

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

MINUTES OF DECEMBER 4, 2014

MEMBERS PRESENT: J. Cisneros, M. Cohen, R. Guilbault, A. Kalra, T. Nolan (Chair),
A. Tissier, K. Yeager

MEMBERS ABSENT: P. Woodward

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

Chair Tom Nolan called the meeting to order at 10:08 a.m. and led the Pledge of Allegiance.

PUBLIC COMMENT

Jeff Carter, Millbrae, said Caltrain runs an inadequate Saturday schedule on Black Friday. A number of people were waiting for a train early in the morning at the Millbrae station, but because of the schedule change they had to wait a long time, and there were no announcements about the change.

Shirley Johnson, San Francisco Bicycle Coalition (SFBC), said many bicyclists are bumped even when there is still space on the train. The conductors should be more considerate.

Marc Brandt, San Francisco Bicycle Advisory Committee, said the committee passed a resolution calling on Caltrain to add a third bike car to all Bombardier trains. He said Caltrain needs more onboard bike capacity, and paying bike passengers get bumped while all walk-on passengers are accommodated.

Paige Miller, San Francisco, said she takes her bike on the train to Stanford. She said she has been bumped a few times on the commute home, and if she has a commitment she cannot take the train. She requested that the Board make bikes a priority on the trains. She also said that the new rail cars should be made bike cars.

Jim Bigelow, Redwood City-San Mateo County and Menlo Park Chambers of Commerce, thanked David Miller, Legal Counsel, on behalf of the business community for going through the challenges with Union Pacific and Southern Pacific over the years and for all the work Mr. Miller has done.

Hans Nielsen, San Francisco, said his bike is an essential part of his commute. He said he usually travels on Gallery trains, but when a Bombardier train set is used, more bikes are bumped, and when train sets are interchanged it is hard for bicyclists to plan trips. He asked that the new Bombardier cars be made bike cars.

CONSENT CALENDAR

- a. Approval of Minutes of November 6, 2014
- b. Acceptance of Statement of Revenues and Expenses for Fiscal Year (FY) Ending June 2014 (Unaudited)
- c. Acceptance of Statement of Revenues and Expenses for October 2014
- d. Authorize Entering into a 10-Year Lease Agreement with Maverick Jack's, LLC for the Use of the Former Broadway Station Building at 1190 California Drive in Burlingame as a Restaurant
- e. Authorize Amendment to Citizens Advisory Committee Bylaws to Change How a Quorum is Defined

Motion/Second: Tissier/Yeager

Ayes: Cisneros, Cohen, Guilbault, Kalra, Nolan, Tissier, Yeager

Absent: Woodward

CHAIRPERSON'S REPORT

Resolution of Appreciation for Legal Counsel David J. Miller

Motion/Second: Yeager/Tissier

Ayes: Cisneros, Cohen, Guilbault, Kalra, Nolan, Tissier, Yeager

Absent: Woodward

The Board thanked Mr. Miller for his years of service.

Public Comment

Jeff Carter, Millbrae, said he appreciates Mr. Miller's work on the JPB and the San Mateo County Transit District. He said Mr. Miller has done great work and handled difficult negotiations expertly.

Mr. Miller said it will be a seamless transition, and he thanked the Board, audience and staff for their kind comments.

Appointment of Nominating Committee for 2015 Officers

Chair Nolan appointed directors Jose Cisneros, Rose Guilbault, and Ken Yeager to the nominating committee.

REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)

Cat Tucker, CAC Chair, said the CAC is happy to have two new members. She said the CAC voted to amend the Bylaws defining a quorum, received an update on accessibility and a report on electrification, and questioned what will be done in the short-term regarding ridership.

REPORT OF THE EXECUTIVE DIRECTOR

Michael Scanlon, Executive Director, reported:

- The Chairs of the three agencies have agreed to install a plaque at the Redwood City Caltrain Station recognizing Mr. Miller for the acquisition of the railroad.

