

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

MINUTES OF FEBRUARY 4, 2016

MEMBERS PRESENT: J. Cisneros, J. Gee, R. Peralez, J. Ramos, A. Tissier,
P. Woodward (Chair), K. Yeager

MEMBERS ABSENT: M. Cohen, R. Guilbault

STAFF PRESENT: J. Averill, M. Bouchard, G. Cardona, J. Cassman, A. Chan,
S. Cocke, D. Couch, B. Fitzpatrick, C. Fromson, G. Harrington,
J. Hartnett, C. Harvey, M. Lee, M. Martinez, N. McKenna, D. Miller,
S. Murphy, M. Simon, P. Skinner, S. van Hoften

Chair Perry Woodward called the meeting to order at 10:03 a.m. and led the Pledge of Allegiance.

PUBLIC COMMENT

Roland Lebrun, San Jose, said the agency's retention policy is unique in the bay area. It is not acceptable for the Caltrain Board to lose the archived minutes and agendas off the webpage. He said the JPB should get a different managing agency with a different policy.

Jeff Carter, Millbrae, said it is unique to this agency that archives disappear after two years. He suggested it be readdressed because online archives are important. He said for the Super Bowl Caltrain put out a brochure that would be available on the train, but he has not seen them on the train.

CONSENT CALENDAR

- a) Approval of Minutes of January 7, 2016
- b) Acceptance of Statement of Revenues and Expenses for December 2015
- c) Authorize Award of Contracts to Essence Printing Inc., Fong Brothers Printing Inc., and Pacific Standard Print for the Provision of Printing Services for a Not-to-Exceed Aggregate Amount of \$504,200 for a Five-Year Term

Public Comment

Roland Lebrun, San Jose, said on the statement of revenue and expenses, Line 29, Fuel and Lubricants, the budget is \$18.5 million, but the JPB is burning less than \$600,000 per month on fuel. Last June he wrote to the Board and complained about deliberate inflation of the fuel budget by \$10 million. He made a proposal to take \$8 million and add 20 bullet trains a year including operations and maintenance, not including farebox recovery. That was ignored. Now \$12 million is unaccounted for. The investment portfolio last year had \$80 million in cash reserves and now has \$40 million. He said he has no idea where that money went.

Motion/Second: Tissier/Gee

Ayes: Cisneros, Gee, Peralez, Ramos, Tissier, Yeager, Woodward

Absent: Cohen, Guilbault

CHAIRPERSON'S REPORT

Resolution of Appreciation to Past Chair Adrienne Tissier

Chair Woodward presented a resolution of appreciation to past chair Tissier.

Motion/Second: Cisneros/Gee

Ayes: Cisneros, Gee, Peralez, Ramos, Tissier, Yeager, Woodward

Absent: Cohen, Guilbault

REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)

Chris Cobey, Chair, CAC, said the CAC:

- Reviewed the results of the 2015 Customer Satisfaction Survey. Overall customer satisfaction is the lowest it has been in 15 years and is the third lowest in 18 years. The CAC is concerned because of static capacity and increasing ridership. Major areas of comments from the public are around bikes, service delays, bathrooms on trains, and the absence of Wi-Fi.
- Will receive a report next month on the feasibility of adding Wi-Fi to trains.
- Has a vacancy due to the resignation of Alex Sweet. The CAC offered to assist the Board in selecting a replacement.

REPORT OF THE EXECUTIVE DIRECTOR

Marian Lee, Chief Officer, Caltrain Planning/CalMod Program, said the Local Policy Maker Group (LPMG) met last week to discuss blended service with the California High-Speed Rail Authority (CHSRA). CHSRA focused on kicking off their planning effort, introduced their key staff and outlined justification for the project and the specific efforts anticipated on the peninsula. They outlined a schedule where the Federal and State environmental process would start this year and end in 2017, and expressed their commitment to work with the local communities to make this happen. The LPMG expressed concern about the proposed schedule, which they felt was very expedited. The city of Palo Alto provided a letter to CHSRA requesting to do context sensitive solutions planning, which are planning principles that tell people not to build something without understanding the environment it would be built in and to work with local communities to build infrastructure that works for them. Dan Richard, CHSRA chair, committed to consider the input. The CHSRA will be back in March to follow up on those issues.

