

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

**Minutes
September 5, 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, J. Cassman, C. Cavitt, A. Chan, G. Harrington, C. Harvey, R. Haskin, M. Lee, M. Martinez, N. McKenna, D. Miller, S. Murphy, M. Scanlon, M. Simon

Vice Chair Tom Nolan called the meeting to order at 10:03 a.m. and led the Pledge of Allegiance.

PUBLIC COMMENT

Doug DeLong, Mountain View, said he saw the new bike share facility at the Mountain View Caltrain Station and he likes the decal on the bikes informing riders to yield to pedestrians, walk bikes on sidewalks, ride with traffic, and obey all traffic laws.

Brian Skinner, San Mateo, said he is worried about the timeline of the San Mateo Bridge Replacement Project. He is concerned there has not been adequate discussion on this project and the number of trees being cut down before the current round of questions have been answered by staff or further discussion with the public has been done on this issue. Mr. Skinner requests the Board hold off on a site-clearing contract until the JPB Citizens Advisory Committee (CAC) has had time to make their recommendation to the Board.

Chair Ken Yeager arrived at 10:06 a.m.

Michael Scanlon, Executive Director, said the earliest it will be presented to the Board for contract approval is October.

CONSENT CALENDAR

- a. Approval of Minutes of August 1, 2013
- b. Authorize Executing an Agreement to Receive an Operation Lifesaver Grant in a Total Amount of \$18,875 and Increasing the Fiscal Year (FY) 2014 Operating Budget by \$18,875 to \$119,991,971 in Revenue

A motion (Nolan/Lloyd) to approve the Consent Calendar was passed unanimously.

CHAIRPERSON'S REPORT

No report

REPORT OF THE CAC

No report

REPORT OF THE EXECUTIVE DIRECTOR

Proclamation Declaring September as Rail Safety Month

Mr. Scanlon said Caltrain has partnered with Operation Lifesaver (OL) for more than 20 years in continuing efforts to educate the community on how to be safe when walking, biking, living or being near the railroad tracks. Each year "Rail Safety Month" is observed with an activity, milestone or event. This year staff received a grant from the Federal Transit Administration (FTA), through OL, to engage in a community activity. Staff is working with Fresh Takes, a digital arts program for young filmmakers, to develop a series of safety vignettes aimed at safety around the tracks.

Director Ash Kalra arrived at 10:12 a.m.

Chair Yeager thanked staff for all their efforts in working with the youth from Fresh Takes. He presented proclamations to Pete Aadland from OL and Pete Liebengood, Executive Director, Fresh Takes.

Mr. Liebengood said the youths worked on the project in August and created 10 vignettes.

Mr. Aadland thanked everyone for their rail safety efforts. He said last year there were 112 fatalities in California, the most in the nation.

A motion (Nolan/Lloyd) to proclaim September as "Rail Safety Month" was approved unanimously.

Mr. Scanlon, Executive Director reported:

- There was a fatality in Palo Alto the morning of August 29.
- A Caltrain safety vignette by Fresh Takes was shown to the Board. They will premiere on September 26 at the Redwood City Century Theater.
- Key Caltrain Performance Statistics
 - Monthly Performance Statistics – July 2013 compared to July 2012
 - Total Ridership was 1,491,886 an increase of 14.2 percent.
 - Average Weekday Ridership was 54,989, an increase of 13.1 percent.
 - Total Revenue was \$6,653,515, an increase of 14 percent.
 - On-time Performance was 90.4 percent, a decrease of 3.3 percent.
 - Caltrain Shuttle Ridership was 6,642, a decrease of 10.9 percent.
- The Bicycle Advisory Committee (BAC) did not meet in August. The next BAC meeting will be September 19.
- The Bike Sharing Program was officially launched on August 29. It is a regional pilot project with 700 bikes at 70 kiosks, including kiosks at 4th and King, Redwood City, Palo Alto, Mountain View, San Antonio, and San Jose Caltrain stations.
- Giants baseball ridership is down about 6 percent for the year. There were 14 home games in August and 93,000 people were carried.