- Key Caltrain Performance Statistics October 2014 compared to October 2013
 - Monthly Performance Statistics:
 - Total Ridership was 1,699,129, an increase of 18.3 percent.
 - Average Weekday Ridership (AWR) was 61,673, an increase of 19.2 percent.
 - Total Revenue was \$7,649,147, an increase of 24.2 percent.
 - On-time Performance (OTP) was 89.8 percent, a decrease of 2.4 percent.
 - Caltrain Shuttle Ridership was 8,246, an increase of 21.2 percent.
 - Year-to-Date Performance Statistics:
 - Total Ridership was 6,520,585, an increase of 12.6 percent.
 - AWR was 60,591, an increase of 12.8 percent.
 - Total Revenue was \$29,194,566, an increase of 14 percent.
 - OTP was 91.6 percent, an increase of 0.5 percent.
 - Caltrain Shuttle Ridership was 8,901, an increase of 28.2 percent.
The increase percentage is not accurate due to miscounts last year.
- The Bicycle Advisory Committee (BAC) met on November 20 and received updates on the San Francisco bike parking facility, and bicycle access and parking recommendations.
- Special service:
 - Levi's Stadium service:
 - The San Francisco 49ers will play on December 20 and 28.
 - The Pac-12 College Football Championship will be on December 5.
 - The Foster Farms College Bowl will be on December 30.
 - The Holiday Train will operate on December 6 and 7.
 - A Sunday schedule will run on Christmas Day. A full weekday schedule will run the day before and after Christmas.
 - Extra service will run on New Year's Eve, including four trains leaving San Francisco at 12:45 a.m., 1:15 a.m., 1:45 a.m., and 2:15 a.m.
 - A Sunday schedule will run New Year's Day.
 - The Freedom Train will go from Diridon to San Francisco on January 19.
- Work begins this month on the San Mateo County Bridges Replacement Project.
- Staff is working with the Santa Clara Valley Transportation Authority (VTA) on shifting the Caltrain main lines to accommodate a track extension for the VTA light rail.

Rita Haskin, Executive Officer, Customer Service and Marketing, said that regional transit agencies and the Metropolitan Transportation Commission (MTC) have been working on the Clipper 2.0 fare collection system. A public input process has just been kicked off. The information will be used to help develop the next generation of Clipper, which will go live in 2019. A survey is available at futureofclipper.com.

Public Comment

Catherine Young, BAC member, said the BAC is keen to hear the newly purchased rail cars will be used to increase bicycle capacity on Bombardier trains in the future.

Doug DeLong, Mountain View, said the month of October typically has a lot of mechanical delays. He said this year there were fewer minutes of delays, so Caltrain is making progress and there is evidence of improving reliability.

Adina Levin, Friends of Caltrain, said the original vision of Clipper was payment technology and integration of the Bay Area's fares and the customer experience. She said in order for MTC to make progress they will need to hear many customers say that Clipper should be about supporting the customer experience from point A to point B. The goal should be to serve customers with their end-to-end experience.

Director Malia Cohen said there are a lot of Clipper users who don't speak English, so outreach should be done in multiple languages.

PENINSULA CORRIDOR ELECTRIFICATION PROJECT (PCEP) FINAL ENVIRONMENTAL IMPACT REPORT (FEIR) RELEASE

Rich Walter, ICF Consultant, presented:

- The FEIR addresses key impact areas, other California Environmental Quality Act (CEQA) subject areas, cumulative impacts, and alternative analysis.
- Project Purpose and Need:
 - Improve Caltrain system performance
 - Increase service and ridership
 - Increase revenue and reduce fuel cost
 - Reduce environmental impacts related to train noise, air quality and greenhouse gas emissions
 - Provide California High-speed Rail Authority (CHSRA)-compatible electrical infrastructure
- Project Description:
 - Approximately 51 miles from San Francisco to Tamien Station
 - Electrification
 - Overhead contact system
 - Traction power facilities
 - Electric Multiple Units (EMUs)
 - Service:
 - Up to 79 miles per hour
 - Increase to six trains per hour per direction, add more station stops and reduced travel time, and restore Atherton and Broadway stations weekday service
 - Mixed-fleet service for interim period
 - Continue tenant service
 - Continue diesel service to Gilroy
- Key Regional Benefits:
 - Decreases in greenhouse gases, daily traffic congestion, engine noise
 - Improvements in clean air quality and increases in daily ridership, improved frequency and quicker trips
- Key Comments:
 - Visual aesthetics: Concerns about overhead contact system (OCS) and traction power facilities (TPF) impacts