Caltrain Modernization (CalMod) Update – Peninsula Corridor Electrification Project (PCEP) Quarterly Update

Ms. Lee presented:

- Funding Update
 - Federal Transit Administration (FTA) Core Capacity
 - Package submitted for inclusion in presidential Fiscal Year (FY) 2017 Budget
 - Request in engineering phase and full funding grant agreement to be done

- Local funding commitments required for full funding grant agreement
- Six-party supplemental Memorandum of Understanding (MOU)
 - Funding partners oversight role
 - Target spring 2016
- CHSRA funding agreements
 - Ongoing discussions
 - Target summer 2016

Dave Couch, Director, Project Delivery, presented:

- Electrification Infrastructure
 - Confidential information, transparent process
 - Complete
 - Three shortlisted firms selected
 - Partner participation
 - Issued addendum for best and final offer process
 - Additional site tour for shortlisted firms
 - To do
 - Receive and evaluate best and final offer proposals
 - Negotiations to finalize contract
- Electric Multiple Units (EMUs)
 - Confidential information, transparent process
 - Complete
 - Request for Information, Request for Proposals, pre-proposal meeting and site tour
 - Received expanded Federal Railroad Administration (FRA) vehicle waiver
 - Partners will participate in evaluation
 - To do
 - Vehicle proposal due February
 - Maintenance proposal due March
 - Revised contract award date to be determined
 - Other contracts/environmental
 - Tunnel notching: preliminary design review complete, continue coordination with CHSRA, waiting for Union Pacific (UP) Railroad comments
 - Centralized Equipment Maintenance and Operations Facility to be modified in coordination of the final design pending EMU selection
 - Environmental consultation and permits: completed Federal consultation, Paralleling Station 7 to be approved, ongoing coordination for remaining permits
 - Local coordination/utilities
 - City/county agreements: one approved, draft agreements sent to 18 remaining
 - Utilities: potholing complete, kickoff meeting held with utilities, coordination for potential relocation
 - Pacific Gas and Electric (PG&E)/real estate/safety
 - PG&E: Scoping and design on hold until agreement finalized

- Real estate: Segment #4 properties appraisals are complete and JPB will have closed sessions for real estate acquisition in spring and summer
- Safety: Safety and security certification plan complete, developing project specific hazard management plan, safety statistics to be added when design-build contract is awarded
- Quality/risk/FTA
 - Quality: four internal audits conducted, zero non-conformance reports
 - Risk management: 88 risks are retired and 125 risks remain
 - FTA oversight: monthly roadmap meeting
- Future updates (post award) and augmented quarterly report
 - Labor statistics
 - Disadvantaged and small business enterprises
 - Construction pictures
- Schedule
 - Award contract in summer/fall 2016
 - Award contract in 2016
 - Service in 2020

Director Ken Yeager said it would be helpful to get a matrix that includes all the aspects of electrification, the proposed or estimated costs and where the money might come from to get a better idea to know what will come from CHSRA and the three partners for the EMUs, platforms, and other items. It would help to see the whole picture and all the moving parts. Mr. Couch said a tremendous amount of detail will be in a new version of future quarterly reports including availability of funding, expenditures, a cash flow curve, detail on risk register, the schedule, scope, and he will add tables that are an abbreviation of what is within the quarterly report to provide that level of detail.

