

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

MINUTES OF APRIL 7, 2016

MEMBERS PRESENT: J. Cisneros, M. Cohen, J. Gee, R. Guilbault, R. Peralez, J. Ramos, A. Tissier, K. Yeager

MEMBERS ABSENT: P. Woodward (Chair)

STAFF PRESENT: J. Averill, M. Bouchard, M. Burns, J. Cassman, C. Fromson, G. Harrington, J. Hartnett, C. Harvey, E. Kay, M. Martinez, N. McKenna, S. Murphy, P. Thompson, N. Vigil

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

PUBLIC COMMENT

Shirley Johnson, San Francisco Bicycle Coalition, thanked the Board for the third bike car on Bombardier trains. Customers can now count on a more reliable commute, this helps relieve congestion on the roads, and it makes the air a little cleaner. She said 14 percent of passengers ride bikes to the stations and Caltrain is the envy of transit agencies across the country.

Director Malia Cohen arrived at 10:04 a.m.

Roland Lebrun, San Jose, said the court confirmed the \$600 million in funding appropriated by the Legislature is on hold until the California High-Speed Rail Authority (CHSRA) comes up with a funding plan that is compliant with the Bond Act, which means trains must be able to travel from Diridon to Transbay in 30 minutes and there must be 12 trains per hour per direction. He said the Board should thank the CHSRA for their efforts and give them notice that the Board looks forward to their funding partnership as the JPB exercises its right to plan, design, and build enhancements compliant with the Bond Act while simultaneously reducing existing Caltrain impacts on communities and businesses on the peninsula. This will take a couple of years to come up with a plan and a full funding package that generates consensus and is bullet proof in courts. In the meantime, the Electric Multiple Unit (EMU) procurement process should be expedited, and the only way to do it is to procure hybrid trains.

Jeff Carter, Millbrae, said Train 156 used to leave 22nd Street at 3:07 p.m. but now leaves at 3 p.m., which makes the train useless for people who get off work at 3 p.m. The next train leaves 90 minutes later. This was done with no public review, and these are not minor tweaks, but major changes. He would like to know if Caltrain will do an assessment to see how the changes affect the customers. It would make more sense to move the train to 3:10 p.m. or 3:15 p.m.

CONSENT CALENDAR

- a) Approval of Minutes of March 3, 2016
- b) Acceptance of Statement of Revenues and Expenses for February 2016

Motion/Second: Tissier/Gee

Ayes: Cohen, Gee, Guilbault, Peralez, Ramos, Tissier, Yeager, Cisneros

Absent: Woodward

CHAIRPERSON'S REPORT

None

REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)

Chris Cobey, Chair, CAC, said:

- At the CAC meeting of March 15, the CAC:
 - Received a presentation on the Brown Act.
 - Received an update on the Clipper Card experience, changes to be made, concerns about tag offs, loading money on the card, interaction between Bay Area Rapid Transit (BART) and Caltrain, and zone upgrades.
- The CAC would be delighted if the Board would have a nominee to fill the San Francisco vacancy at the May meeting.

REPORT OF THE EXECUTIVE DIRECTOR

Jim Hartnett, Executive Director, said:

- Caltrain Modernization (CalMod) Update
 - In March the technical team, including funding partners, evaluated the electrification design-build and EMU proposals. There is a best-value design-build proposal with the highest technical score and lowest price as well as a highly qualified EMU proposal. Staff will analyze and negotiate with the design build and EMU contractors to reduce their prices, and staff will be scrubbing the internal team and agency costs to find additional savings.
 - Staff will be submitting a request to the Federal Transit Administration (FTA) for entry into the engineering phase of the Core Capacity Program this month. Staff submitted an application for State Cap and Trade transit and intercity rail capital program funds, which has tremendous legislative support.
 - At a recent Local Policy Maker Group (LPMG) meeting chaired by Dan Richards, Chair, CHSRA, an update was presented on the Draft 2016 CHSRA Business Plan. The LPMG is interested in a system-wide grade separation program for the corridor and had questions about the draft business plan funding and ridership assumptions, and discussion about changes from the 2014 Business Plan. Materials from that meeting are being placed on CHSRA and Caltrain websites. CHSRA is continuing to receive input on the business plan. Their board will meet on April 21 in San Jose to take closing comments and to adopt the plan to meet their deadline by May 1. Preparation of the plan is legislatively mandated.
- Director Joël Ramos was presented with a hard hat for his head-end trip on Caltrain.

