

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

**Minutes  
May 1, 2014**

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

**MEMBERS ABSENT:** P. Woodward

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

Chair Tom Nolan called the meeting to order at 10:05 a.m. and led the Pledge of Allegiance.

**PUBLIC COMMENT**

Adina Levin, Friends of Caltrain, said there is a proposed Santa Clara County ballot measure for roads and transit. She said the measure polled well and included funding for Caltrain. Ms. Levin said the Clipper contract is up for renewal and planning has begun for Clipper 2.0. She said the JPB Citizens Advisory Committee (CAC) received a presentation on Clipper. She said one of the requests was for more customer feedback and staff said that would need to come from the Board.

Jeff Carter, Millbrae, said there needs to be customer feedback for Clipper. The Predictive Arrival Departure System (PADS) has not been working and he said he would like to hear an update on the system.

Director Malia Cohen arrived at 10:09 a.m.

**CONSENT CALENDAR**

- a. Approval of Minutes of April 3, 2014

A motion (Tissier/Yeager) to approve the Consent Calendar was passed unanimously.

**CHAIRPERSON'S REPORT**

**Appointment of Jerry Deal to the Transbay Joint Powers Authority (TJPA)**

Chair Nolan said with Art Lloyd's resignation from the JPB a vacancy has occurred on the TJPA. He is recommending the appointment of Director Deal to the TJPA.

A motion (Nolan/Yeager) to appoint Director Deal to the TJPA was passed unanimously.

Chair Nolan said the CAC has openings in San Francisco and San Mateo counties. He said applications are due June 1 and appointments will be made at the July 3 meeting.

### **REPORT OF THE CAC**

Adina Levin, Vice Chair, CAC, said at the April 16 meeting the committee:

- Welcomed Greg Scharff, Palo Alto City Councilman, representing Santa Clara County.
- Received presentations on the proposed Codified Tariff changes and the annual passenger counts.
- Received a presentation on Clipper 2.0 before the CAC meeting and one question arose concerning more customer feedback.

Director Ash Kalra arrived at 10:11 a.m.

### **REPORT OF THE EXECUTIVE DIRECTOR**

Michael Scanlon, Executive Director, said Michelle Bouchard, Director, Rail Transportation, will be leaving Caltrain on May 2 to head up the Oakland Airport Connector Project at Bay Area Rapid Transit (BART). A letter signed by the entire Executive Team was read and presented to Ms. Bouchard.

Ms. Bouchard thanked everyone for the wonderful experience she had over the last 14 years. She thanked the Board for the support they have given the staff.

Chuck Harvey, Deputy CEO, said an assessment of the Quint Street Bridge has been completed and no other issues were found. He said the design for the repair work has been completed and it will fix the immediate emergency situation. Mr. Harvey said a Notice to Proceed was issued to Granite Construction on April 24. He said the materials have started to be fabricated and will be installed overnight on May 9 and 10. The cost of the repair is \$60,000 and the cost of the assessment was between \$40,000 and \$50,000. He said staff will be inspecting and assessing the bridge monthly.

Director Malia Cohen asked when the work will be completed. Mr. Harvey said by the end of May.

Mr. Scanlon reported:

- Key Caltrain Performance Statistics March 2014 compared to March 2013.
  - Monthly Performance Statistics:
    - Total Ridership was 1,431,748, an increase of 9.2 percent.
    - Average Weekday Ridership (AWR) was 53,080, an increase of 9 percent.
    - Total Revenue was \$6,144,575, an increase of 8.7 percent.
    - On-time Performance (OTP) was 92.9 percent, a decrease of 1.6 percent. This number includes a week of the slow orders for the Quint Street Bridge.
    - Caltrain Shuttle Ridership was 9,736, an increase of 14.9 percent.
  - Year-to-date Performance Statistics
    - Total Ridership was 12,456,541, an increase of 8.9 percent.