Jim Hartnett, Executive Director, said:

- This is Ms. Lee's last meeting in her current position as she will be working for the city of South San Francisco. She has been with the JPB for nine years and has been an outstanding performer. Michael Burns will be the interim director of the electrification program.
- The Caltrain fare change is effective February 28.
- Parking fee changes are effective July 1.
- Annual counts are ongoing.
- Staff is adjusting the Caltrain timetable and the modified schedule will be effective in April to better accommodate the needs and expectations of passengers.
- Staff is adding the third bike cars on Bombardier train sets. Staff will update all five six-car train sets with the bike car by March to increase bike capacity from 48 to 72 spaces.
- Special event service includes:
 - Super Bowl events
 - Concerts in San Francisco and San Jose
 - Additional bullet trains for fans going to the game
 - Coordinated with Santa Clara Valley Transportation Authority (VTA) for transitioning people at Mountain View for the light rail

- Ambassadors to help people
 - Sharks games
 - President's Day schedule change
 - Giants Fan Fest
 - Martin Luther King Junior celebration train was successful. It was presented by PG&E and hosted by the Northern California Doctor Martin Luther King Junior Community Foundation. It was a 10-car train set. Ridership was close to 800, down from last year. Last year was going to be the last year of the train, but due to generous sponsorship, the train was able to be provided again.
- Capital projects underway include:
 - Quint Street Bridge Replacement
 - San Mateo Bridges Replacement
 - San Francisco Highway Bridges
 - Preliminary engineering for the 25th Avenue Grade Separation

Public Comment

Paul Jones, Atherton, said he is concerned about CHSRA's impact on the electrification project due to their increased level of activity on the peninsula. CHSRA announced they will spend \$1.5 billion in track straightening along Caltrain, which will have a severe impact on where and how Caltrain will place electrification towers and wires.

Doug DeLong, Mountain View, said he hopes car makers will tell the JPB they are crazy to put 50-inch doors on bi-level cars. CHSRA is having a problem getting from Bakersfield to the Los Angeles basin. They are looking at clearing some alternate route. This presents an opportunity to solve the door height problem. If they simply cleared a new route eliminating the 80-mile detour, they wouldn't need over 200 mile-per-hour trains. They could get trains that run 186 miles per hour, which are available in bi-level configuration off the shelf and would avoid major impacts on incumbent rail operators in California. CHSRA's plan to put in 50-inch platforms is an operational disaster for all the incumbent rail operators.

Adina Levin, Friends of Caltrain, said the date for convening the stakeholder groups is in March and the first date for the notice or preparation for the Environmental Impact Report is in March. This seems like a contradiction in terms of wanting to bring people together to make sure their concerns and relevant issues are exposed. She hopes that the interaction between long-distance service and the commute service is covered as part of the blended system planning. CHSRA's last business plan assumed people would be taking those trains for commute service and that may impact the customer experience, commute capacity for the region, and Caltrain's business operations.

Andrew Boone, San Jose, said he moved to San Jose because of the deficient Caltrain schedule to return to his former home in East Palo Alto. The Caltrain schedule means Monday through Saturday nights have to end at 10 p.m. in San Jose, but in San Francisco the last train is at midnight. On Sunday the last train out of San Jose is 9 p.m. There are over a million people in San Jose and the residents should have just as good of service as in San Francisco. The fare increased 50 cents. Caltrain is not a transit choice for people who do not make a lot of money. The JPB should find ways to

make it a choice. There was no consideration of a discount for students or low-income residents.

Roland Lebrun, San Jose, said this project is getting out of control. He said 18 months ago the JPB was on the right track with the EMU procurement. Now it is in shambles. The proposals are due in six days. He was on a Gallery car and the wheel assembly was severely damaged. Caltrain needs the trains now. Risk management is inadequate. The CHSRA looks at 20 different risk management reports every month.

Jeff Carter, Millbrae, said the service is inadequate for evenings. He said customers will be paying more and should get more service. CHSRA should not dictate that Caltrain should have a 50-inch platform. Caltrain should stay conventional. He said 50-inch platforms could be a severe constraint to standard rail service.

