

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

MINUTES OF JULY 7, 2016

MEMBERS PRESENT: J. Cisneros, J. Gee, R. Guilbault, R. Peralez, J. Ramos, A. Tissier

MEMBERS ABSENT: M. Cohen, P. Woodward (Chair), K. Yeager

STAFF PRESENT: J. Averill, J. Barker, M. Bouchard, M. Burns, G. Cardona,
J. Cassman, B. Fitzpatrick, C. Fromson, G. Harrington, J. Hartnett,
C. Harvey, E. Kay, L. Larano, M. Martinez, N. McKenna, S. Murphy,
E. Scanlon, M. Simon, S. van Hoften

Vice Chair Josè Cisneros called the meeting to order at 10:07 a.m. and led the Pledge of Allegiance.

PUBLIC COMMENT

Paul Jones, Atherton, said it is noteworthy that Bay Area Rapid Transit (BART) selected diesel power for the 10-mile extension from Pittsburg to Antioch at half the invested cost of extending its customary electrified line. This extension will reduce greenhouse gas emissions significantly along this industrial corridor that is noted for its poor air quality. He regrets the JPB did not pay more attention to the non-electric alternatives when developing the modernization plan.

Michael Lomio, Silicon Valley Leadership Group, encouraged the Board to move forward and approve the agreement between the JPB and the California High-Speed Rail Authority (CHSRA) for funding the Peninsula Corridor Electrification Project (PCEP). He thanked everyone for the years of hard work that have gone into the PCEP. This project is a critical component of the necessary investment in order to maintain an effective transportation system in the region.

Dr. Lawrence Ames, Los Gatos Creek Streamside Park Committee, asked the JPB to retract their request for bids (RFB) for the Los Gatos Creek Bridge. The present bridge needs to be fixed, but it will be impacted by the forthcoming decisions by the CHSRA. The bridge might have to be replaced again in a year or two. The current design for the new Lost Gatos Bridge adversely impacts the planned extension of the Los Gatos Creek Trail. Most of the trail is built, and all that remains is the last mile. Because of the JPB's change in design, the city of San Jose has had to re-plan the trail at a considerable cost. The design plans have changed again resulting in unacceptable impacts on the Los Gatos Creek Trail.

Martin Delson, Save Our Trails, said Save Our Trails is a California not-for-profit corporation whose mission is to promote trails in Santa Clara County for use by all. He is concerned about the impact of the bridge project on usefulness of the trail. The JPB has not coordinated the redesign with the city of San Jose, and the current design is going to severely impact the usefulness of the trail because it will be underwater for much of the winter. This trail will be a direct link to Diridon station. He is surprised the JPB

is promoting a project that will put people back into their cars rather than encourage them to use trails. He asked the JPB to withdraw the RFB for this project until it can be coordinated with the city of San Jose.

Bill Rankin, President, North Willow Glen Neighborhood Association, asked the JPB to withdraw the RFB for the replacement bridge across the Los Gatos Creek in San Jose. The current design will allow high water during a storm event to cover the future trail, possibly weakening the structure of the trail and covering it with mud that will close the trail for months at a time. Alternative designs are available to mitigate flooding problems. His neighborhood will be affected by high-speed rail (HSR) coming through. CHSRA plans may force yet another design change for this bridge. It is a bad use of taxpayer dollars to go to bid and construction of a \$20 million bridge that will be obsolete within 10 years.

Jean Dresden, Coordinator, San Jose Parks Advocates, asked the JPB to withdraw the RFB for the Los Gatos Creek Bridge. JPB staff's last-minute changes to the bridge design have created unresolved problems with the city of San Jose's trail planned for over two decades. JPB staff is demanding the city of San Jose remove a retaining wall in order to construct another retaining wall, which will cost the city of San Jose over \$1 million. JPB staff has underrepresented the impact of flooding on this trail. The trail is estimated to be unusable for 40 days and 14 weeks a year because of the results of flooding and debris. She asked the JPB to coordinate with the city of San Jose and CHSRA.