- AWR was 52,137, an increase of 8.7 percent.
- Total Revenue was \$54,497,597, an increase of 8.3 percent.
- OTP was 92.8 percent, an increase of 1.8 percent.
- Caltrain Shuttle Ridership was 8,100, a decrease of 1.7 percent.
- The Bicycle Advisory Committee's next meeting is May 15.
- May 8 is Bike to Work Day. Staff from Public Affairs will have a friendly competition to show that using Caltrain is faster than driving a car. Will Reisman, Public Affairs Specialist, will ride his bike from Union Square in San Francisco to the 4<sup>th</sup> and King Caltrain Station and board a train to San Carlos. Christine Dunn, Public Information Officer, will drive from the Union Square location to the Caltrain headquarters in San Carlos.
- Special service:
  - An additional 1,300 passengers were carried during the San Jose Sharks playoff games.
  - Through April 27, Giants ridership has increased 2 percent, or 101,000 additional riders.
  - Levi's Stadium planning continues with the Santa Clara Valley Transportation Authority (VTA). Mr. Harvey attended a meeting with the Super Bowl Host Committee.
- The Earth Day Scavenger Hunt went well. Winning photos were posted on various social media websites.
- The San Bruno Caltrain Station opening event is on May 10 at Posy Park in San Bruno, beginning at 11 a.m.
- Rail safety outreach efforts continue. Staff from Public Affairs has been at San Mateo, Redwood City, Burlingame, Menlo Park, Mountain View, and Palo Alto stations. On May 8 they will be at the Santa Clara Station along with VTA staff.
- Staff has applied for two Tiger VI grants. There is about \$600 million available nationally. The competition is very keen. One application is for another increment of Caltrain Modernization (CalMod) Project electrification money. Staff is seeking \$20 million for the \$1.2 billion CalMod project. Twenty letters of support have been sent from local legislators and supporters. The other project is in South San Francisco, and the Metropolitan Transportation Commission (MTC) has endorsed this grant application. This application is for \$10 million for a \$62 million project. Sixteen letters of support have been received on this project. This will provide for a new platform and reconfigure the tracks to remove the hold out rule at the station.
- The San Francisco Municipal Transportation Agency, Santa Clara Valley Transportation Authority and MTC were thanked for their assistance on the Fiscal Year (FY) 2015 budgets.
- The Caltrain 150<sup>th</sup> Anniversary celebration was completed on April 23 with customer appreciation events at the 4<sup>th</sup> and King San Francisco and San Jose Diridon stations.
- Chair Nolan and Director Cohen were thanked for attending the groundbreaking of the First Asian Community Garden in San Francisco.

- The Reading File contains the March Safety & Security Report, *Caltrain Connection*, Take Ones on CAC Recruitment, Rail Safety Outreach, and Bay to Breakers.

### CalMod Update

Marian Lee, Executive Officer, CalMod, said staff continues to make progress on the Communications-based Overlay Signal System/Positive Train Control (CBOSS/PTC) Project. The fiber-optic cable is being pulled between Palo Alto and Sunnyvale. She said no complaints have been received.

Ms. Lee said the Draft Environmental Impact Report (DEIR) comment period closed on April 29. She said four public meetings and 10 additional meetings were held. Staff attended internal stakeholder meetings, and held office hours for city staff. Ms. Lee said staff is starting to review the comments and anticipates returning back to the Board in the early summer with a summary of the key comments received.

Ms. Lee said the Local Policy Maker Group did not meet last month, but staff sent an electronic update. The next meeting is May 22.

Ms. Lee made a presentation on the CalMod owner's team. She reported:

- The owner's team has been completed and consists of Travis Clark, Planning Director; Sherry Bullock, Program Management Director; and Dave Couch, Project Delivery Director. Mr. Couch has extensive experience delivering large capital projects. Mr. Couch came with a great reputation and an endless list of endorsements.
- Key consultant support is coming from URS Corporation (program management), Gannett Fleming (electrification), LTK Engineering (electric multiple units - EMUs) and B&G Transportation (safety).
- Industry Day was held on April 10 and there were over 100 participants.

