is any timeline or update for Wi-Fi on the trains. Mr. Scanlon said staff can provide an update at the May meeting.

ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR FEBRUARY 2013

Deputy CEO Gigi Harrington said revenues are \$1 million above budget and there are savings of \$1.6 million on the expense side. Last week fuel was \$3.27 per gallon and year to date is \$3.19 per gallon. The JPB received \$40,000 in March and year to date \$446,000 from the fuel hedge.

A motion (Nolan/Lloyd) to accept the February 2013 statement was approved unanimously.

ASSESSMENT OF THE FISCAL YEAR 2013 FUEL HEDGING PROGRAM

Ms. Harrington said this is the time of the year when staff goes through the process to start the Fuel Hedge Program. Last year half the fuel portfolio, or 2.25 million gallons, was hedged at \$2.80 per gallon. Staff proposes the same process this year.

ADOPT THE REVISED FUEL HEDGING POLICY TO CONFORM TO DODD-FRANK, AWARD OF CONTRACT TO ORRICK, HERRINGTON & SUTCLIFFE LLP TO SERVE AS SPECIAL COUNSEL FOR THE FISCAL YEAR 2014 FUEL HEDGING PROGRAM FOR A NOT-TO-EXCEED FEE OF \$125,000

Ms. Harrington said this item is to revise the policy and appoint special counsel for the fuel hedge transaction. One-third of the legal fees are paid by the San Mateo County Transit District and the JPB pays two-thirds. The change to the policy is to comply with the Wall Street Transparency and Accountability Act of 2010 called Dodd-Frank. Dodd-Frank creates a wall between the JPB, the advisors and the banks that are going to bid on the transaction. It creates a transparent process for the transaction so staff cannot be unduly influenced by the bidders.

Director Tom Nolan asked the history of the Fuel Hedge Program. Ms. Harrington said this will be the fifth year of the transaction and is recommended to the Board to create budget certainty.

A motion (Tissier/Nolan) to approve the fuel hedge documents was approved unanimously.

AUTHORIZE AWARD OF CONTRACTS TO HDR ENGINEERING, INC. AND RAIL SURVEYORS & ENGINEERS, INC. FOR ON-CALL GENERAL ENGINEERING CONSULTANT SERVICES IN AN AGGREGATE NOT-TO-EXCEED AMOUNT OF \$15 MILLION FOR A THREE-YEAR TERM

Director, Contracts and Procurement Cheryl Cavitt said last August staff brought these contracts before the Board and recommended rejection of all bids. This is a redo of the procurement and the subject matter has been split into two categories, bridges and structures. Ms. Cavitt said staff followed the traditional process for procuring engineering services. Seven proposals were received for the bridge category and five for the structures category. The proposals were evaluated by a committee comprised of staff from JPB, the Bay Area Rapid Transit, SFMTA and VTA. All proposers within the competitive range were invited for interviews. There is excellent Disadvantaged Business Enterprise participation by both proposers.

Public Comment

Adina Levin, Friends of Caltrain, said having on-call contracts is a reasonable way to manage contractors for repeated projects. She said although the contractor is on-call for bridge design it isn't for any specific bridge design project. If there is a bridge design project she asked if it would come to the Board for review before approval. Ms. Levin said she endorses Mr. LeBrun's earlier suggestion that in addition to reviewing bridge design projects by the Board there is community level vetting with the Local Policy Maker Working Group and the CAC.

Legal Counsel David Miller said through the capital budget process individual projects will be brought forward. There is not a specific design being approved or particular bridge project as part of this action.

Roland LeBrun, San Jose, said the resolution leaves many questions. Why was this opportunity not advertised in an international trade press? Why did some of the other big guns not bid for this contract? Who were the other 12 bidders and why did they not make it to the final three? Why is staff even looking at retrofitting the 22nd and 23rd Street bridges in San Francisco and abandoning Tunnel One? He asked if there will be equity among the three partners or will the entire budget be used for grade separations? Mr. LeBrun said he would like the Board to consider amending the contract award from \$15 million with two \$10 million extensions for a total of \$35 million to \$5 million and two \$5 million extensions for a total of \$15 million until the SCC reports back to the Board on exactly what is being designed and where the funding is coming from.

A motion (Nolan/Deal) to award contracts to HDR Engineering, Inc. and Rail Surveyors & Engineers, Inc. for on-call engineering consultant services was approved unanimously.

AUTHORIZE AWARD OF CONTRACT TO SHIMMICK CONSTRUCTION COMPANY, INC. FOR THE SIGNAL PREEMPTION IMPROVEMENT PROJECT IN THE TOTAL AMOUNT OF \$1,849,500

Ms. Cavitt said this contract is designed to enhance safety by improving train approach warning systems at five crossings. The crossings are at Brewster Avenue in Redwood City, Churchill and East Meadow Avenues in Palo Alto and Rengstorff Avenue

and Castro Street in Mountain View. Selection of these sites was coordinated with the California Public Utilities Commission and JPB staff.