AUTHORIZE ADOPTION OF ADDENDUM #1 TO THE FINAL ENVIRONMENTAL IMPACT REPORT (FEIR) AND APPROVE THE INCLUSION OF NEW POTENTIAL SITE FOR PARALLELING STATION 7 (PS7) FOR THE PCEP

Stacy Cocke, Principal Planner, said the FEIR was certified by the Board in January 2015. Since certification, staff identified one new location for PS7 because the three options in the FEIR are no longer viable. PS7 is no longer viable due to the shortening of the project limits as a result of cost containment measures. PS7 Variant A and Variant B were added to the FEIR and are partially on California State Department of Transportation (Caltrans) property who said the locations are not viable due to future expansion of Highway 87. Staff and the consultant prepared Addendum #1. The addendum identifies no new substantially or more severe impacts of the proposed PS7 Variant C location than were identified in the FEIR.

Rich Walter, ICF, consultant to JPB on PCEP, said an attorney representing Friends of the Three Creeks Trail sent an e-mail with concerns about the PS7 location relative to the future extension of the trail in San Jose. The city of San Jose has been moving forward on the western alignment between Los Gatos Creek and the Guadalupe River and has done an acquisition that was cleared through the California Environmental Quality Act (CEQA). The eastern alignment was mentioned in the General Plan, but has not gone through its detailed design or CEQA. There are two parcels at PS7. One is a triangular piece along the existing JPB right of way, and that is where the paralleling station would go. There is also an elongated parcel that goes back to Almaden Road where the trail will go. The only facility proposed on that parcel is an access road. There are no incompatibilities identified. PS7 would need to be fenced, but there is no conflict with the Three Creeks Trail. The JPB is acquiring this property from UP and is using it for the access road. Language has been added to the addendum to clear up these issues and an amended version of the addendum has been provided to the Board and public. If this authorization goes forward, Caltrain could lower the acquisition cost to the trail project.

Public Comment

Roland Lebrun, San Jose, said he is the treasurer for the Friends of Three Creeks Trail. He said the listing stated that the city of San Jose has previously indicated a possible interest in this property for trail purposes, but there was no mention of it in the JPB report.

He is glad this is resolved. He asked the JPB to consider moving all the stuff in the Tamien station parking lot out of the way to make more room for parking.

Motion/Second: Tissier/Cisneros

Ayes: Cisneros, Gee, Peralez, Ramos, Tissier, Yeager, Woodward

Absent: Cohen, Guilbault

KEY CALTRAIN PERFORMANCE STATISTICS – DECEMBER 2015

Michelle Bouchard, Chief Operating Officer, Rail, said:

- Average weekday ridership was 51,663, a 0.2 percent increase.
- On-time performance (OTP) was 90.9 percent, a decrease of 1.9 percent. The month of January was 93.3 percent, the highest it has been since August 2014.
- The OTP should improve with the implementation of the revised April 4 timetable. This is a calibration of the existing times to reflect the actual performance of the service.
- Super Bowl brochures were on the trains but had run out, so staff will put more on the trains this afternoon. Saturday and Sunday were good warm ups for the anticipated Super Bowl service. On a typical Saturday, about 4,800 riders get off the train in San Francisco, but last Saturday there was an additional 4,000 riders. Staff leveraged the six-car trains for the weekend.
- Thanks to some special focus, OTP for Super Bowl week has been 95 percent, includes the bomb scare and a fatality on Monday.
- Caltrain is involved with joint ticket sales with VTA and have sold about 1,200 so far.

Public Comment

Doug DeLong, Mountain View, said even small changes in the schedule can break crew turns and consist turns and there can be financial impacts to implement a schedule that is more closely aligned with reality. He was surprised to see a six-car Gallery train and is eager for the rest of the Metrolink cars to get overhauled. He hopes the efforts move forward expeditiously. This will help address the capacity crunch.

Andrew Boone, San Jose, said there is a simple thing to attract more riders by having modern bike parking facilities like Bike Link. Every Bay Area Rapid Transit and VTA station has had them for years. San Mateo and Sunnyvale have installed electronic lockers at their stations. The old lockers are obsolete because they are accessed by a physical key and only one person can use each locker. A lot of people who want to bring their bikes don't have a choice because many of the lockers are full and only one person can use each one. Lockers do not cost a huge amount of money.