Mr. Couch reported:

- This is going to be a challenging project but it will have minimal disruption to customers.
- The two procurements will be the design-build contract for the electrification process and the purchase of the EMUs. The design-build will go through a qualifications phase and will be a best value contract. The EMUs will be a negotiated procurement.
- Key benefits of splitting into two packages are direct owner control, enhanced competition, and best team selection by expertise area.
- Program objectives
  - Ensure system safety
  - Complete program within \$1.2 billion budget
  - Provide electrified service by 2019
  - Build a quality system
  - Minimize impacts to rail service and customers
  - Minimize impacts to environment
  - Support future high-speed rail (HSR) trains

- Sustain effective partnership with stakeholders
- Electrification design-build contract procurement milestones
  - Request for Qualifications (RFQ) issued in May 2014
  - RFQ due in August 2014
  - Request for Proposal (RFP) issuance in early 2015
  - Award of contract in summer/fall 2015
- Third party coordination
  - Communications protocol
  - Key coordination efforts include traffic impact mitigation, contact with utilities, and avoid/minimize impact outside of right of way
  - Permits
  - Agreements, as needed
- EMU contract procurement schedule
  - Request for Information (RFI) issued in June 2014
  - RFI due in July 2014
  - RFP issued in Spring 2015
  - Award of contract in fall/winter 2015
- Stakeholder EMU outreach includes:
  - Inform vehicle specification
  - Key issues are onboard passenger amenities, seating configuration, bicycle capacity, and Americans with Disabilities Act
- Next steps:
  - Issue electrification RFQ
  - Issue EMU RFI
  - Regular updates to Board

#### Public Comment

Roland Lebrun, San Jose, said he was disappointed to see only one EMU manufacturer present at Industry Day.

Jeff Carter, Millbrae, said he is disappointed to see Ms. Bouchard leave. She is a bright star and will be missed. He said quite a few years ago there was a detailed monthly ridership report and that document would give a five-year synopsis. Mr. Carter asked if this type of report could be produced every few months.

Director Ken Yeager said a number of letters have been received from cities with questions about the CalMod Project. He asked at what point does staff and the Board become concerned over cities challenging the project, whether from lawsuits, ballot measures or other efforts to obstruct the project. Director Yeager asked how staff and the Board assess the issues that are coming up and whether any of them potentially might slow down the entire project. Mr. Scanlon said staff will look at the formal comments and provide those responses in the EIR and assess where likely litigation may come from.

David Miller, Legal Counsel, said the environmental process represents the first situation where a risk of project delay could arise. He advised from a process standpoint, there should be little legal risk to the steps the JPB has taken in the preparation of the

environmental document and in its outreach to the public. As to possible substantive challenges, Mr. Miller advised that he is looking into recent court rulings that stand for the proposition that interstate carriers, such as the JPB are subject to the National Environmental Policy Act, but are not required to comply with the California Environmental Quality Act (CEQA). He said staff does not want to invite litigation, but obviously if litigation ensues, the JPB will avail itself of every possible defense, including the defense that the JPB was not required legally to comply with CEQA. Mr. Miller further advised that over the next few months staff will be responding to comments and should know by this fall if challenges to the EIR arise.

Director Adrienne Tissier said she hopes the cities commenting in the paper have commented on the DEIR.

#### Public Comment

Greg Conlon, Atherton, said he is concerned about the grade separation projects and thinks a trench would mitigate a lot of these problems. He asked why outside poles are being used inside of inside poles.

Adina Levin, Friends of Caltrain, said she was at the Menlo Park Rail Committee meeting and there were different perspectives at the meeting. As a resident of Menlo Park she thinks it would be unwise and embarrassing to litigate for a project that has very strong benefits for the region. She said people need to know the benefits of electrification.

Director Yeager said Palo Alto and Menlo Park are showing all the negative impacts of electrification and not the positives.

Director Deal said the negatives of not having electrification need to be stated.

#### **ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENSES FOR MARCH 2014**

Gigi Harrington, Deputy CEO, said March revenues are over budget by \$1.7 million and on the expense side there is \$3.8 million in savings. Ms. Harrington said fuel was \$3.11 per gallon last week and year-to-date is \$3.05 per gallon. The JPB received \$176,000 through March from the hedge.

A motion (Tissier/Deal) to accept the March 2014 statement was approved.

#### **CALTRAIN TRIENNIAL CUSTOMER SURVEY KEY FINDINGS**

Rita Haskin, Executive Officer, Customer Service and Marketing, reported:

- Objectives are to determine who our customers are and measure whether their needs are being met.
- The survey was conducted onboard in October 2013 during the weekday peak, weekday off-peak, and weekend trains. Surveys were available in English and Spanish.
- A total of 4,721 surveys were returned, a 75 percent response rate.
- Most customers are riding four or more days per week and 86 percent make a round trip.
- Forty percent have no access to a car or don't drive.