- Stanford football begins on September 7 and trains will stop at Stanford Stadium.
- Staff is planning two celebrations for the 150th Anniversary of Caltrain: October 19 at the Menlo Park Caltrain Station and January 18, 2014 at the Santa Clara Caltrain Station.
- The Reading File contains a Take One for the 150th Anniversary celebration and the July Safety & Security Report.

4th and King Station/Yard Reduction/Removal Feasibility Assessment Update

Marian Lee, Executive Officer, Caltrain Modernization, said:

- The study was requested and funded by San Francisco.
- The purpose was to look at the feasibility of reducing or removing the existing 4th and King terminus yard area in San Francisco.
- After the technical portion of the study is complete, staff will consider the next steps to continue to work with San Francisco on this effort. One of the questions San Francisco asked was if there were any viable options to consider including it in the electrification environmental document.
- Criteria for consideration of the reduction of removal of the rail yard includes whether:
 - Inclusion would cause minor delays in the Electrification Environmental Impact Report (EIR) schedule.
 - It would trigger modest changes to the project description.
 - It would require relocation of functions at the existing facility within the Caltrain right of way.
 - It would create substantial additional cost.
 - It would trigger unmanageable public/environmental issues.
- Michelle Bouchard, Director, Rail Operations, is the project manager. Ms. Bouchard worked with staff from planning and funding departments in San Francisco, as well as the mayor's office, Caltrain staff, and LTK Engineering.
- Key tasks of the technical evaluation are objectives and evaluation criteria, service plans and facility needs, scenario development, and scenario analysis.
- Needed functions of the rail yard are:
 - Support a mixed-fleet service that will convert to an electric fleet, increase peak-hour service, storage of 10 to 11 trains, and ability to provide service for special events
 - Inspection/light maintenance facilities
 - Crew and staff facilities
 - Bike facility
- Scenario Development
 - San Francisco has an interest in combining street-level development along the edges of the property in addition to podium-style development over the yard.
 - Staff looked at multiple configurations and decided to look at only three options, two of which would reduce the facility and one calling for total removal. The removal option is a very complex analysis and much larger than the scope of this study and if that option were to continue to be pursued it would need to be studied separately.

- Option A:
 - Street-level development along Townsend and 4th with podium development over the yard.
 - Potential to support needed functions without offsite location.
 - Capital, operating, and maintenance costs to be determined.
- Option B:
 - Street-level development along Townsend and King with podium development over the yard and street level along 4th Street with station integrated.
 - An off-site location would need to be identified and acquired to support needed functions.
 - Capital, operating, and maintenance costs to be determined with additional costs for either the purchase, acquisition or lease of an off-site facility.
- With the possible need for an off-site yard, staff looked at the total corridor within the right of way and some potential sites outside but adjacent to the corridor. Location considerations included: proximity to the 4th and King terminus where trains need to be deployed, access to the mainline to reduce deadhead time, size and shape of the site, and ownership. Potential locations must be within the city and county of San Francisco to be close to the terminus area. The purpose would be to provide storage and light maintenance functions, and other staff and crew facilities.
- Next steps
 - Complete cost analysis.
 - After the technical evaluation, staff will screen them through the EIR inclusion criteria.
 - Next month staff will present recommendations for the next steps in working with San Francisco in supporting development and the electrification project.

Public Comment

Jeff Carter, Millbrae, said he urges caution in giving away valuable resources that Caltrain may need for future expansion. He asked what podium-style development means.

Vaughn Wolfe, Pleasanton, said storage of 10 to 11 trains seems like a significant limitation because no one knows what will be needed in 100 years.

Roland Lebrun, San Jose, said the focus is the Transbay Terminal and the only reason electrification is needed is to get to the Transbay Terminal. To get to the Transbay Terminal, the Downtown Extension alignment needs to be fixed. Staff needs to identify the location of the future Mission Bay Station. Once these two things are in place everyone's objectives will be achieved and the 4th and King Station can be shut down.