Public Comment

Adina Levin, Friends of Caltrain, said the changes in the signal contract involve increasing gate down time at five intersections and re-signalizing the traffic lights. She hopes there is outreach to the affected communities.

Jeff Carter, Millbrae, said there will be some increased gate down time and when a train is at a station he hopes the gate will time out and release so traffic is not stopped the entire time the train is at the station.

A motion (Tissier/Nolan) to award a contract to Shimmick Construction for the Signal Preemption Improvement Project was approved unanimously.

AUTHORIZE THE SECOND AMENDMENT OF THE USE, OPERATING AND MAINTENANCE (UOM) AGREEMENT FOR THE MILLBRAE INTERMODAL STATION

Deputy CEO Chuck Harvey said when the Millbrae Intermodal Station was completed, the JPB entered into a cost-sharing agreement with BART to maintain the station. The costs were allocated through a cost model. This amendment codifies the agreement through FY2018 and the costs are being controlled by an agreement so they won't increase beyond the Consumer Price Index inflation.

A motion (Lloyd/Nolan) to authorize the second amendment of the UOM agreement for the Millbrae Intermodal Station was approved unanimously.

ADOPTION OF CALTRAIN TITLE VI STANDARDS AND POLICIES

Director, Rail Michelle Bouchard reported:

- The Federal Transit Administration requires approval and submission of five standards and policies.
 - The Major Service Change Policy is the criteria for determining when service change is significant enough to require a thorough analysis of potential effects on protected populations. Staff is recommending a change of 25 percent or more total train revenue miles and greater than 50 percent change in the number of trains stopping at a station per day.
 - Disparate Impact and Disproportionate Burden Policies determine the threshold when adverse effects of a fare or service changes are borne disproportionately by minority or low-income populations. Staff is recommending a 10 percent threshold
 - Services Standards and Policies are established to monitor performance in quantifiable and qualitative measures/metrics. Service standards include vehicle load, vehicle headway, on-time performance and service availability. Service policies are vehicle assignment and transit amenities.
- Four community meetings were held and comments were accepted through March 29. Meetings were sparsely attended and only one comment was received.

Public Comment

Roland LeBrun, San Jose, said staff has to ensure cash customers are not targeted because most cash customers are minorities.

A motion (Lloyd/Tissier) to adopt the Caltrain Title VI Standards and Policies was approved unanimously.

LEGISLATIVE UPDATE

State Update

Executive Officer, Public Affairs Mark Simon said Acting Business Transportation and Housing Secretary Brian Kelly has formed a California Transportation Finance Working Group to explore options for meeting the State's long-term transportation funding needs and priorities. Public transit agencies will be represented on the working group through the California Transit Association. The first meeting is April 9 and one of the first things the group will be discussing is a recent report issued by the American Society of Civil Engineers which gave the State an overall grade of "C" for its infrastructure and cites "a lack of sufficient investment for the operations and maintenance of existing facilities and dedicated funding sources for new improvements to the system. There is a need for \$10 billion per year more to be spent for ongoing maintenance of existing facilities and an investment of \$36.5 billion to raise transportation to a "B" grade."

Federal Update

Mr. Simon said Congress is working to pass a continuing resolution and start work on the FY2014 appropriations process. Last year the Federal investment in the California High Speed Rail Project was a key topic during the appropriations process. Republican Congressmembers Jeff Denham and Kevin McCarthy requested the Government Accountability Office (GAO) review the project's cost, ridership and revenue projections. The GAO report released last week gave the project an overwhelmingly positive review.

Mr. Simon said there was a home value study done by the American Public Transportation Association and the Association of Realtors that showed property within a half-mile of transit sustained its value more effectively during the recession and rebounded more rapidly.

CORRESPONDENCE

No discussion.

BOARD MEMBER REQUESTS

None

GENERAL COUNSEL REPORT

Mr. Miller said staff has contacted the general counsel for the CHSRA to see if their chair indicated Caltrain would respond to Mr. Brown's request. It is clear Proposition 1A is going to be complied with in the final analysis and the agreement that has been entered into codifies the blended system as the plan around which HSR will be designed and constructed and contains a funding plan template. Over time the funding plan will evolve as estimates are prepared and the public can be assured

Joint Powers Board Meeting
Minutes April 4, 2013

Proposition 1A will be complied with and CSHRA, the JPB, or both will provide a response to Mr. Brown.

DATE/TIME/PLACE OF NEXT MEETING

The next meeting will be Thursday, May 2, 2013, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070.

Adjourned at 10:55 a.m.