Deb Davis, San Jose, said she is concerned about the Los Gatos Creek Bridge Replacement Project. The need for a replacement bridge is clear and compelling. The need for close coordination for this project with the city of San Jose and the CHSRA is also clear and compelling. The city of San Jose has been working on the trail for over 30 years. As it is currently designed, the new bridge will negatively impact the trail usability during the winter months. It may also impact the nearby residents flood insurance rates. The numerous design changes and lack of coordination have already cost San Jose over \$1 million. She asked the project be better coordinated.

Vaughn Wolffe, Pleasanton, said people should not judge what the future will be like based on what things are like now. If people hadn't spent 90 percent of all transportation money on ensuring profits for oil companies and ensuring jobs for political attendees in the last 65 years, HSR would probably already be here with 110 mile-per-hour trains from Stockton and Sacramento across the Caltrain right of way, and all the complaints the JPB is hearing now would have been taken care of.

Jeff Carter, Millbrae, said yesterday there was a collision between Train 269 and a vehicle at Whipple Avenue in Redwood City. Caltrain should explore the possibility of grade crossing enforcement similar to red light cameras. It is proven that red light cameras help to reduce accidents and can trace the offenders. This would allow courts to pursue offenders that stop on the tracks.

Roland Lebrun, San Jose, said there were two trespasser incidents and one stolen car on the tracks last month, and the tracks were shut down in each case. There were no injuries and no property damage and no one was put in harm's way. There were two train failures early this month and the vehicle strike last night resulted in severe network

disruptions even though property damage was minimal and there were no injuries. There were 1,050 passengers and 80 bicycles on that train.

Andy Chow, Redwood City, said BART has introduced an off-the-shelf diesel railcar. There is no one train that fits all the regions in the Bay Area. What matters is that the experience is like there is a single system. Other regional systems have different trains for different tracks but it is still a single rail system with one ticket. Transfers from BART to Caltrain should feel the same as a transfer from one BART train to another BART train.

CONSENT CALENDAR

- a) Approval of Minutes of June 2, 2016
- b) Acceptance of Statement of Revenues and Expenses for May 2016
- c) Rejection of All Bids Received for the Provision of California Air Resources Board Ultra Low-Sulfur Diesel Fuel and Fueling Services
- d) Award of Contract to Carl Warren & Company for Public Liability Claims Administration Services for an Estimated Aggregate Cost of \$251,000 for a Five-Year Term

Public Comment

Roland Lebrun, San Jose, said in 2009 staff discarded the lowest fuel bid for using the wrong Oil Price Information Service rates and awarded a two-year contract with three one-year extensions to Pinnacle Petroleum. In November 2014, staff asked the Board to extend the contract for nine months so they could prepare another invitation for bids. Nothing happened. Nearly two years later, staff has requested to reject bids for the same technicality as in 2009 and is proposing to continue with Pinnacle for another six months. He said he would like to understand why staff is putting what has ballooned to a \$90 million contract on consent while wasting time on other items that should be on consent.

Motion/Second: Tissier/Gee

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

Absent: Cohen, Yeager, Woodward

CHAIRPERSON'S REPORT

Chair Cisneros said appointments to the Citizens Advisory Committee (CAC) have been delayed due to scheduling conflicts. The Staff Coordinating Council will work with their respective county Board representatives to make appointments in the next few months. Incumbents have been asked to remain on the CAC until appointments are made.

REPORT OF THE CAC

Chris Cobey, Chair, CAC, said:

- At the June meeting the CAC received presentations on:
 - Passenger counts
 - Customer Experience Survey
 - Bicycle Parking Management Plan and expressed concerns about bicycle thefts, storage and parking capacity
- The July meeting is canceled. The August meeting will focus on incident management and recovery.

- One member from San Mateo County and one member from Santa Clara County have resigned.

REPORT OF THE EXECUTIVE DIRECTOR

Jim Hartnett, Executive Director, said:

- Chuck Harvey, Deputy CEO, is retiring. He has served the JPB for many years.