Communications-Based Signal System Overlay/Positive Train Control (CBOSS/PTC) Project Update

Chuck Harvey, Deputy CEO, reported:

- This project is designed to meet all Federal requirements, improve performance and is being done in partnership with the Federal Railroad Administration (FRA), Union Pacific, and California High-Speed Rail Authority.
- CBOSS/PTC requirements are that it must prevent train-to-train collisions and over-speed derailments and is interoperable with the other rail systems that will use the right of way.
- Total project cost is \$231 million.
- Project has been split into three segments. Segment 3 is eight miles long and is in San Jose, Segment 2 is 36 miles long and runs between Santa Clara and South San Francisco, and Segment 1 is eight miles long and runs between South San Francisco and San Francisco.
- The project was split into three segments because of the complexity that occurs in the north and south segments. The south segment has all the tenant railroads and the north segment has hills, tunnels and geographic issues that make the communication system more challenging.
- Data communications and subsystem installation is beginning now and will provide the data system to manage PTC. The wayside interface units will show where the train is. Both of these installations will have impact to the local community.
- The FRA will be on site as the system is being tested.
- Photos of fiber installation and base station installation were shown.
- There are 14 base stations within the Caltrain right of way and many are near Caltrain stations. There will be five stations in San Francisco, two in San Mateo and one in Brisbane, Burlingame, unincorporated San Mateo County, Palo Alto, Sunnyvale, Santa Clara and San Jose. It will take approximately two weeks to install each base station.
- Outreach
 - Continue working with the communities.
 - Fact sheets have been created for each city.
 - Project information distribution includes website with fact sheets, presentations, dedicated project hotline and email, weekly updates on website, social media, construction e-notice, and direct mailers to residents on both sides of the tracks.
- Next steps include permits and installation coordination, continued outreach and briefing interested groups, as requested.

Chair Yeager appreciated the outreach and keeping the noise level down as much as possible. He would ask that individual Board members be notified when construction begins in their area.

Public Comment

Roland Lebrun, San Jose, said he submitted a letter to the Board on this project. He said Phase 1, specifically task 2, the PTC Development Plan, is not complete and was to be approved last year and was just submitted to the FRA at the end of May. He said the

Executive Director should not have issued the Notice to Proceed for Phase 2, let alone Phase 3 because it would be unwise to start designing something the FRA might not approve. Mr. Lebrun said Senate Bill (SB) 1462 was introduced and this bill would extend the PTC implementation deadline to 2020. He finds it surprising that this bill is missing from staff's legislative matrix.

Jeff Carter, Millbrae, said he sees a lot of disparaging comments on blogs on CBOSS/PTC. He asked what the longevity of CBOSS/PTC will be for Caltrain. He said staff should not be limited to six trains per hour because we don't know what the future holds. There is a lot of demand for service and the ability to accommodate the current and future ridership.

Greg Conlon, Atherton, said the application by Burlingame to do a grade crossing brings the opportunity or possibility of doing trenching through Palo Alto, Menlo Park, and Atherton. This will alleviate a lot of congestion through these communities. There has been a report issued by an engineering firm of doing a covered trench to mitigate safety and sound and he will forward to Mr. Scanlon and Mark Simon, Executive Officer, Public Affairs.

AUTHORIZE USE OF DESIGN-BUILD CONTRACTING APPROACH FOR THE ELECTRIFICATION COMPONENT OF THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT (PCEP) PURSUANT TO PUBLIC CONTRACT CODE SECTION 20209.5 ET SEQ.

Ms. Lee said this item was presented to the Board in August as an informational item. As requested by the Board, staff did some additional due diligence with local project sponsors.

- PCEP is electrification of 51 miles of the Caltrain rail system from San Francisco to Tamien Station, including electrified service with electric multiple units, operating six trains per hour per direction, and a transitional period of time in which there will be mixed fleet operating.
- The PCEP must be coordinated with Caltrain's State of Good Repair Program, CBOSS/PTC, the Downtown Extension Project (DTX), and must connect to the new Transbay Terminal and support high-speed rail (HSR) service.
- Program objectives:
 - Ensure system safety
 - Complete program within a \$1.2 billion budget
 - Electrified service by 2019
 - Build a quality system
 - Minimize impacts to rail service and customers during construction
 - Minimize impacts to environment
 - Support future HSR trains
 - Sustain effective partnership with stakeholders