Adina Levin, Friends of Caltrain, said she hopes the schedule will be reviewed against changed customer needs such as shoulder peak areas to address capacity, service to areas like downtown San Jose, or changed commute patterns. She said there is a year-long study going on that is looking at bike parking at stations. Some cities have strong budgets for bike programs and a strong culture for bicycling. She said there may be short-term opportunities to work with cities such as Palo Alto, Mountain View, and San Mateo to get solutions sooner than later.

UPDATE ON COMMUNICATIONS-BASED OVERLAY SIGNAL SYSTEM (CBOSS)/POSITIVE TRAIN CONTROL (PTC) PROJECT

Gigi Harrington, Deputy CEO, presented:

- Status
 - Onboard equipment installation complete
 - Wayside Interface Unit installation and FRA official validation testing complete
 - Fiber optic cable installation complete
 - Base station installation complete
 - Dynamic testing on test train continues
 - High rail testing for FRA official critical assets continues
 - Backup Central Control Facility build-out complete; CBOSS PTC testing being conducted from facility
- Project Schedule and Budget
 - New project baseline schedule developed
 - Revenue service demonstration (RSD) delayed until fourth quarter of 2016
 - Software release delays
 - Contractor execution of test plans and schedules
 - FRA process is in flux
 - Schedule delay will require additional funding for the project
 - Requires commercial negotiation with contractor
 - Funding for extension of owners team
 - Will submit budget request in the FY2017 budget process
- Next Steps
 - Develop and submit revised project budget in FY17 budget process
 - Complete Segment #3 pilot testing and FRA witness testing
 - Submit RSD application
 - Complete Segment #2 and Segment #1 testing
 - Commence revenue service in fourth quarter

AUTHORIZE AMENDMENT OF FY2016 OPERATING BUDGET TO INCREASE TOTAL REVENUES BY \$2.4 MILLION TO \$141,556,066

Ms. Harrington said staff generally asks the Board to make an adjustment to the budget mid-year. This year staff is asking the Board to recognize the fare revenue received to date. The FY2017 budget will use all available savings from prior fiscal years and from this year.

Motion/Second: Tissier/Cisneros

Ayes: Cisneros, Gee, Peralez, Ramos, Tissier, Yeager, Woodward

Absent: Cohen, Guilbault

AUTHORIZE THE FILING AND EXECUTION OF A FUNDING APPLICATION IN THE AMOUNT OF \$1,089,039 WITH CALTRANS FOR THE PROCUREMENT OF EMUs AND ANNUAL CAP AND TRADE AUTHORIZED AGENT FORMS AND CERTIFICATIONS AND ASSURANCES TO RECEIVE LOW CARBON TRANSPORTATION OPERATIONS PROGRAM (LCTOP) FUNDS

Peter Skinner, Manager, Grants and Fund Programming, said the LCTOP is part of the State's overall Cap and Trade Program and is funded annually with 5 percent of the auction proceeds. Funds are administered by Caltrans and are distributed to transit

agencies on a formula basis. Funds must be used for projects that reduce greenhouse gas emissions.

Motion/Second: Tissier/Gee

Ayes: Cisneros, Gee, Peralez, Ramos, Tissier, Yeager, Woodward

Absent: Cohen, Guilbault

ACCEPTANCE OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDING JUNE 30, 2015

Ms. Harrington said the SamTrans Ad Hoc Audit Committee met with the auditors who gave the JPB a clean bill of health.

Public Comment

Roland Lebrun, San Jose, said on page 54 the bonded capacity jumped from \$2.5 million to \$34.5 million in nine years and is now at 174.2 percent of member agency contributions in terms of bond capacity. On page 76 under Financial Statement Findings, a separate memorandum on internal control, an integral part of audits, was issued. The memorandum is missing and should be part of the packet.