- The Annual Passenger Counts have been completed and the data is being analyzed and will be presented to the Board in the coming months.
- The new Caltrain timetable has been implemented in addition to the third bike car on Bombardier train sets.

KEY CALTRAIN PERFORMANCE STATISTICS – FEBRUARY 2016

Michelle Bouchard, Chief Operating Officer, Rail, said:

- Key Caltrain Performance Statistics February 2016 compared to February 2015.
 - Average weekday ridership was 61,403, a 9.4 percent increase.
 - Year-to-date ridership was 59,556, a 3.5 percent increase.
 - On-time performance (OTP) was 90.5 percent, a 2.7 percent increase.These results are prior to the timetable change. The final bridge change out for the San Mateo bridges is happening on April 16, and the Quint Street Project should be done at the end of April. Once the slow orders for these bridge issues are lifted, OTP will be improved. This will also allow staff to see the true impacts of the timetable change.

AUTHORIZE AWARD OF CONTRACT TO DMZ BUILDERS FOR THE TERMINAL STATIONS DEPARTURE MONITORS PROJECT IN THE TOTAL AMOUNT OF \$715,000

Nita Vigil, Acting Director, Contracts and Procurement, said this is for monitors at San Francisco and San Jose Diridon stations. Both stations have printed signage but will be replaced with real-time monitors to help passengers know where they need to be. There will be 28 monitors installed in San Francisco and 20 in San Jose. This was an invitation for bids, and staff received three bids. DMZ Builders submitted the lowest bid and offered a substantial 65 percent Small Business Enterprise (SBE) goal, which exceeds the 20 percent that staff anticipated.

Motion/Second: Tissier/Gee

Ayes: Cohen, Gee, Guilbault, Peralez, Ramos, Tissier, Yeager, Cisneros

Absent: Woodward

AUTHORIZE AWARD OF CONTRACT TO AGBAYANI CONSTRUCTION CORPORATION FOR THE RIGHT OF WAY FENCING PROJECT IN THE TOTAL AMOUNT OF \$1,259,516

Ms. Vigil said this project is intended to continue and expand the implementation of the fencing project along the right of way including the Dumbarton corridor. This is a phased project. The first base year staff anticipates \$1,259,516 of an award. Staff received four bids. Agbayani Construction Corporation was able to provide a 12.2 percent SBE commitment.

Director Ramos said he has concerns around including a strategy about long-term maintenance of the infrastructure. He asked if there is a plan or system to make sure there is maintenance. Ms. Bouchard said once fencing is installed, Transit America Services, Incorporated (TASI) maintains it as part of their scope of work, which also includes repairs and inspection.

Motion/Second: Ramos/Guilbault

Ayes: Cohen, Gee, Guilbault, Peralez, Ramos, Tissier, Yeager, Cisneros

Absent: Woodward

AUTHORIZE AMENDMENT OF PROFESSIONAL SERVICES AGREEMENT WITH TRANSPORTATION CONSULTANT, LLC TO PROVIDE CONTINUATION OF MICHAEL BURNS' SERVICES AS CHIEF CALTRAIN MODERNIZATION OFFICER AT AN ADDITIONAL COST OF UP TO \$202,000 FOR 12 MONTHS

Joan Cassman, Legal Counsel, said this is a request to extend the contract for Mr. Burns' services as the Chief Officer, Caltrain Planning/CalMod Program for up to one year.

Chair Cisneros said as a former colleague of Mr. Burns, he highly recommends approval of this item.