- Recommended Design-Build delivery method:
 - Best match with program objectives
 - Contract scope will be design-build
 - Procurement method will be best value
 - Staff will issue two procurement packages, one for electrification, and one for vehicles
- Key benefits of Design-Build:
 - Good for large complicated projects
 - Good for systems projects
 - Transfer design risk to contractor
 - Improve project with innovative solutions
 - Get best value and maximize price competition
 - Select best qualified team
- Staff assessment/inputs in assessing Design-Build:
 - Project delivery workshops
 - System integration workshop
 - Agency participation from San Francisco Municipal Transportation Agency, Santa Clara Valley Transportation Authority (VTA), city of San Jose, San Mateo County, Regional Transportation District-Denver, Dallas Area Rapid Transit and Utah Transit Authority
- JPB responsibilities and key risk areas in Design-Build:
 - Board leadership
 - Right project team
 - Procurement process
 - Systems integration
 - Contract management/oversight
 - Agency coordination
 - Stakeholder coordination
 - Utilities/right of way
- Next steps:
 - Build project team
 - Prepare contract packages
 - Issue Request for Proposals in fall 2014

Ms. Lee said this presentation was given to the CAC and Caltrain Modernization Local Policy Makers Group and there was general support of the staff recommendation. She said there is a revised resolution with an additional recital added that highlights local planning efforts with all three counties.

Chair Yeager said he feels very comfortable with staff's recommendation based largely on his experience at VTA with the Bay Area Rapid Transit Project. He said he chairs the subcommittee that is overseeing that project and everything said in the report reflects his experiences at VTA. Chair Yeager said with these type of large projects Design-Build gives the flexibility that you can't have any other way.

Director Cohen asked if there is a cost for going forward. Ms. Lee said the electrification and vehicle procurement for about 75 percent of the fleet is \$1.2 billion, \$700 million plus is for the electrification portion and about \$400 million plus is for the vehicles.

Director Cohen asked if these are rough estimates and when updated numbers will be presented. Ms. Lee said in 2009 staff had completed 35 percent drawings on the electrification project and also estimated the cost of the vehicles. At that time staff had assumed revenue service of 2015. Ms. Lee said staff hopes to have most of the JPB team in place in early 2014 and have final numbers in the environmental document.

Director Ash Kalra said this project will be done while Caltrain is still operating. For transit systems, Design-Build is the way to go.

Public Comment

Roland Lebrun, San Jose, said he wrote a letter to the Board on rolling stock with private financing, including links to sample contracts. This approach would make it possible to replace the entire rolling stock at a capital savings in excess of \$400 million. Mr. Lebrun said it is customary to issue two separate RFPs, one for the poles and wires and one for the traction power supply. This approach eliminates the need to get into long-term relationships because traction power should take less than three years to design, manufacture and install and can be installed in parallel with the poles and take less than two years. Mr. Lebrun said the real issue to be considered by the Board is why we should consider electrifying a right of way that is systematically being destroyed one quarter of a mile at a time by the state of good repair process. He would recommend the Board consider delaying electrification until the DTX tunnels are built and continue using diesels. The only thing that should be allowed to proceed at this time is the environmental clearance effort.

Andy Chow, Bay Rail Alliance, urged the Board to approve the Design-Build option.

A motion (Kalra/Tissier) to use Design-Build contracting approach for the electrification component of the PCEP was approved unanimously.

Director Cohen and Directors Tissier left at 11:24 a.m.

ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR JULY 2013

Gigi Harrington, Deputy CEO, said July revenues are over budget by \$900,000 and there is \$1 million in savings on the expense side. Last week fuel was \$3.20 per gallon and year-to-date is \$3.11 per gallon. The JPB received \$37,000 from the fuel hedge in August.

Ms. Harrington said in October she will bring a chart showing yearly fare revenue and unaudited fare revenue for FY2013 which will be over \$68 million.