Motion/Second: Cisneros/Yeager

Ayes: Cisneros, Gee, Peralez, Ramos, Tissier, Yeager, Woodward

Absent: Cohen, Guilbault

APPROVAL OF THE 2016 LEGISLATIVE PROGRAM

Casey Fromson said the legislative program establishes principles that will guide the JPB's legislative and regulatory advocacy efforts. Staff provided the Board with a draft program last month and received feedback. The following changes have been incorporated into the program:

- Clarified language supporting the allocation of Proposition 1A bond funding for the Caltrain corridor.
- Modified State Transit Assistance Program language that addresses regulatory changes.
- Removed the reference for the need of a permanent extension of the pre-tax commuter benefits because it became law after the draft was provided.

Public Comment

Vaughn Wolffe, Pleasanton, said to advocate for rail, there should be no highway expansion ever considered. In the last 65 years, 90 percent of the funding for surface transportation has gone to roads. If rail is to be effective, that should be turned around. He said \$1.3 billion was spent on expanding a highway lane in Antioch, but there is a lot of trouble getting \$1.5 billion for servicing two or three lanes worth of traffic or another 50,000 riders on rail. Advocacy has to be separating rail from surface transportation.

Motion/Second: Gee/Cisneros

Ayes: Cisneros, Gee, Peralez, Ramos, Tissier, Yeager, Woodward

Absent: Cohen, Guilbault

LEGISLATIVE UPDATE

Ms. Fromson provided the following update:

State

Governor Brown's budget is a \$122 billion spending plan. The total package is an \$8 billion increase over last year with \$2 billion of that set aside for a rainy day fund. Of the \$6 billion, the governor proposes to spend \$1.7 billion on transportation funding, which includes \$590 million for local streets and roads, \$515 million for highway repairs, \$409 for transit, and \$200 million for investments in train corridors. The new funding proposal includes funding sources from increasing gas and diesel tax, new road improvements, using additional Cap and Trade funds, and streamlining Caltrans to reduce costs.

Assembly Member Jim Frazier also introduced a spending bill that totals \$7 billion and has many of the same funding sources as the governor with a few exceptions such as additional fees on zero-emission vehicles and truck weights. This proposal calls for doubling the funding for Cap and Trade in the Transit Inter-city Rail Program.

The proposals will require a two-thirds vote due to the tax increases.

Federal

Staff is hoping to see the PCEP in the FTA Core Capacity Program. Staff will be looking to see if the JPB has any projects that would be appropriate to file for TIGER funding.

WATER CONSUMPTION AND CONSERVATION

Chair Woodward said this item will be postponed to a future meeting.

CORRESPONDENCE

No discussion.

BOARD MEMBER REQUESTS

None.

DATE/TIME/PLACE OF NEXT REGULAR MEETING

The next meeting will be Thursday, March 3, 2016, 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

Public Comment

Roland Lebrun, San Jose, said no maps or layouts have been provided to the public to inform the public what is going on with the parcel under negotiation in San Jose. Initially there was going to be a soccer field and then a rocketship school. VTA is trying to redevelop the entire area, which includes relocating a day care that is used by hundreds of Caltrain users. The only logical relocation place for the day care is where the rocketship school was going to go. None of this is mentioned in the agenda. This should be open for discussion and public knowledge.

Joan Cassman, Legal Counsel, said the Board will meet in closed session regarding existing matters of litigation. No action is anticipated following the closed session.

Recessed to closed session at 11:35 a.m.

Director Yeager left at 12:19 p.m.

Reconvened at 12:35 p.m.

Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Town of Atherton, et al vs. Peninsula Corridor Joint Powers Board. Case No. CIV532457

Closed Session: Real Estate Negotiations – Pursuant to Government Code Section 54956.8: Agency Negotiators: Joan L. Cassman and Brian W. Fitzpatrick; Under Negotiation: Price and Terms of Purchase: Property/Negotiating Parties: City of San Jose, APN: 434-13-041

Closed Session: Conference with Legal Counsel – Anticipated Litigation Pursuant to Government Code Section 54956.9(d)(4): One potential case

Ms. Cassman said the Board did not take any action and these matters will be continued to future meetings.

Adjourned at 12:36 p.m.