Motion/Second: Yeager/Tissier

Ayes: Cohen, Gee, Guilbault, Peralez, Ramos, Tissier, Yeager, Cisneros

Absent: Woodward

2015 CUSTOMER SATISFACTION SURVEY RESULTS

Patrick Thompson, Market Research Specialist, presented:

- Objectives
 - Determine customer satisfaction levels used as TASI's performance measurement
 - Additional research opportunities
 - Rating of amenities on electric trains
 - Frequency and duration of Caltrain ridership
- Methodology
 - Onboard survey
 - June 2015
 - 44 trains
 - 36 weekday trains (peak and off peak)
 - Eight Saturday trains
 - English and Spanish surveys available
 - Response
 - 3,356 completed surveys returned
 - 71 percent response rate
- Overall satisfaction (scale of one to five) [2014 numbers in brackets]
 - 3.93 [4.05]
 - 75 percent somewhat or very satisfied [81 percent]
 - 5 percent somewhat or very dissatisfied [3 percent]
- At stations
 - Functioning of lights – 4.23 [4.28]
 - Cleanliness of stations and parking lots – 3.97 [4.09]
 - Information boards – 3.85 [3.87]
 - Ease of use of Ticket Vending Machines – 3.76 [3.78]
 - Being informed of delays – 3.40 [3.42]
- Onboard
 - Conductors appearance – 4.39 [4.39]
 - Sense of personal security – 4.28 [4.35]
 - Courtesy of conductors – 4.25 [4.25]
 - Availability of printed materials – 4.14 [4.17]
 - Cleanliness of train exteriors – 4.07 [4.14]
 - On-time arrival – 3.86 [4.04]

- Cleanliness of train interiors – 3.86 [3.92]
- Onboard announcements – 3.63 [3.68]
- Delays information – 3.58 [3.68]
- Cleanliness of onboard restrooms – 3.27 [3.30]
- At stations vs. onboard
 - Riders' overall experience with Caltrain significantly decreased in 2015
 - At stations – 3.92 [3.98]
 - 73 percent somewhat or very satisfied [77 percent]
 - 4 percent somewhat or very dissatisfied [3 percent]
 - Onboard trains – 4.00 [4.11]
 - 78 percent somewhat or very satisfied [83 percent]
 - 3 percent somewhat or very dissatisfied [2 percent]
- Electric train amenities rating (5=Very important, 1=Not at all important)
 - Onboard restrooms – 4.28
 - Onboard bike capacity – 4.17
 - Interior electronic signs – 4.13
 - High-back seats – 3.94
 - Exterior electronic sign – 3.88
 - Vinyl seats – 3.58
 - Interior electronic display – 2.8
 - Low-back seats – 2.54
 - Cloth seats – 2.52
- How long customer has been riding Caltrain
 - 5 percent one time
 - 16 percent less than six months
 - 12 percent six months to on year
 - 16 percent one year to two years
 - 19 percent two years to four years
 - 32 percent four years or more
- How often customer usually rides Caltrain
 - 7 percent six to seven days per week
 - 46 percent five days per week
 - 10 percent four days per week
 - 8 percent three days per week
 - 6 percent two days per week
 - 4 percent one day per week
 - 7 percent one to three days per month
 - 11 percent less than once per month
- 2010 to 2015 scores
 - At stations
 - 2010: 3.98
 - 2011: 3.91
 - 2012: 3.92
 - 2013: 3.97
 - 2014: 3.98
 - 2015: 3.92
 - Onboard
 - 2010: 4.09
 - 2011: 4.07