- This is an existing transportation corridor and already has utilities along it. Mitigation has been revised for TPFs. Tree mitigation will help with OCS impacts.
- Tree Removal: Concerns about the worst-case scenario
 - Reduction of removal estimate from 2,200 to 1,000 trees and pruning of 3,600 to 3,200 trees.
- Noise: Concerns about project noise sources and quiet zones and grade separations
 - Horn, train, wheel-rail, and ambient noise were considered. Trains are quieter so there will be no significant expected project-level impacts. There will be TPF noise impacts in South San Francisco and Palo Alto, but mitigation options exist.
- Local Traffic: Concerns about specific locations and support for grade separations
 - Staff added 10 new study locations and did not find new significant impacts. Grade separations would help but are not financially feasible for PCEP.

Chair Nolan left at 10:52 a.m. Director Yeager chaired the remainder of the meeting.

- Traction Power Facilities: Study additional options
 - Five additional options were studied in South San Francisco, Burlingame, San Mateo, Palo Alto, and Redwood City.
- Bikes Onboard: Concerns about expanding onboard bike capacity
 - The project will continue the bikes onboard program. Specific bicycle capacity is not a significant environmental impact. This issue is addressed in the EMU procurement process.
- Freight: Concerns about vertical clearances, operational hours, and electromagnetic interference (EMI)
 - Existing vertical clearances will be accommodated with limited cumulative effect. The operations hours are the same as today. There are EMI-proven controls from the Northeast Corridor, which are included in the FEIR.
- Alternatives: Concerns that the environmental process is not considering non-electrification alternatives.
 - Fifty-two alternatives were considered and screened. Four were analyzed in greater detail including no project, diesel multiple units, dual-mode multiple units, and Tier 4 diesel locomotives.
- CHSRA: Concerns about analyzing the blended service in this document
 - The CHSRA/blended service is currently only at a conceptual level. This project is not about blended service, it is about electrified Caltrain service. CEQA allows projects to be analyzed in separate environmental processes. The two projects have independent utility and different purposes. The environmental impacts for the PCEP can be fully disclosed in this FEIR.
- Cost Reduction Strategies:
 - Eliminate electrification of Union Pacific-owned Main Track 1 in South Terminal area.

- Eliminate electrification beyond Michael Yard.
- Defer electrification of San Francisco Yard storage tracks.
- Use electric locomotives for backup trains.
- Revise design concept shared OCS pole foundations for guy-wires.
- Legal Considerations:
 - Caltrain is a Federally-regulated rail carrier subject to the authority of the Surface Transportation Board (STB).
 - Court rulings support arguments that rail projects subject to STB jurisdiction are exempt from CEQA.
 - If the FEIR is legally challenged, the JPB reserves the right to assert STB preemption of CEQA.
 - The JPB proposed to adhere to the CEQA mitigations identified in the FEIR.
- Key Milestones:
 - FEIR made available on December 4.
 - Board to consider certifying the FEIR, adopting the findings, statement of overriding considerations, and the project and mitigation monitoring and reporting program on January 8.

Public Comment Jim Bigelow, Redwood City-San Mateo County Chamber of Commerce, said the FEIR is an outstanding product. He said people using the rail corridor need relief and an improved system, and approving this would be a step in the right direction.

Andy Chow, Redwood City, congratulated Caltrain for releasing the FEIR. He said he hopes the FEIR is not challenged in court.

Roland Lebrun, San Jose, said electrification does not increase capacity, signaling does. He said that electrification south of Santa Clara is problematic, and the Board should decide to decouple electrification and the replacement of rolling stock to make it possible to get new rolling stock right away that will be electrification-ready.

Bena Chang, Silicon Valley Leadership Group (SVLG), said the SVLG is supportive of electrification and excited about increased capacity and frequency, and improvement of the service. The SVLG is looking forward to partnering with Caltrain to find funding for the Caltrain Modernization (CalMod) Program.