- The trip purpose for most customers was to commute to work.
- The Monthly Pass is the most popular form of payment. There about 44,000 people on the GO Pass Program.
- The main reason customers ride is to avoid traffic and relax.
- About a quarter of commuters were introduced to Caltrain by taking it to a special event.
- More people are accessing the stations by walking.
- Overall, customers are satisfied, but weekend riders are more satisfied than weekday riders.
- One-third of the customers are using mobile devices to access Caltrain information.
- Customers use a variety of news sources, but the main source is the Internet.
- Sixty percent of riders are male and 40 percent are between the ages of 25 and 34.
- A majority of customers work full time.
- More weekday-peak customers have post-graduate degrees compared to weekend customers.
- Caltrain has a diverse ridership, with customers speaking 68 languages.
- Thirty-six percent of Caltrain riders were born outside of the United States.
- Customers have a mean income of \$117,000.
- San Francisco, San Mateo, and Santa Clara counties are home to 95 percent of customers.
- Use information to:
  - Inform future planning
  - Communicate with customers
  - Market to potential off-peak customers
- Full report at [www.Caltrain.com/surveys](http://www.Caltrain.com/surveys)

Director Tissier asked if the response level was as high as the last customer survey. Ms. Haskin said yes.

Director Yeager said he is concerned that Hispanic/Latino ridership is only 12 percent. Ms. Haskin said marketing information is distributed in English and Spanish and some information is in Chinese. She said although the Latinos are the highest minority, the Asian category has grown and that is causing a shifting of percentages.

Director Cohen said the ethnicities are dropping in all categories, but Asian ridership increased. Ms. Haskin said this survey is a snapshot of the ridership during the survey period. She said staff is going to be doing a satisfaction survey in June and will look at the demographics from that survey, too.

Director Cohen asked how often the survey is done. Ms. Haskin said it is a triennial and allows for staff to see what has shifted over time.

Director Ash Kalra said Caltrain riders are very computer savvy. He said he is thankful for Caltrain staff working with VTA to ensure the first experience at Levi's Stadium goes smoothly.

Director Cohen asked how staff decides what questions to ask. Ms. Haskin said some questions are asked every time to see what has changed, and staff asks within the agency if there are certain things people are interested in.

Director Cohen asked if staff asks for feedback for questions from the partner agencies. Ms. Haskin said that has not happened in the past, but that can be done in the future. Director Cohen asked that San Francisco have an opportunity to look at the questions before the next survey.

#### Public Comment

Jeff Carter, Millbrae, said this survey shows Caltrain is something for the rich, but it should not be viewed as a rich-person's-only system. He said the average person riding Caltrain is paying \$5.10 and that is quite a bit higher than other systems in the region and this does not include parking.

Doug DeLong, Mountain View, said he thinks fares should be raised. He said Caltrain shouldn't be subsidizing commutes of people who make \$150,000 a year. Mr. DeLong said the senior discount should be replaced with a low income fare.

Adina Levin, Friends of Caltrain, said 14 percent of riders use the GO Pass and this is serving the large corporations. She said staff should consider income-based discounts.

Greg Conlon, Atherton, said Santa Clara County is getting the benefits of Caltrain as the population grows in that area.

Director Tissier said the increase in Santa Clara County helps the roadways throughout the region.

Director Cohen asked if staff could look into what people are paying and who they are.

#### **PRELIMINARY FISCAL YEAR 2015 OPERATING BUDGET**

Ms. Harrington reported:

- Ridership and customer demand are at an all-time high.
- Farebox revenues continue to set records.
- Farebox recovery ratio is projected at 60 percent.
- FY2015 budget includes no fare increases and uses one-time funds.
- Total revenue is \$125.7 million, a slight reduction of \$200,000 from FY2014.
- Preliminary expenses are \$125.7 million, an increase of \$5.2 million, and include an increase in the rail operator contract of \$3.1 million.
- Member contributions are \$6.2 million for San Mateo County, \$8.3 million for Santa Clara County and \$5.1 million for San Francisco for a total of \$19.8 million.
- The FY2015 balanced budget postpones the structural deficit for another year.
- There is a need for permanent funding sources. The one-time funding sources have been exhausted. Staff is exploring a full range of options, including tax increases, partnerships, and creative solutions. Support is needed from business, labor, environmental and community-based organizations, and elected officials.

