

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

**Minutes
January 9, 2014**

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

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

Chair Ken Yeager called the meeting to order at 10:02 a.m. and led the Pledge of Allegiance.

REPORT FROM NOMINATING COMMITTEE (CISNEROS, TISSIER, WOODWARD)

Director Perry Woodward said the committee is nominating Director Tom Nolan for chair and Director Jerry Deal for vice chair.

A motion (Cisneros/Lloyd) to nominate Director Nolan for chair and Director Deal for vice chair was unanimous.

Director Malia Cohen arrived at 10:05 a.m.

PUBLIC COMMENT

Greg Conlon, Atherton, said Caltrain's ridership and the growth in Silicon Valley are going to be very high in the next 10 years, especially with the new 49ers stadium in Santa Clara.

Jeff Carter, Millbrae, said the extra New Year's Eve service ran well. He was able to get on the first train out of San Francisco at 12:45 a.m. and ridership was good.

CONSENT CALENDAR

- a. Approval of Minutes of December 5, 2013
- b. Authorize the Filing of Applications for State Proposition 1B Transit Security Grant Program Funds with the California Governor's Office of Emergency Services in the Amount of \$939,246 in Fiscal Year (FY) 2013/2014

Director Adrienne Tissier arrived at 10:08 a.m.

A motion (Lloyd/Yeager) to approve the Consent Calendar was passed unanimously by roll call.

CHAIRPERSON'S REPORT

Resolution of Appreciation to Outgoing Chair Ken Yeager

Chair Nolan said Director Yeager did an outstanding job last year and ran a very efficient meeting.

A motion (Tissier/Woodward) to approve the resolution was unanimous.

Director Yeager thanked everyone and said it was a pleasure to serve as chair. He said everyone is very professional and things are done in the best way possible for the organization.

REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)

Kevin Gardiner, CAC Chair, said at its December 18 meeting, the CAC:

- Received a presentation on customer satisfaction. Overall, satisfaction in most areas continues to increase. Staff explained the methodology of the survey.
- Started a discussion on capacity that will be continued to the January meeting.
- Wants to delve deep into issues, and they may be able to discuss only one item at each meeting due to time constraints.
- Next meeting is January 15, at which time a new chair will be elected.

Chair Nolan thanked CAC Chair Gardiner for his service.

REPORT OF THE EXECUTIVE DIRECTOR

Michael Scanlon, Executive Director reported:

- Congratulated Chair Nolan and Vice Chair Deal on their election.
- Thanked Director Yeager for his service last year.
- Showed a video of the Holiday Train.
- Announced that the 150th Anniversary of Caltrain event will be on Saturday, January 18, starting at 9 a.m. at the 4th and King Station, where the Native Sons of the Golden West will place a plaque recognizing the historical significance of the railroad. The train will depart San Francisco and stop at the seven historical stations before arriving at the Santa Clara station. A formal event will start around 11:30 a.m. at the Santa Clara Station and speakers include Chair Nolan, Director Tissier and Director Ash Kalra.

Proclamation Declaring January 16, 2014 the 150th Anniversary of Passenger Rail Service Along the Caltrain Corridor

Mr. Scanlon said staff is asking the Board declare January 16, 2014 the 150th Anniversary of Caltrain.

A motion (Tissier/Yeager) to approve the proclamation was unanimous.

Chair Nolan and Vice Chair Deal presented the proclamation to Marcia Skelton from the Native Sons of the Golden West.

Ms. Skelton said she is honored to accept the proclamation on behalf of the Native Sons of the Golden West, and very excited to be part of the event.