Caltrain Modernization (CalMod) Update

- The Local Policy Makers Group (LPMG) met on June 23.
 - The structure of the LPMG was discussed and the following changes were made: 1) a JPB member will chair the CalMod meetings and the CHSRA meetings; 2) a vice chair will be selected from among the membership in July and will serve as chair in the chair's absence; and 3) members will be able to vote on items presented.
- Assemblymember Kevin Mullin has amended his bill, Assembly Bill 1889, to facilitate the delivery of Proposition 1A funding to bookend projects, including the PCEP. Caltrain is sponsoring the legislation, which cleared the Senate Transportation and Housing Committee last week. The amendment clarifies the Legislature's intent that the bookend projects that have been appropriated under Proposition 1A by Senate Bill (SB) 1029 are eligible for the funds.

AWARD OF CONTRACT TO BALFOUR BEATTY INFRASTRUCTURE, INC. FOR DESIGN-BUILD SERVICES FOR ELECTRIFICATION OF THE RAILROAD BETWEEN SAN JOSE AND SAN FRANCISCO FOR A NOT-TO-EXCEED AMOUNT OF \$696,610,558

AWARD OF CONTRACT TO STADLER US, INC FOR PROCUREMENT OF ELECTRIC MULTIPLE UNIT (EMU) VEHICLES FOR A NOT-TO-EXCEED AMOUNT OF \$550,899,459

Dave Couch, Project Delivery Director, presented:

- Process (electrification and vehicles)
 - 2014
 - April: Industry Day
 - May: Vehicle request for information (RFP) (six firms)
 - June: Electrification pre-qualification process (six firms)
 - 2015
 - February: electrification RFP issued based on JPB direction
 - January – June: vehicle compatible boarding heights discussion
 - July: vehicle RFP issued based on JPB direction (seats/bikes ratio, dual doors)
 - December: electrification best and final offer (BAFO) issued
 - 2016
 - February: proposals received (three for electrification BAFO, one for vehicles)
 - June: vehicle restroom JPB decision
 - February – June: negotiations
- Contracts
 - Electrification infrastructure
 - Best value proposer: Balfour Beatty
 - Highest qualified proposer and lowest price
 - Will comply with Project Labor Agreement

- Vehicle (electric multiple unit)
 - Single proposer: Stadler
 - Will comply with Buy America
- Throughout procurement process partner participation: Metropolitan Transportation Commission (MTC), Santa Clara Valley Transportation Authority, San Mateo County Transportation Authority, San Francisco County Transportation Authority, the city and county of San Francisco, San Francisco Municipal Transportation Agency, CHSRA
- Authorize award (limited notice to proceed)
- Balfour Beatty (electrification)
 - Contract value \$697 million, conditioned on CHSRA adopting funding agreement at August 9 board meeting
 - Limited Notice to Proceed (LNTP) \$108 million
 - Activities: design, utility and geotechnical work, and advance critical procedures
 - Full Notice to Proceed (FNTP), conditioned on execution Full Funding Grant Agreement (FFGA) with the Federal Transit Administration (FTA)
 - Activities: construction
 - Executive Director contingency authority up to 5 percent
- Stadler (vehicles)
 - Contract value \$551 million, conditioned on CHSRA adopting funding agreement at August 9 board meeting
 - LNTP \$41 million
 - Activities: advance design
 - FNTP conditioned on execution FFGA with FTA
 - Activities: procurement of 96 vehicles
 - Executive Director contingency authority up to 5 percent
- Other issues
 - Amend Fiscal Year (FY) 2017 Capital Budget
 - Maintenance options
 - Electrification and vehicles
 - One year to exercise options
 - Additional vehicle options
- Recommended Actions
 - Electrification
 1. Award contract to Balfour Beatty
 2. Authorize LNTP conditioned on CHSRA adopting agreements
 3. Authorize execution of negotiated contracts upon Executive Director determining that the funding and prerequisites are in place
 4. Authorize LNTP to not exceed \$108 million
 5. Authorize FNTP conditioned on FFGA with FTA
 6. Authorize Executive Director authority on 5 percent contingency
 - Vehicles
 1. Award contract to Stadler
 2. Authorize LNTP conditioned on CHSRA adopting agreements
 3. Authorize execution of negotiated contracts upon Executive Director determining that the funding and prerequisites are in place
 4. Authorize LNTP to not exceed \$41 million
 5. Authorize FNTP conditioned on FFGA with FTA