Adina Levin, Friends of Caltrain, said it is great to see this milestone that will allow the project to go forward to support the region's growth.

Greg Conlon, Atherton, said it is not clear if the FEIR looked at installing quad gates or quiet zones. He said Orange County did 10 miles of quad gates and put in a quiet zone.

Jeff Carter, Millbrae, said this is long overdue and he hopes the report will be certified soon. He said Caltrain should not be limited to six trains per hour or two tracks.

AUTHORIZE ADOPTION OF THE DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL OF 5.2 PERCENT FOR THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT

Bill Carson, Manager, Employee Relations and Civil Rights, presented:

- The Board is being asked to approve the published goal of 5.2 percent and to submit the goal to the Federal Transportation Administration (FTA) if there are no comments during the public comment period that would result in a change to the goal.
- The goal is based on the assessment of subcontracting opportunities within the project and the relative availability of DBE firms.
- The goal was initially calculated at 2.45 percent, based solely on U.S. Census data, but the goal was adjusted using the Disparity Study data, which bumped up the participation rate, which staff hopes to achieve on a race-neutral basis.
- Conversation with FTA:
 - FTA supports establishing a DBE project goal on large contracts.
 - JPB must provide notice of DBE goal prior to issuing the Request for Proposals.
 - JPB would provide oversight and Design-Builder would be held accountable for DBE participation.
 - The JPB used the established methodology for setting the DBE goal.
 - The FTA will closely monitor the DBE program performance on the project.
- DBE goal setting is a two-step process:
 - Develop a base figure of ready, willing and able DBEs who are qualified to perform on a given project. North American Industry Classification System (NAICS) codes are used to identify firms by expertise.
 - Examine all other data relevant to the goal-setting process that can be used to adjust the goal, such as the Disparity Study and public input.
- DBE goal setting:
 - Forty-five percent of the total project work has to be performed by the Design-Build team, leaving 55 percent of the remaining work available for subcontracting opportunities. The 5.2 percent goal is an estimate of DBE participation on 55 percent of the work.
 - Sixty-three scopes of work were analyzed and 27 NAICS codes were used to establish the goal.

Director Cohen asked how the NAICS codes were narrowed down to 27. Mr. Carson said it was based on the work the engineers said would need to be done for the project.

- PCEP contract breakdown includes 8 percent design, 62 percent materials and 30 percent construction.
- U.S. Census data shows that 6 percent of all available DBE firms could do design work, 3 percent could do materials and 10 percent could do construction.

Director Cohen asked if the search for qualified DBE firms was just regional, statewide, or countrywide. John Barker, Labor Compliance Officer, said the Disparity Study was used to determine where the majority of the contractors are located. He said the search was conducted in the nine Bay Area counties, Sacramento County, and San Joaquin County.

- The Disparity Study adjusted the U.S. Census data to include certified DBEs and firms that could be DBEs but have not gone through the certification process. This increased availability to show 28 percent of firms that could do design work and 19 percent that could do construction. There was no change for materials.

Director Adrienne Tissier asked if anything is being done to encourage the firms that could be certified to go through the process. Mr. Carson said staff has regular training and outreach events to network with DBEs and other DBE-possible firms to teach them how to apply for certification and register online.

- Procurement process
 - Announced DBE requirements at Industry Day event.
 - JPB sponsored DBE outreach events and proposer outreach events.
 - Proposers are evaluated on procedures in Design-Builders' Work Plan to achieve DBE participation.
 - Key elements include hiring DBE staff, DBE monitoring and report, and good faith efforts.
 - The Project Labor Agreement will include DBE program elements.
 - The selected builder for the EMUs will have their own Transit Vehicle Manufacturer DBE Program approved by the FTA.
 - Manufacturers must follow the same methodology for establishing goals as the JPB.
- JPB Monitoring and Oversight
 - Monthly progress meetings with the Design-Builder.
 - Review reports on DBE activity.
 - Identify areas of underutilization.
 - Require good-faith efforts from the Design-Builder.
 - Prepare FTA reports as required.
 - Use of race-conscious goal-setting on subcontracts.
- Challenges
 - The DBE goal is only on 55 percent of the entire project.
 - There is little civil and structural work on the project.
 - There is low availability of DBEs certified for the scopes of work.
 - Scopes of work could change through the design process.
 - If circumstances change that will impact the proposed goal, staff will analyze the impact, report to the Board and submit a request to the FTA for approval of an adjustment to the goal.