Mr. Scanlon continued:

- Key Caltrain Performance Statistics
 - Monthly Performance Statistics – November 2013 compared to November 2012
 - Total Ridership was 1,325,955, an increase of 8.1 percent.
 - Average Weekday Ridership was 51,991, an increase of 9.9 percent.
 - Total Revenue was \$5,839,024, an increase of 10.8 percent.
 - On-time Performance was 93.5 percent, an increase of 2.7 percent.
 - Caltrain Shuttle Ridership was 9,222, an increase of 5 percent.
 - Year-to-date Performance Statistics – November 2013 compared to November 2012
 - Total Ridership was 7,115,414, an increase of 7.8 percent.
 - Average Weekday Ridership was 53,374, an increase of 8 percent.
 - Total Revenue was \$31,438,851, an increase of 7.1 percent.
 - On-time Performance was 91.5 percent, an increase of 2.3 percent.
 - Caltrain Shuttle Ridership was 7,422, a decrease of 16.3 percent.
- The Bicycle Advisory Committee (BAC) will meet on January 16.
- Special service:
 - San Jose Sharks had five home games in December and an additional 1,100 riders were carried.
 - An extra train was provided for the final 49ers home game on December 23 and an extra 2,300 passengers were carried.
 - The Fight Hunger Bowl was on December 27 at AT&T Park and an additional 2,300 passengers were carried, a 20 percent increase over last year.
 - New Year's Eve service carried an additional 10,000 riders on four extra northbound trains and six southbound post-fireworks trains.
 - The Freedom Train, chartered by the Martin Luther King Association of Santa Clara Valley, will depart the San Jose Diridon Station at 10 a.m. on January 20.
 - The Giants FanFest is on Saturday, February 1, from 10 a.m. to 3 p.m. Extra service will be provided.
- A modified Saturday schedule will be operated on Monday, February 17 for President's Day.
- Capital Projects:
 - Work continues on the San Bruno Grade Separation Project. Staff expects to have the project completed in early spring.
 - The San Mateo County Bridges Replacement Project is a two-phase project. The first phase will be for advanced site preparation. The second phase will be for bridge replacement. Staff is doing extensive public outreach.
- The Reading File contains the new *Track the Fun*, a Take One on the 150th Anniversary, and the November Safety & Security Report.

Caltrain Modernization Update

Mr. Scanlon said the Communications-based Overlay Signal System (CBOSS) installation is continuing, with work in Atherton, Menlo Park, Palo Alto, and Mountain View. To date, there have been no community complaints. Staff is working to release the electrification Draft Environmental Impact Report (DEIR) to the public in late February and present it to the Board at the March meeting.

Mr. Scanlon said there has been a complication on the Transit Oriented Development Project at Hayward Park. It looks like staff will have to resolicit the project. Mr. Scanlon said staff will touch base with the sub-committee and report to the full Board at a later date.

ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR NOVEMBER 2013

Gigi Harrington, Deputy CEO, said November revenues are over budget by \$3.5 million, and on the expense side there is \$2 million in savings. Ms. Harrington said fuel was \$3.08 per gallon last week and year-to-date is \$3.09 per gallon. The JPB will receive \$19,000 in December from the hedge, and year-to-date the JPB has received \$120,000.

Ms. Harrington said the Comprehensive Annual Financial report is completed and will be distributed at the February Board meeting. The auditors gave a clean bill of health on the report.

A motion (Lloyd/Deal) to accept the November 2013 statement was approved.

AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE THE PURCHASE OF 11 RAIL CARS FROM SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY (METROLINK) FOR AN AMOUNT NOT-TO-EXCEED \$4 MILLION

Chuck Harvey, Deputy CEO, said Staff Coordinating Council (SCC) is recommending the Board authorize the Executive Director to complete negotiations for the purchase of 11 used Bombardier railcars from Metrolink. Capacity has been an issue for some time and at certain times of the year trains are operating with standees. Mr. Harvey said until electrification is in service, the best thing that can be done is to lengthen the existing trains.

The authorization staff is seeking today is just the first of many steps. He said Metrolink staff needs to take this offer to their Board for approval. The cars are on a leveraged-lease transaction at Metrolink and they have to buy that transaction out and clear the titles. Mr. Harvey said staff is buying the coaches as-is, but with a clear title. The cars need to be rehabilitated. The JPB's rail car consultant, LTK Engineering, has been at Metrolink for several months looking at maintenance records, inspecting the cars and checking out the level of rehab work necessary. Mr. Harvey said Metrolink allowed staff to pick the best 11 cars out of the 23 they have available. He said the level of rehab work will require about the same investment as the cars, around \$4 million, plus or minus 10 percent. The funding sources for the rehab work will be brought to the Board for consideration at a future meeting. Excess fare revenue will pay for the purchase of the cars.