6. Authorize Executive Director authority on 5 percent contingency

Michelle Bouchard, Chief Operating Officer, Rail, said there was a communication that referenced the number of seats in the EMU train sets at 550 seats. That number was used in the original RFP document to provide for an apples-to-apples performance comparison. It was the idea that there would be 550 people onboard and staff wanted competing bidders to provide performance under those circumstances. Staff will work with Stadler to maximize capacity for seats and standees. That capacity needs to be balanced with space requirements for Americans with Disabilities Act passengers, bathrooms, and the 8:1 bike:seat ratio. It is likely that the number of seats in a six-car EMU set will be less than today's Bombardier or Gallery consist. The true benefit of this project comes from increasing frequency. Caltrain is going from five to six trains per peak hour, and it is anticipated to result in 10 percent greater capacity. The true capacity enhancement of this program lies in the fact that it allows Caltrain to pursue these increases in the implementation of a more efficient service pattern with a higher frequency. The EMU technology will allow Caltrain to get from end to end in 60 minutes and to serve many more stations. This will allow staff to tap into the unused capacity in the service plan today. She said when measuring the true benefit of this program people should look at total system capacity, not just the number of seats on a single consist. This project provides more capacity than there is today and in the future the JPB will be able to extend train lengths without degrading reliability or capacity.

Public Comment

Brian Perkins, District Director for Congresswoman Jackie Speier, said Congresswoman Speier wanted to congratulate the Board for awarding contracts for historic change in the performance of the Caltrain system that will bring a great deal of advancement to the system and the public will appreciate it. He said she wanted to encourage all parties to formally agree to the Seven-Party Memorandum of Understanding (MOU) related to funding the PCEP in time for the construction bids to be awarded before they expire. Congresswoman Speier believes it is possible the construction inflation will damage the finances of the project if the bids were to expire without the contracts being signed. In the worst possible case, cost overruns and an inability to meet the increased cost from local sources might force the relinquishment of hundreds of millions of dollars in Federal grants.

Juan Salazar, Facebook Public Policy, said Facebook supports the PCEP and the actions before the Board today. Caltrain is the backbone of the region's transportation system. Many Facebook employees rely on Caltrain for their daily commutes. Facebook supports the JPB's efforts to modernize the system to make sure there is faster and more reliable service and an environmentally and economically sustainable region.

Ben Cohn, Office of Assemblymember Kevin Mullin, said Assemblymember Mullin conveys his support and excitement for the milestones of issuing contracts and entering into agreements with CHSRA. Electrification is an effort to improve the quality of life on the Peninsula. Assemblymember Mullin is thankful and grateful and looks forward to continued work in this effort.

Mike Brady, Community Coalition on High-Speed Rail, said letters are in the correspondence packet indicating the illegality of the approval of contracts for electrification and EMUs and why the JPB should not be doing it. The JPB should not violate Proposition 1A. The JPB would be violating Streets and Highways Code 2704.08 Section D, which states the JPB may not make financial commitments and get Proposition 1A bond funds unless the JPB first has gone through a second funding plan. There are no plans that the public have heard of to submit a second funding plan. Therefore the JPB cannot make or spend Proposition 1A money. Caltrain is an integral partner in the Statewide HSR system. When the JPB seeks \$600 million from Proposition 1A, the JPB admits it is part of the Statewide HSR system and are bound by the provisions of Proposition 1A.