Chair Yeager said he appreciates how proactive staff is being on the subject.

Director Ash Kalra thanked staff for their work on this issue. He said the pool of available DBE firms is not large, but will only grow if the JPB puts effort into and is intentional about this process.

Director Cohen said she does not know much about the JPB's Disparity Study and asked when and how often it is updated and what the methodology of it is. She said she would like a formal report on what the JPB is doing to help get firms DBE qualified.

Public Comment

Roland Lebrun, San Jose, said CHSRA is at zero participation. He said one idea is for a bunch of DBEs to get together and work together as one of the partners in a joint venture.

Director Cohen asked what race-neutral measures means. Mr. Carson said it means the goal will be achieved on a voluntary basis. It will not be a contract-specific goal, it is set out as challenge and it is the good-faith efforts of the primary and subcontractors to achieve it. Race-conscious measures, which are contract-specific goals used as remedial measures, are used if voluntary measures will not achieve the goal.

Motion/Second: Cohen/Cisneros

Ayes: Cisneros, Cohen, Guilbault, Kalra, Tissier, Yeager

Absent: Nolan, Woodward

AUTHORIZE APPROVAL TO EXERCISE OPTION 2 PHASE 4 WITH PARSONS TRANSPORTATION GROUP (PTG) FOR COMMUNICATIONS-BASED OVERLAY SIGNAL SYSTEM (CBOSS)/POSITIVE TRAIN CONTROL (PTC) SYSTEM INTEGRATION, TESTING, TRAINING COMMISSIONING, FINAL SYSTEM ACCEPTANCE AND WARRANTY IN THE AMOUNT OF \$32,809,927

Gigi Harrington, Deputy CEO, presented:

- The contract was awarded in 2011, the Notice to Proceed was issued in 2012, and three phases of contract have been exercised.
- The project meets all requirements of the Rail Safety Act of 2008.
- The project also meets additional requirements including:
 - Improved grade crossings
 - Improved headways
 - Enforced scheduled station stops
 - Schedule management
 - New functionality for the employee in charge
- It is a turnkey contract with PTG with a variety of phases.
- Interoperable train control solution.
- Supplied by General Electric.
- The Back Office Server is supplied by WABTEC.
- The Backup Central Control Facility has an ARINC office.
- A fiber backbone is the communication network.
- Phasing was required to support the funding strategy.
- Design has been completed.
- The FRA approved the system on September 26.

Director Cohen left at 11:51 a.m.

- A backup control facility has been built.
- JPB continues to work with the tenants.
- Fiber has been installed from San Jose to Redwood City.
- Base stations and wayside systems have been installed.
- There is equipment on eight vehicles.
- The software will be coming out of the factory.

- The first release of the software came from the factory this fall. It was demonstrated recently in a lab in which a train that was violating a red signal was stopped.
- The system is on schedule to be completed and in revenue service by October 2015 to meet the mandated deadline of December 31.
- The project cost \$231 million and is fully funded.
- Next steps:
 - Complete fiber installation
 - Complete software development
 - Test the system

Public Comment

Roland Lebrun, San Jose, said he will write to the Board with the latest information available from the Federal Railroad Administration.

Motion/Second: Tissier/Guilbault

Ayes: Cisneros, Guilbault, Kalra, Tissier, Yeager

Absent: Cohen, Nolan, Woodward

AUTHORIZE PROGRAMMING OF \$5,398,033 IN FEDERAL TRANSIT ADMINISTRATION FORMULA FUNDS FOR THE CALTRAIN MODERNIZATION PROGRAM AND ROLLING STOCK STATE OF GOOD REPAIR PROJECT AND COMMIT \$1,349,509 IN LOCAL MATCHING FUNDS

Eva Goode, Director, Grants, introduced this item. There were no questions on this report.