Mr. Harvey said locating six car trains on platforms is a bit challenging at some stations. There is room at almost every station, but at Menlo Park and Burlingame there are street crossings at the end of the platform, so where the train is spotted could have an impact on gate down-times. This may require staff to move the mini-high platforms and adjust how the trains are spotted.

The plan is to have every Bombardier set become a six-car train and there will be an additional Bombardier six-car train for a total of 6 six-car Bombardier train sets. Mr. Harvey said creating an extra train allows staff to break down a gallery train and add cars to other gallery sets so there will be five gallery sets with six-cars. Staff needs to test the running times for six-car trains. The acceleration and deceleration of a six-car train will be different from a five-car train. Mr. Harvey said once all of this is done staff can roll out a final schedule for the six-car consists and get them into revenue service. He said it is possible that these new cars could be in service in about 12 months, once the cars are obtained.

Mr. Harvey said if staff went to the market to buy these cars from Bombardier, it would cost between \$35 and \$40 million. This option will cost about \$8 million.

Director Kalra commended staff for seeking opportunities in a cost-effective manner. He asked why only 11 train cars were being purchased, and not the entire fleet. Mr. Harvey said it is an operational issue, and with Caltrain going to an electric fleet in 2019 staff didn't want too many older style cars.

Public Comment

Jim Bigelow, Redwood City/San Mateo County Chamber of Commerce, said business members are getting feedback from employees on the ever-growing crowding of trains. The Chamber is a strong supporter of moving this project forward. A lot of these high technology buses travelling on Highway 101 are also receiving complaints that it is taking longer to get to the workplace, and this is an excellent opportunity for Caltrain.

Doug DeLong, Mountain View, said he is happy to see this item come before the Board. This is a very cost-effective way of increasing service and the purchase is roughly one year's growth.

Jeff Carter, Millbrae, said he appreciates staff's efforts in getting more cars and asked if additional bicycle capacity will be added.

Adina Levin, Friends of Caltrain, said they are in full support of this item to address the capacity issue. The growth Caltrain is seeing is an underlying trend in the area.

A motion (Yeager/Tissier) to authorize the Executive Director to negotiate the purchase of 11 rail cars from Metrolink for an amount not-to-exceed \$4 million was approved unanimously by roll call.

AUTHORIZE AWARD OF CONTRACT TO URS CORPORATION AMERICAS FOR PROGRAM MANAGEMENT SUPPORT SERVICES FOR THE CALTRAIN MODERNIZATION PROGRAM FOR A NOT-TO-EXCEED AMOUNT OF \$10,167,109 FOR A THREE-YEAR BASE TERM

Cheryl Cavitt, Director, Contracts and Procurement, said SCC recommends the Board award a contract to URS Corporation, authorize the Executive Director to execute the contract, exercise up to 2 two-year additional option terms, and authorize the Executive Director aggregate change order authority of up to 15 percent of the total contract amount. She said this contract would provide program management services on an on-call basis, consisting of project controls, cost estimating, risk management, quality assurance, contract administration and document controls. Ms. Cavitt said four proposals were received and three proposers were interviewed.

A motion (Tissier/Yeager) to award a contract to URS Corporation Americas for program management support services for the CalMod Program for a not-to-exceed amount of \$10,167,109 for a three-year base term was approved unanimously by roll call.

AUTHORIZE REJECTION OF THE PROPOSAL SUBMITTED FOR A SYSTEMS SAFETY SPECIALIST FOR THE CALTRAIN MODERNIZATION PROGRAM

Ms. Cavitt said SCC recommends the Board reject the proposal from Ardanuy Consulting, Inc. This was the sole proposal received in response to the solicitation. Staff conducted extensive evaluation of the proposal and interviewed the proposer. Ms. Cavitt said that ultimately, staff found the proposer was lacking experience in the United States on programs of the JPB's size and complexity, and was not familiar with the Federal agencies it would have to deal with, such as the Federal Transit Administration (FTA) and the Federal Railroad Administration (FRA). She said staff intends to search for other ways of contracting for these services.