Roland Lebrun, San Jose, said staff forgot that the 2012 Capacity Analysis had 948 seats per consist. Staff also forgot that when the second set of doors will be opened, 100 seats per train will be removed. This will leave the trains with 450 seats, less than half of what was available in 2012. Stadler is an excellent company and makes great trains until LTK Engineering starts messing with them. He said these trains cost 70 percent more than the same trains in Europe. He said he asked MTC to investigate how the JPB ended up with single bid when there are manufacturers that could build trains with 50 percent more capacity for half of the cost. With the electrification contract there were qualified teams and competitive bidding, but it is a staggering cost. He asked what specifications made the electrification program so expensive. He asked if Balfour Beatty considered electrification factory trains in their bid.

Ratna Amin, Transportation Policy Director, SPUR, said SPUR supports the award of the electrification project. SPUR is looking forward to discussing how to make Caltrain a frequent, reliable, and convenient service and how it could best function together with HSR.

Shelly Kessler, Executive Secretary-Treasurer, San Mateo County Central Labor Council, said her organization represents 110 unions and 75,000 workers and their families. The PCEP is a transformational project and will move Caltrain from a 150-year-old system to the 21st century. It will better serve the communities and deliver 9,600 new critical jobs. It will also help people get to and from their jobs more efficiently. She encouraged the Board to support the resolution, which takes Caltrain one step closer to a modernized system. This is about vision, leadership, and serving the community.

Mason Fong, Office of Congressman Mike Honda, said Congressman Honda supports Federal funding for the PCEP. He has worked tirelessly to bring funding to the Bay Area region. He is aware of the need for alternative transportation modes, and this project will help to alleviate the issue of traffic and congestion in the region. It will provide an alternative mode of transportation and will bring jobs to the region. He looks forward to seeing the project materialized.

Andrew Berthelsen, Office of Assemblymember Rich Gordon, said Assemblymember Gordon is supportive of this next step towards the rail system that the region needs and deserves. Caltrain is part of the solution for transportation issues, and to Assemblymember Gordon Caltrain is also part of the solution for land use and housing issues. Looking at this project from the benefits to the environment, riders, non-

riders, neighbors, and the agency, Assemblymember Gordon is a strong support of the project.

David Shonbrunn, Transportation Solutions Defense and Education Fund, said the two contracts before the Board are reckless proposals. Staff is asking the Board to start down the road to a \$2.2 billion project that will become a stranded asset unless funding is secured to complete the entire package. That funding will never arrive. The Legislature approved bond money for the HSR bookends, but that use of funds is prohibited by the bond measure. Without CHSRA funds, this project is a fantasy and this approval ceremony is mere theater. The JPB should ask staff what the fallback plan is in light of the extraordinary risks. If the JPB does not have a solid plan, it runs the risk of being held personally liable for approving these contracts. The staff has recommended actions that fall outside the bounds of responsible financial management of public funds.

Greg Greenway, Board Member, Redwood City/San Mateo County Chamber of Commerce, said he has been tracking and supporting this project for more than a decade. He is thrilled to see it move forward and reach this milestone. The Chamber of Commerce represents 1,000 business members who employ more than 30,000 people. The ability to get those employees to and from work is critical. Now is the time to make this investment. It will be more expensive in the future and the need will be greater. He said he also represents the Peninsula Freight Rail Users Group, a coalition of freight rail shippers on the Peninsula and the two public ports. This group also supports this project and has worked with staff to make sure it is compatible with freight and designed in a way that is forward looking for the movement of people and goods.

Rosanne Foust, President and CEO, San Mateo County Economic Development Association, and Deputy Chair, Redwood City/San Mateo County Chamber of Commerce, thanked the Board, and the staff and the legal team for putting these recommendations before the Board. She encouraged the Board to adopt the recommendations before the Board. This is a historic moment for Caltrain and the future of service on the corridor. She said there are people on both sides of this issue. She asked the Board to not give in to threats and intimidation and the misuse of facts in making this decision. This is a very solid recommendation that the Board can feel good about adopting.