Joint Powers Board Meeting
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- 2012: 4.09
 - 2013: 4.10
 - 2014: 4.11
 - 2015: 4.00
- At stations and onboard
 - 2010: 4.03
 - 2011: 3.99
 - 2012: 4.01
 - 2013: 4.04
 - 2014: 4.05
 - 2015: 3.93
- 2010 to 2015 weighted scores
 - Stations and parking
 - 2010: 3.91
 - 2011: 3.85
 - 2012: 3.83
 - 2013: 3.90
 - 2014: 3.91
 - 2015: 3.86
 - Onboard experience
 - 2010: 3.96
 - 2011: 3.96
 - 2012: 3.98
 - 2013: 4.01
 - 2014: 4.03
 - 2015: 3.96
 - Stations and onboard
 - 2010: 3.94
 - 2011: 3.92
 - 2012: 3.93
 - 2013: 3.97
 - 2014: 3.99
 - 2015: 3.92
- Currently the verbatim comments are being analyzed and a report will be issued highlighting the most common themes
- Next steps:
 - Customer Experience Taskforce
 - Maintenance and operations
 - Customer communications
 - Conductor training
 - Incident response
 - Amenities
 - Fares
 - New timetable (April 4) to address schedule reliability, on-time arrival
 - Third bike car added to Bombardier trains to expand bicycle capacity from 48 to 72 onboard bikes
- Full report available at www.caltrain.com/surveys

Director Jeff Gee asked if there is a correlation between satisfaction and ridership. He asked to see how the switch to TASI in 2012 lines up with the weighted scores to see if there is any difference. He said when ridership numbers are compared to the weighted scores it may show how performance or dissatisfaction correlates to too many people. He hopes by increasing capacity the scores will go up.

Director Ramos said he would imagine with the economy coming back and more ridership, many new riders have a high bar of expectations for transit service. He is interested in seeing how this plays out in the long-term and would like to see the comprehensive details of the survey. He asked to get the survey details e-mailed to the Board.

Director Adrienne Tissier asked to look at the cleanliness, the maintenance, and how frequently the stations and trains are being cleaned. The volume of customers may make it harder, but Caltrain should take pride in the cleanliness and should take a look to make sure trains and stations are kept clean. She said it may have to be ramped up a bit.

Director Ken Yeager asked if there is more information about how people feel about fares and their overall satisfaction of the service. As the JPB figures out how to find additional funds to pay for all the improvements, he would want to know how much flexibility there is with the fares and if people consider that when think of their overall satisfaction.

Mr. Hartnett said purpose of the survey is not just to provide static information but to help improve the service. Staff is focusing on the things that are within their control that they can try do a better job on and work with TASI, which has responsibility for a number of these areas. That has already commenced. This is also reflective of why Caltrain is going through the electrification process with an aging fleet that is less reliable and is old. Staff has extended the life of the vehicles as far as they can go.

Chair Cisneros said one question asked about the desirability of features, and restrooms on trains scored the highest. He asked if it was clear to people that bathrooms come at price of six or eight or more seats on each train car, which could be a cumulative loss of up to 100 seated passengers and some number of standing passengers. He would like to get more feedback from riders who are facing very crowded trains and are looking at standing-room only. They might have a different answer to that question.

Mr. Thompson said a separate survey was done in 2014 about EMUs that rated and ranked amenities against each other. There was also a recent online survey that asked the same questions from the 2014 survey to rate and rank amenities.

Chair Cisneros asked if that survey made it clear that choosing bathrooms meant giving up something else. Mr. Thompson said the question did make that clear. Mr. Hartnett said that information will be extracted so the Board will have a good summary of that issue.

Public Comment

Jeff Carter, Millbrae, said bathrooms versus seats versus bikes will be a problem as long as the JPB insists on going with only six trains per hour and six cars per train. He said he

looks forward to seeing the written comments and how the JPB will address concerns. This report was presented to the CAC and they had concerns about why the satisfaction has declined over the years. He would like to know how many times a week the typical rider uses Caltrain. That would be important information for statistical purposes.