- Next steps:
  - Staff will bring back the budget for approval in June.
  - A mid-year review to detail the fiscal impact of acquiring additional rail cars to address capacity issues.
  - Continue discussions with member agencies and funding partners on funding options.
  - Continue to work with stakeholders, including the Silicon Valley Leadership Group and MTC's Transit Sustainability Project to develop strategies for new revenue sources, including a dedicated, permanent funding source.

#### Public Comment

Roland Lebrun, San Jose, said he would like to prepare a business case and present it to the Board for consideration. He said it would involve restructuring the TransitAmerica contract when it comes up for renewal. Mr. Lebrun said he needs a breakdown of the costs of the train operations, train maintenance, and anything else included in the contract. He said this will tie in nicely with the EMU negotiated procurement and alleviate Director Yeager's concerns that the CalMod Project might encounter any legal challenges.

Jeff Carter, Millbrae, said last month he suggested the budget cycle be a two-year cycle to give a more stable budget.

#### **PRELIMINARY FISCAL YEAR 2015 CAPITAL BUDGET**

Eva Goode, Manager, Budgets, reported:

- The preliminary FY2015 Capital Budget is \$109.1 million.
- Goals:
  - Invest in infrastructure and equipment improvements to maintain a system in a state of good repair (SOGR).
  - Invest in the rehabilitation and replacement of components for the rail vehicles to ensure fleet availability.
  - Continue system safety improvements.
  - Continuing planning and management for the CalMod Program.
- Constraints:
  - Preliminary budget is not yet balanced.
  - Continuing to work with MTC for the SOGR/Federal Transit Administration funds.
- Funds are limited, but partners have committed to a total of \$10.5 million.
- Highlights:
  - SOGR, which includes station and intermodal access, right of way, signal and communications, and rolling stock.
  - CalMod Program includes rolling stock replacement and electrification.
  - Legal mandates and required enhancements include the CBOSS/PTC Program and railroad bridge load ratings.
  - Operational improvements and enhancements.
  - Support for the Caltrain Capital Program.

- Critical ongoing capital needs:
  - FTA and Federal Railroad Administration renewed focus on transit agencies' SOGR.
  - Track, signal, communications and rolling stock require consistent, ongoing maintenance.
  - Deferral of regular maintenance causes system delays, decreased service levels leading to ridership declines.
- Next steps:
  - Review capital program needs and reduce overall risk.
  - Finalize commitment from partner agencies.
  - Negotiate FTA funds on hold with MTC.
  - Present balanced budget to the Board in June.

**AUTHORIZE IMPLEMENTATION OF THE FUEL HEDGING PROGRAM FOR THE FISCAL YEAR ENDING JUNE 30, 2015, INCLUDING APPROVAL OF REQUEST FOR BIDS AND FORMS OF DOCUMENTS, AND AUTHORIZE EXECUTION AND DELIVERY OF DOCUMENTS, SELECTION OF WINNING BIDDER AND PAYMENT OF COMMODITY PRICE CAP PREMIUM FOR SUCH PROGRAM**

Ms. Harrington said staff is asking for approval of the fuel hedge documents. She said this year's fuel was hedged at \$2.85 per gallon and the cost was 18.9 cents per gallon. Ms. Harrington said right now it is pricing at 17 cents per gallon. She said there are three potential bidders: Barclay's, Royal Bank of Canada, and Wells Fargo. Ms. Harrington said with approval of this action, staff will wrap up the final documents, do the transaction and report back at the July meeting.

Public Comment

Greg Conlon, Atherton, said San Francisco and Caltrain hedge different percentages. He said staff should minimize risk and hedge more.

A motion (Deal/Yeager) to implement the Fuel Hedging Program for FY2015 was approved unanimously by roll call.

**AUTHORIZE ENTERING INTO COOPERATIVE AGREEMENT WITH THE CAPITOL CORRIDOR JOINT POWERS AUTHORITY TO PROVIDE FUNDING FOR THE SAN JOSE DIRIDON STATION WAYSIDE POWER PROJECT**

April Chan, Executive Officer, Planning and Development, said Staff Coordinating Council is recommending the Board authorize the Executive Director or his designee to enter into a cooperative agreement to receive \$250,000 from the Capitol Corridor Joint Powers Authority for the San Jose Diridon Station Wayside Power Project. She said this project is fully funded from a previous approved budget. Ms. Chan said this will reduce the local funding being used for the project.