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

AUTHORIZE AWARD OF CONTRACT TO JACOBS ENGINEERING GROUP, INC. TO PROVIDE ON-CALL PROGRAM MANAGEMENT SERVICES FOR A TOTAL NOT-TO-EXCEED COST OF \$10,500,000 FOR A THREE-YEAR PERIOD

Cheryl Cavitt, Director, Contracts and Procurement, said this contract will provide invoice tracking, earn value calculations, training, document control and a number of other services. Jacobs is the incumbent.

A motion (Nolan/Lloyd) to award a contract to Jacobs Engineering Group, Inc. to provide on-call program management services for a total not-to-exceed cost of \$10,500,000 for a three-year period was approved unanimously.

LEGISLATIVE UPDATE

State Update

Seamus Murphy, Director, Government and Community Affairs, said the end of the year for the Legislature is September 13. Staff's two priority bills have made it through the process and are waiting the governor's signature. One bill would grant construction management/general contractor project delivery authority to the JPB. The other bill is the Peninsula Protections Act, which secures the Bay Area's share of the State funding that is identified in the HSR Memorandum of Understanding. This bill clarifies \$600 million will come to the Peninsula for early investment in the Caltrain corridor. That bill passed, but there was some late opposition from the Department of Finance. The governor's office has remained neutral and staff has been in contact with his office.

Director Tissier returned at 11:29 a.m.

Mr. Murphy said Senate Bill 556 would require a disclosure on the side of transit vehicles that are operated by service contractors has been amended and doesn't apply to transit agencies any more from a service perspective. It would apply to private security and health contractors. Transit agencies that have private security contracts would be affected.

Mr. Murphy said there are two bills to reduce the voter threshold to 55 percent for sales tax measures on behalf of transit and transportation. One was amended to state that half of the funds generated would need to go to Sustainable Communities Strategies Projects and this is potentially problematic. The Cap and Trade money is potentially limited to Sustainability Communities Strategies Projects. Senate Bill 1, which would authorize the replacement for redevelopment agencies, limits some of the funding to Sustainable Communities Strategies Projects. The other bill has not been amended. Both are two-year bills that will be addressed when the Legislature reconvenes for 2014.

Federal Update

Mr. Murphy said the JPB's application for the TIGER V grant was not successful for CBOSS. Staff is disappointed, but not surprised. There were \$9 billion in applications for \$474 million in funding. Staff will seek a debriefing from the U.S. Department of Transportation to understand what the potential shortfalls were in the application.

Mr. Murphy said a bill was introduced that would grant a blanket extension for the PTC deadline. The FRA's position is there shouldn't be a blanket extension, but year-to-year extensions granted when projects apply for them and only if they meet certain milestones. Staff doesn't think there will be any resolution on this issue this year. None of these efforts to extend the deadline apply to JPB's projects.

Chair Yeager asked if anything needs to be done regarding the bill for the 55 percent threshold for transportation. Mr. Murphy said there is a need to advocate for a bill that is going to maintain as much flexibility as possible. Senate Constitutional Amendment (SCA) 8 does that and SCA4 was amended to narrow the scope of projects.

CAPITAL PROJECTS QUARTERLY STATUS REPORT – 4TH QUARTER FISCAL YEAR 2013

Ms. Harrington said this report is for information only.

CORRESPONDENCE

No discussion.

BOARD MEMBER REQUESTS

None

DATE/TIME/PLACE OF NEXT MEETING

The next meeting will be Thursday, October 3, 2013, 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: Conference with Real Property Negotiators
Property: 4020 Campbell Avenue, Menlo Park, CA
Agency Negotiators: Gigi Harrington; David Miller
Property Owner: Campbell Avenue Portfolio, LLC
Negotiations Scope: Price and Terms of Payment

David Miller, Legal Counsel, said the Board will meet in closed session to receive a report on real property negotiations for 4020 Campbell Avenue in Menlo Park.

Adjourned into closed session at 11:35 a.m.

Reconvened at 11:40 a.m.

Mr. Miller said the Board met in closed session as permitted by the Brown Act to discuss negotiations taking place with property at 4020 Campbell Avenue in Menlo Park. Instructions have been provided to the Executive Director and there is no official action to be taken at this time.

Adjourned at 11:41 a.m.