Roland Lebrun, San Jose, said not to blame TASI for the decline in satisfaction. The reason this is happening is because of the systemic failure of planning. The Short-Range Transit Plan shows the problem is that all the Gallery cars and F40 locomotives were supposed to be replaced between 2012 and 2015. Some of these trains should have been gone four years ago. What the JPB is asking TASI to do is physically impossible. Two engines blew in February and two more blew in March. This information is stale. Things have gotten worse since this survey was done. Electrification is not the solution. The solution is Leos Novotny, CEO, Leo Express, who is proposing to pay \$4 million a year to run express service on the peninsula using hybrid trains.

ASSESSMENT OF THE FISCAL YEAR (FY) 2016 FUEL HEDGING PROGRAM

Eli Kay, Chief Financial Officer, said very talented and dedicated staff work at this agency. They work extremely hard and put in long hours and persevere through hard times, including the recession, the information system implementation, and high-vacancy periods. The agency should preserve this talent and develop new talent and fill vacancies quickly to ensure the finance team remains strong, motivated, and productive. A very capable and expensive information system, People Soft, is in place today. Implementation of the system was a challenge that started in 2011 and is still ongoing. He thanked Gigi Harrington, Deputy CEO/Chief Administrative Officer, for working diligently over the years to bring this system to a reasonable state that is stable, functional and operational. There is a lot of work to be done to make sure the agency gets a good return on this investment. He is putting together a dedicated team of professionals that will take the system to a new level, train employees, review internal controls, optimize performance, and ensure an increase in productivity. Work is well underway to prepare an accurate and realistic budget for 2017 and a long-term forecast. Staff is working to plan for JPB's ongoing and future needs in order to meet many strategic initiatives given the financial constraints. The primary constraint is that the JPB does not have a dedicated funding source in place even though the farebox recovery ratio is fantastic. The budget gap is being closed by partner contributions and the use of existing funds. As contributions diminish over the years, available funds might not be enough to continue the spectacular growth of Caltrain. Though he is not concerned with the JPB financial statements this year, as a surplus is forecasted, alternative sources of funding need to be pursued, and the finance department is ready to contribute to finding this long-term solution.

Mr. Kay said the fuel hedge was instituted for FY2016 and the goal was to cover about 50 percent of the diesel fuel consumption, which was approximately 2.3 million gallons. The program allowed the JPB to reduce uncertainty in fluctuating fuel prices. The program had a \$2 cap, meaning that if fuel was purchased over \$2 per gallon the hedging partners would reimburse the difference. The cost to get into this arrangement was \$276,000. Fuel prices remained low, so the JPB experienced a tremendous savings of about \$6.5 million, which helps with the surplus. Staff is not recommending hedging in 2017 because the fuel prices remain so low.

LEGISLATIVE UPDATE

Casey Fromson, Acting Manager, Government Affairs, provided the following update:

State

One major change to the CHSRA Business Plan is that the sequence of construction will move north instead of south. The initial operating segment will be between Bakersfield and San Jose by 2025, with the full route of San Francisco to Los Angeles by 2029.

Federal

Appropriations committees have been looking at the president's budget, which includes \$125 million for the electrification project. This funding has strong support from the JPB's Federal delegation, who have been sending letters of support to appropriators asking them to support the funding request.

The Federal Railroad Administration has announced it is accepting applications for competitive grant funding for Positive Train Control. There is \$25 million available this year, and staff is looking at the JPB's eligibility for those funds.

Acting FTA Administrator Therese McMillan will be leaving the FTA and will be replaced by the current Special Advisor, Carolyn Flowers, who formally worked for the Charlotte Area Transit System.

CORRESPONDENCE

No discussion.

BOARD MEMBER REQUESTS

None

DATE/TIME/PLACE OF NEXT REGULAR MEETING

The next meeting will be Thursday, May 5, 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

Recessed to closed session at 10:59 a.m.

Reconvened to open session at 11:15 a.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: Conference with Legal Counsel - Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Victoria Dermeg v. Peninsula Corridor Joint Powers Board, et al., San Mateo County Superior Court, Case No. CIV 536160

Ms. Cassman said no action was taken on either closed session item.

Adjourned at 11:16 a.m.