A motion (Lloyd/Woodward) to reject the proposal submitted for a systems safety specialist for the CalMod Program was approved unanimously.

AUTHORIZE REJECTION OF ALL PROPOSALS FOR TRAIN DISPATCH VOICE COMMUNICATION SYSTEMS UPGRADE SERVICES

Ms. Cavitt said SCC is recommending rejection of proposals received for a train dispatch voice communication systems upgrade services. Proposals were received from Day Wireless and Modular Communication Systems (Moducom). Staff determined Moducom's proposal was non-responsive and Day Wireless took many exceptions, both to the commercial terms and conditions, and to the technical requirements of the contract.

Director José Cisneros left at 10:58 a.m.

A motion (Tissier/Yeager) to reject all proposals for train dispatch voice communication systems upgrade services was approved unanimously.

AUTHORIZE REJECTION OF ALL PROPOSALS FOR CONTRACTED SHUTTLE SERVICES

Ms. Cavitt said SCC is recommending the Board exercise its right to reject all proposals received for contracted shuttle services. This will allow staff to do a resolicitation in a

way that ensures all proposers are being provided their information on a level playing field. This was a jointly developed and published Request for Proposal with the JPB, the San Mateo County Transit District (District) and the Peninsula Traffic Congestion Relief Alliance (Alliance). Ms. Cavitt said the solicitation was put through the normal process with an evaluation committee composed of staff from the JPB, the Alliance and Santa Clara Valley Transportation Authority. She said five proposals were received and the top three proposers were invited for an interview. Site visits were conducted and staff reached the conclusion that MV Transportation (MV) was the highest-ranked proposer.

Ms. Cavitt said after the evaluations were completed and the notices were sent to all proposers of staff's intent to recommend award of contract to MV Parking Corporation of American (PCAM) submitted a protest. One of the key elements of the protest was that MV had proposed an inadequate staffing plan. Early in the solicitation, staff provided the number of employees currently working for PCAM to all the proposers so they could develop the staffing plans and the cost associated with them. Ms. Cavitt said staff requested this information from PCAM and it was submitted in an Excel spreadsheet with two tabs. One tab was labeled "list of employees by seniority" and the other tab was labeled "employees by location". Nothing in those descriptions led staff to believe that the two lists would be different. Staff took the first tab, "employees by seniority", and provided to all proposers. When staff received PCAM's assertion that the staffing levels were inadequate, they requested again that current staffing be sent along with certified payroll data attached. The information provided by PCAM on the second round did show a higher number of employees than originally provided to the proposers. This caused a situation of inconsistent data being provided, and the proposers not having a fair and equal playing field on which to base their proposals.

Director Cisneros back at 11:02 a.m.

Ms. Cavitt said that without asking the Board to provide any ruling on the protest, staff is asking the Board to reject all proposals, so the contract can be resolicited utilizing data that is internally consistent, accurate, and complete.

Director Malia Cohen asked what PCAM's explanation was for the discrepancy in the numbers provided. Ms. Cavitt said staff didn't ask, but the second submittal of data supports the second tab in the Excel file that was sent.

Mr. Scanlon said there were two tabs with different data and the additional request also provided different data points.

A motion (Nolan/Lloyd) to reject all proposals for contracted shuttle services was approved unanimously.

Director Yeager left at 11:06 a.m.

AUTHORIZE AMENDING THE FISCAL YEAR 2014 OPERATING BUDGET IN THE AMOUNT OF \$1,513, 582 FROM \$119,991,971 TO \$120,505,553

Ms. Harrington said once a year staff comes to the Board to adjust the operating budget to reflect what has changed since the budget was adopted. The significant change is that farebox revenue is over budget by \$5 million. She said when the insurance was brought to the Board in July, staff was able to lower the deductible from \$2 million to \$1 million, and the cap of \$300 million. Ms. Harrington said staff will continue to monitor the fare revenue and bring a recommendation to the Board with the FY2015 Operating Budget to take the excess fare revenue from FY2014 and put it into FY2015.