Andy Chow, Bay Rail Alliance, said electrification is something the region needs considering the amount of traffic congestion and the number of passengers Caltrain carries. It should have been done sooner, it should be cheaper, and there shouldn't be lingering questions about HSR. He said he does not see an alternate path forward. He asked the Board to support this vote. He thanked Mike Scanlon, former JPB Executive Director, and Margaret Okuzumi, former Executive Director of the Bay Rail Alliance.

Jeff Carter, Millbrae, said he supports the project. He is concerned about cost of \$5.7 million per car for 96 vehicles. He asked what the cost is for similar cars in other countries. In 1980 the California State Department of Transportation took over management of the train. At that time electrification and the downtown extension would have been much cheaper. He hopes the threats of lawsuits won't delay the project and increase the cost. It is not possible to get better-than-BART-service if

Caltrain will be limited to six or eight cars per train and six trains per hour. Caltrain needs longer platforms and increased train lengths to increase capacity.

Adina Levin, Friends of Caltrain, said she happy to see this important step in moving forward this long-awaited project. She is eager to use electric service as soon as possible. She urged the Board to take this step today and move the project forward.

Paul Wendt, Belmont, said the Bay Rail Alliance has long been a supporter of electrification and the downtown extension. He is happy the Board is taking this step and he supports it. The Bay Rail Alliance's top priority has been electrification. He thanked Mr. Scanlon and Ms. Bouchard.

Director Adrienne Tissier thanked everyone who spoke today. She said this is a momentous occasion. It is good to have differing opinions. She said she has been on this Board over 10 years and has been working on this since then. In 2004, the Baby Bullet was a change and not everyone thought it was the right thing to do, but looking back it was absolutely the right thing to do. In 2010 and 2011 during the economic downturn, there were differing opinions about how to proceed and some Board members wanted to cut train service in half, but the Board managed to keep service. Ridership is up over 240 percent, and the revenue stream is up over 360 percent. It took risks and change for those things to happen. Today is another day when it is time to make a change and a shift to increase ridership and revenue and make a smoother rail system. She said she will support the two issues.

Director Jeff Gee said this is a momentous day. There are a number of people who have worked on this for decades. Delaying this does not make it any better or cost any less. The problems with housing, congestion and traffic are the result of saying no decades ago and precluding future from happening. This county said no to BART. This county said no to the mid-bay crossing. This county said no to a lot of things and now it is living results of no today because of the lack of ability to move around the region. He said he is not going to preclude the future from happening. He wants to preserve the opportunity for his kids and grandkids to live around here and move around the area. There is not enough money in the bank today, but he has managed capital improvement programs for over 35 years and rarely has all the money been committed on day one. The government likes to do this in pieces. What the legal team and staff have put together preserves the opportunity to move forward, but does not put the JPB at great risk. He said he is supporting both items.

Director Joël Ramos said he is supportive of this. He appreciates all the efforts he has seen manifested in this proposal to feel good about the direction the JPB is headed. He thanked staff for putting this together. Some big projects in the Bay Area have run high over the estimates such as with the Transbay Terminal and the Bay Bridge. The Central Subway was constructed under budget and on time. BART extensions were on time and under budget. He would like to hear more about oversight and how the JPB will keep from making those types of mistakes and what happened to get the Transbay Terminal and the Bay Bridge to where they are today. He would like to know how staff is going to manage the projects and keep over runs from happening. He would like to start the discussion about the contingency about how to implement electrification. Something will be shut down during construction. It is important to think now about

getting legislation in place to implement mitigation measures to move people around as the system is electrified. Because of the increased capacity, the health that communities will experience from electrified service, the environmental sustainability, the reduced greenhouse gas emissions, new jobs and the new economy, he will support this issue.