Public Comment

Roland Lebrun, San Jose, said there are two diesel trains at Tamien making a lot of noise and at some point it would be good to have wayside power at that station.

A motion (Yeager/Tissier) to enter into a cooperative agreement with Capitol Corridor for the San Jose Diridon Station Wayside Power Project was approved unanimously by a roll call vote.

### **LEGISLATIVE UPATE**

Seamus Murphy, Director, Government and Community Affairs, said there has been some significant movement on Cap and Trade. The governor's revised budget comes out May 15. The governor's original proposal had some funding for sustainable community strategies and rail modernization. There is no funding directly for transit agencies, which is something the governor has been asked to consider. He said since that time, Senate President Pro-Tem Darrell Steinberg (D-Sacramento) has come out with an alternate proposal that includes a dedicated amount of funding for transit. Mr. Murphy said 30 percent of the funding remaining after funds are distributed to clean energy programs at the State level would be reserved for transit through the State Transit Assistance Program. There are additional details that need to be resolved on how the funds would be delivered. This is a significant improvement over the governor's proposal.

### Federal Update

Mr. Murphy said earlier this week the president sent his Transportation Reauthorization Bill to Congress. It is very optimistic and in line with the thinking of staff and the American Public Transportation Association. He said it includes significant increases over existing funding levels, at \$87 billion more than received currently. Mr. Murphy said \$72 billion is for transit, which is the amount needed to maintain an industry state of good repair, \$5 billion a year is for HSR and \$5 billion total is for the TIGER Program over four years. Congress is indicating they want to move forward with bills that maintain current funding levels and have no idea how to pay for the maintenance of the funding levels. The president's bill does have a concept that would fund the Highway Trust Fund above existing levels and enough to expand transit programs, which is the temporary tax on overseas corporate earnings. He said there are some regulatory changes in the president's proposal. One significant issue is PTC, and the proposal would seek to allow properties to petition the Department of Transportation to extend the 2015 deadline if they have good reason, and also to consider alternative strategies for achieving equivalent PTC functionality. Mr. Murphy said most railroads are having difficulty meeting the 2015 deadline. Fortunately Caltrain is on pace to meet it.

Mr. Murphy said Santa Clara County is pursuing a ballot measure for an additional sales tax to fund transportation needs. The Silicon Valley Leadership Group is leading the effort. Staff has been engaged with them on this effort to ensure Caltrain would benefit from whatever sales tax goes before voters. He said the FY2015 Capital Budget is not fully addressed and this is a good opportunity for staff to shore up the need in future years, secure enough funding to meet the ongoing capital needs and do what is necessary in a long-term capacity for improvements needed beyond the CalMod Program.

Director Kalra said as chair of VTA he is in constant contact with the Silicon Valley Leadership Group. He said this ballot measure looks very promising.

## **CORRESPONDENCE**

No discussion.

## **BOARD MEMBER REQUESTS**

Director Tissier thanked Mr. Harvey for putting in a temporary solution for clients getting around the railroad tracks to get to the clinic at North Fair Oaks.

## **DATE/TIME/PLACE OF NEXT MEETING**

The next meeting will be Thursday, June 5, 2014, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2<sup>nd</sup> Floor, 1250 San Carlos Avenue, San Carlos, CA 94070.

## **LEGAL COUNSEL REPORT**

Mr. Miller said in regards to the HSR litigation, the Court of Appeal has assumed jurisdiction in extraordinary fashion. Since the May meeting, another application was filed with the court to enable legal counsel to file a brief on the merits of the case. Mr. Miller said last week the court advised the acceptance of the application and the brief has been filed. He said significantly, the court has now set a date for the hearing on the merits of the bond validation case and the appeal on the financing plan. The hearing will be at 9:30 a.m. on Friday, May 23.

Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(a): Rowena Seto v. City and County of San Francisco, et al., San Francisco Superior Court, Case No. CPF-12-512350

Adjourned to closed session at: 12:01 p.m.

Reconvened to open session at: 12:16 p.m.

Mr. Miller said the Board met in closed session and legal counsel will report back on further developments.

Adjourned at 12:17 p.m.