Motion/Second: Tissier/Guilbault

Ayes: Cisneros, Guilbault, Kalra, Tissier, Yeager

Absent: Cohen, Nolan, Woodward

AUTHORIZE AMENDMENT TO INCREASE THE FY2015 CALTRAIN CAPITAL BUDGET IN THE AMOUNT OF \$10 MILLION FOR THE RAIL CAR CAPACITY EXPANSION PROJECT AND APPROVAL OF THE ASSET PURCHASE AGREEMENT, STORAGE AGREEMENT AND \$1 MILLION DEPOSIT WITH SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY

Ms. Harrington said if this purchase agreement is approved, staff will make a down payment on the cars on December 11, then take title to the cars on December 17. Staff will be back to the Board in January for the financing and to award contract to rehabilitate the cars.

Public Comment

Jeff Carter, Millbrae, said the need is immediate and capacity is strained. He said there should be bike capacity on the new cars.

Emma Shlaes, Silicon Valley Bicycle Coalition (SVBC), thanked the JPB for its history of accommodating people who bring their bikes onboard. She said the SVBC supports the purchase of the cars and requested the cars be retrofitted as bike cars.

Director Cohen returned at 11:57 a.m.

Roland Lebrun, San Jose, said there are only six locomotives capable of towing these new cars. He said if the locomotives are repowered, they could be made Tier 4 compliant, which would reduce pollution by 90 percent, be more powerful than the bullet locomotives, and be more reliable. He said staff should come to Board with that option.

Shirley Johnson, SFBC, said she supports purchase of new cars, but the Board should see if there is money in the rehabilitation budget to convert the cars to bike cars.

Adina Levin, Friends of Caltrain, thanked the Board for the additional rail cars. She urged the Board to do more capacity planning, so as to be prepared for ridership doubling. She said she supports the recommendation to increase onboard bike capacity.

Catherine Young, San Francisco, said it is tricky to balance the needs of all user groups. She asked the Board to consider retrofitting 11 of the cars to match bike ridership and provide additional onboard bike capacity.

Mr. Scanlon said five of the new cars will be put into service as soon as possible. He said next month staff will be back with a recommendation for award for the rehabilitation, which will include an option to retrofit up to six cars with bike capacity. Staff is working with the FRA on a wayside study to understand the balance all riders.

Motion/Second: Tissier/Guilbault

Ayes: Cisneros, Cohen, Guilbault, Kalra, Tissier, Yeager

Absent: Nolan, Woodward

AUTHORIZE AWARD OF CONTRACT TO DISNEY CONSTRUCTION, INC. IN THE TOTAL AMOUNT OF \$8,393,333 FOR THE SAN FRANCISCO ROADWAY BRIDGES REPLACEMENT PROJECT

There were no questions for Ms. Harrington on this report.

Motion/Second: Tissier/Guilbault

Ayes: Cisneros, Cohen, Guilbault, Kalra, Tissier, Yeager

Absent: Nolan, Woodward

AUTHORIZE AWARD OF CONTRACTS TO PFM ASSET MANAGEMENT LLC AND U.S. BANK TO PROVIDE INVESTMENT MANAGEMENT AND CUSTODIAL SERVICES FOR A THREE-YEAR BASE TERM

There were no questions for Ms. Harrington on this report.

Motion/Second: Tissier/Guilbault

Ayes: Cisneros, Cohen, Guilbault, Kalra, Tissier, Yeager

Absent: Nolan, Woodward

LEGISLATIVE UPDATE

No report.

CAPITAL PROJECTS QUARTERLY STATUS REPORT – 1ST QUARTER FY2015

No report.

CORRESPONDENCE

No discussion.

BOARD MEMBER REQUESTS

Director Cohen said she would like a report on the Disparity Study, the methodology used, and when and how it is updated. She said she would also like a report on the strategy to get potential DBE firms qualified.

GENERAL COUNSEL REPORT

No report.

DATE/TIME/PLACE OF NEXT MEETING

The next meeting will be Thursday, January 8, 2015, 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 12:07 a.m.