Motion/Second: Tissier/Gee

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

Absent: Cohen, Yeager, Woodward

APPROVAL OF AN AGREEMENT WITH THE CHSRA TO SECURE STATE FUNDING FOR THE PCEP

Seamus Murphy, Chief Communications Officer, presented:

- Background
 - Nine-Party MOU (2012)
 - Established Blended System approach
 - Committed approximately \$1.112 billion to PCEP
 - SB 1029 appropriated \$600 million from Proposition 1A
 - Led to 2013 JPB/CHSRA agreement
 - Seven-Party Supplemental MOU (2016)
 - Commits additional \$210 million to PCEP
 - \$113 million from CHSRA
 - FTA Core Capacity Full Funding Grant Agreement (pending)
 - Secures \$647 million
 - Triggers FNTF
- Purpose
 - Establish plan to obtain \$600 million from Proposition 1A
 - Affirm commitment of additional \$113 million
 - Commits alternative funding pending Proposition 1A availability
 - Allows the execution of PCEP contracts
- Scope
 - Limited to PCEP
 - Reaffirms Blended System
 - Shared use terms will be covered in future agreements
 - Reaffirms CHSRA responsibility for Blended System
- Other details
 - FY2017 cash flow invoicing effective July 1, 2016
 - Project management and funding agreement (SB 1029) will establish invoicing and accounting details
 - CHSRA concurrence for FNTF if Core Capacity grant is less than requested
 - JPB conditionally grants future operating rights to CHSRA

Public Comment

Jeff Carter, Millbrae, said he supports the funding agreement. Electrification is the best answer. He said he has concerns that the Blended System might limit capacity by having two tracks through much of the corridor. Caltrain and CHSRA should be looking at four tracks as much as possible within the constraints of the right of way.

Roland Lebrun, San Jose, said if Caltrain is electrified now, it will be impossible for CHSRA to fulfill the promises of Proposition 1A, which are Transbay, 12 trains per hour, and

San Jose to San Francisco in 30 minutes. In the United Kingdom, the groundwork gets done first, then they electrify.

Motion/Second: Gee/Guilbault

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

Absent: Cohen, Yeager, Woodward

AUTHORIZE EXECUTION AND SUBMISSION OF AN ALLOCATION REQUEST FOR \$39.4 MILLION IN REGIONAL MEASURE 1 AND REGIONAL MEASURE 2 FUNDS WITH THE MTC FOR THE PCEP

Peter Skinner, Manager, Grants and Fund Programming, said MTC has already approved allocation of funds. \$11 million were included as part of the original Nine-Party Funding MOU, and \$28.4 million is included in the Seven-Party Supplemental MOU. Funds will be used for electrification infrastructure and EMU procurements.

Motion/Second: Tissier/Gee

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

Absent: Cohen, Yeager, Woodward

RATIFICATION OF PAYMENT OF AN ADVANCED DEPOSIT TO RAIL TRANSPORTATION SERVICES CORPORATION IN THE AMOUNT OF \$162,000 TO SECURE THE ABILITY TO LEASE EIGHT F 40 LOCOMOTIVES

Ms. Bouchard said the aging locomotive fleet will need to be used for several more years. As lease opportunities are rare staff put down a down payment as earnest money for a fleet of locomotives pending a thorough inspection. The inspection will happen later this month.

Motion/Second: Guilbault/Tissier

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

Absent: Cohen, Yeager, Woodward

KEY CALTRAIN PERFORMANCE STATISTICS MAY 2016

Ms. Bouchard said:

- Key Caltrain Performance Statistics May 2016 compared to May 2015.
 - Average weekday ridership was 62,391, a 2.2 percent increase.
 - Year-to-date total ridership was 17,498,919, a 3.9 percent increase.
 - On-time performance (OTP) was 93.6 percent, a 4.5 percent decrease.
 - Total Farebox Revenue was \$8,018,673, an increase of 8.3 percent.
Service is very popular possibly as a result of some of the enhanced OTP from May.
- Another six-car Metrolink train set is ready to be implemented into the timetable on July 25, which will replace an existing five-car set. This allows staff to take the five vehicles out of service and perform state of good repair work on them.

ADOPT THE REVISED DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM

John Barker, Manager, Civil Rights Programs, said staff recommends revisions to the current DBE program. Changes include updating the organizational chart, and the implementation of a new online monitoring and reporting system that will help streamline the staff's ability to report out on DBE utilization.