A motion (Tissier/Deal) to amend the FY2014 Operating Budget in the amount of \$513,582 from \$119,991,971 to \$120,505,553 was approved unanimously by roll call.

AUTHORIZE AMENDING THE FISCAL YEAR 2014 CAPITAL BUDGET IN THE AMOUNT OF \$8,350,000 FROM \$190,564,950 TO \$198,914,950

Evà Goode, Manager, Budgets, said SCC is recommending an amendment to the FY2014 Capital Budget in the amount of \$8.35 million. Of that total, \$4 million will be used for the procurement of the railcars and \$4.35 million will be used for two grade separation projects in San Mateo County. Ms. Goode said the two projects are being funded by the San Mateo County Transportation Authority, from funds that are specific to the grade separation category and the JPB has been asked to lead the two projects.

Director Yeager returned at 11:08 a.m.

A motion (Deal/Lloyd) to amend the FY2014 Capital Budget in the amount of \$8,350,000 from \$190,564,950 to \$198,914,950 was approved unanimously by roll call.

AUTHORIZE ADOPTION OF TICKET POLICY GOVERNING DISTRIBUTION OF TICKETS AND PASSES RECEIVED BY THE JPB TO OFFICIALS AND EMPLOYEES

Martha Martinez, JPB Secretary, said the proposed policy complies with the regulations set forth by the California Fair Political Practices Commission (FPPC). The proposed policy would govern the distribution of tickets that are received and distributed by the JPB. Ms. Martinez said the policy designates the type of tickets: tickets at no cost to the JPB by an outside source, tickets acquired by the JPB by purchase at fair market value, or tickets acquired by the JPB pursuant to a contract the JPB may have that then provides free tickets or as a sponsor to an event. This policy would designate the General Manager/CEO or his designee to distribute the tickets. The value would be submitted on Form 802, retained, and made available to the public. Ms. Martinez said currently, if a ticket is provided to any officials or employees and is deemed as a gift, it would be reported on their individual Form 700.

A motion (Lloyd/Tissier) to adopt the ticket policy governing distribution of tickets and passes was approved unanimously by roll call.

LOS GATOS CREEK BRIDGE REPLACEMENT

Mr. Harvey said this is an informational item with no action to be taken by the Board today. Mr. Harvey reported:

- The bridge was built in 1935 and has exceeded its life expectancy.
- It is a two-track bridge located between the Diridon and Tamien stations.
- Operational limitations:
 - Each day 34 Caltrain trains use the bridge.
 - One track is owned by Union Pacific.
 - Lack of a tail track creates delays along corridor.
 - The existing bridge does not support planned service expansions at San Jose Diridon Station, including electrification.
- Project scope:
 - Demolish existing bridge one track at a time.
 - Replace existing bridge with a new, wider bridge that will meet current safety and seismic codes.
 - Construct a shoofly (third track) to maintain the two tracks in operations throughout the project.
 - Combined project cost range is \$40 million to \$45 million.
- Environmental review:
 - Includes analysis of existing conditions and potential impacts, and strategies to address the impacts.
 - The FTA is the lead agency for National Environmental Policy Act (NEPA), which identified the level of clearance.
 - The JPB is the lead agency for the California Environmental Quality Act (CEQA), which identified the mitigated negative declaration as the appropriate level of clearance.
- Potential impacts include noise, vibration, and creek habitat.
- Project construction schedule:
 - Creek access is limited to a window of time July through October and requires special measures to protect creek habitat and species.
 - Construction will take two windows to complete. Work in the creek can only occur during the window period.
- Community outreach:
 - Publication of CEQA in local newspapers
 - Publication of Draft Initial Study and Mitigated Negative Declaration (IS/MND) Environmental Document with the State clearinghouse
 - Two public comment periods on the documents
 - Two public meetings in San Jose
 - Communications and meeting with residents near the project
 - Close coordination with the city of San Jose Traffic and Parking Enforcement and Parks, Recreation and Neighborhood Services departments
 - Outreach to relevant community organizations.
- Tasks accomplished:
 - Initiated preliminary engineering design
 - Initiated NEPA and CEQA review processes
 - Prepared and published Draft IS/MND

- Compiled and answered public comments
- Prepared and re-circulated Revised Draft IS/MND
- Received comments to re-circulated Draft IS/MND
- Conducted public meetings
- Coordinated regularly with regulatory agencies
- Coordinated regularly with the city of San Jose
- Next steps:
 - Compile and answer comments to revised Draft IS/MND
 - Prepare Final IS/MND and Mitigation Monitoring and Reporting Program (MMRP) documents
 - Request Board approval of the IS/MND and MMRP in February
 - Complete the NEPA review process in summer 2014
 - Proceed with engineering design in coordination with relevant permitting regulatory agencies
 - Continue coordination with the city of San Jose and the Trail Project

Director Yeager said this bridge is in his supervisorial district. He said the project is not controversial and not in a location that affects many people. Director Yeager asked if he could be kept abreast on issues that come up, as this is the first time he has heard of the trail. Mr. Harvey said some of the trail advocates have a certain vision of where the trail should be located.

Director Kalra said the third track is important for the south county cities beyond Diridon.

Director Tissier asked if all the stars were aligned, when construction could begin. Mr. Harvey said summer 2016.

Mr. Harvey said one of the issues being raised by constituents and interested parties is the idea of building the bridge a different way and putting the shoofly on the east side instead of the west side. The problem with building a shoofly on the east side is the San Carlos overpass. The only way to continue service south of Diridon is to build a shoofly within the right-of-way, which requires no real estate on the west side.

Public Comment

Adina Levin, Friends of Caltrain, said this bridge is important to support capacity with the Diridon Station Plan. To fund this project and Caltrain's capacity it is essential for San Jose to achieve its goals for downtown. Caltrain needs to clearly communicate the value of Caltrain service to San Jose.

David Miller, Legal Counsel, said at the February meeting the Board will take action on the environmental document. The FTA has indicated its support of MND and the property is all within the Caltrain right-of-way. Mr. Miller said the issue before the Board next month could be based on whether something larger, such as an EIR is required, rather than the environmental work completed to date.

LEGISLATIVE UPATE

State Update

Seamus Murphy, Director, Government and Community Affairs, said the governor's budget will be released on January 9 and an allocation of Cap-and-Trade funding is being proposed. In FY2015, \$850 million will be proposed. Of that total, \$600 million will be for clean transportation and \$100 million will be for sustainable communities strategy implementation. The \$100 million is the regional funding that will flow through the Metropolitan Transportation Commission for allocation. Of the \$600 million, \$200 million for transportation will be for low carbon transportation, including zero-emission vehicles, and hopefully transit vehicles will be eligible. Rail Modernization will receive approximately \$300 million, and \$250 million will be for high-speed rail (HSR). This is not nearly enough to remedy the deficiencies that the judge found in the lawsuit, but the governor will be proposing a 30-year plan for allocating Cap-and-Trade funding for the Legislature to consider. Of the \$300 million for rail modernization, \$50 million will be for connectivity projects. The other Cap-and-Trade funding would go towards energy-efficiency and clean-energy projects, and to natural resources and waste diversion projects.

Federal Update

Mr. Murphy said the pre-tax commuter benefits expired at the end of 2013. Congress was not able to extend the benefits, so there will be a period of time where commuters will see their benefits reduced by about \$115 per month until Congress restores parity for commuters and drivers.

CORRESPONDENCE

No discussion.

BOARD MEMBER REQUESTS

Chair Nolan thanked everyone for electing him chair and said he looks forward to the year. Chair Nolan asked if there is any update from the judge's ruling last month on HSR.

LEGAL COUNSEL REPORT

Mr. Miller said there is nothing to update the Board on. HSR is still looking into their various options and a decision is still pending on the town of Atherton case. Mr. Miller said staff will be meeting with the counsel of HSR later in the month.

DATE/TIME/PLACE OF NEXT MEETING

The next meeting will be Thursday, February 6, 2014, 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 11:35 a.m.