Motion/Second: Tissier/Gee

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

Absent: Cohen, Yeager, Woodward

AUTHORIZE AN INCREASE IN EXPENDITURE AUTHORITY BY \$2 MILLION TO REIMBURSE PACIFIC GAS AND ELECTRIC (PG&E) FOR DESIGN AND OVERSIGHT SERVICES IN SUPPORT OF THE PCEP

Mr. Couch said this is to complete the scoping, go through the engineering process, take the design through the 100 percent design. With this comes reimbursable project management costs. This is the next step in the process to provide power for electrification.

Public Comment

Jessica Albietz, Program Manager, PG&E, thanked Caltrain staff for coordinating with her over the last few months. This money will be for the project management work and will allow PG&E to get to the final scoping.

Motion/Second: Gee/Tissier

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

Absent: Cohen, Yeager, Woodward

AUTHORIZE CONSENSUAL TERMINATION OF AGREEMENTS RELATING TO LEVERAGED LEASE TRANSACTIONS

Eli Kay, Chief Financial Officer, said the staff report explains the purpose of the transaction.

Motion/Second: Tissier/Guilbault

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

Absent: Cohen, Yeager, Woodward

25TH AVENUE GRADE SEPARATION UPDATE

Liria Larano, Director, Engineering and Construction, presented:

- Context
 - City of San Mateo's desire for a grade separation at 25th Avenue is for safety improvements, development in the area, improved traffic circulation, and coordination with the electrification schedule
- Scope
 - Construct grade separation at 25th avenue
 - Elevate rail between Hillside Boulevard and Highway 92
 - Relocate Hillside Station and provide station access and parking
 - Construct new east-west connections at 28th and 31st avenues
- Renderings of the separation were shown
- Schedule
 - January 2015 – summary 2016: environmental work
 - January 2016 – fall 2016: design and right of way
 - Fall 2016 – spring 2017: bid and award
 - Summer 2017 – spring 2020: construction
- Coordination with electrification

- Electrification construction to start spring 2017
- Overhead contact system installation is expected to be complete by fall 2018
- Construction of elevated track structure needs to be complete before fall 2018
- Cost estimate/funding plan
 - Total project is \$180 million
 - Environmental, design, and right of way acquisition have been funded
 - Construction and contingency funding has been proposed and is being secured from Measure A, San Mateo, State Section 190, and CHSRA
- Next steps
 - Fall 2016: complete final design, and procure required property and temporary construction easements
 - Spring 2017: award construction contract

Public Comment

Roland Lebrun, San Jose, said 25th Avenue does not need grade separating. This project is to connect Hillsdale Shopping Center to Bay Meadows. This is a complete waste of \$180 million. An island platform with two tracks will not help add capacity. CHSRA needs four tracks at this station. He wrote to MTC to ask them to investigate if the San Mateo County Transit District is fit for the administration of Caltrain.

Jeff Carter, Millbrae, said the Hillsdale station will be moved north. The issue of Hillsdale now is the bus connections to SamTrans and Caltrain are horrible. Customers have to walk up Hillsdale Boulevard to catch buses and navigate signals and cross El Camino Real and other streets. He said he is wondering if this project will make bus connections any better at Hillsdale. This project could make this station closer to Hayward Park, which was recently moved south.

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

Gigi Harrington, Deputy CEO/Chief Administrative Officer, said the presentation is available for everyone to review and she is available to answer questions.

Public Comment

Roland Lebrun, San Jose, said staff told the public the trains will have fewer seats but after electrification there will be an extra train. He said when staff started the CBOSS project they promised the public there would be six trains because of closer headways. He asked why the CBOSS project is not delivering and why customers have to wait for electrification to get a sixth train.

LEGISLATIVE UPDATE

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

State

Governor Brown signed the State budget but it was absent transportation issues, which will be taken care of as part of budget trailer bills.

Federal

Appropriations are not moving swiftly so it appears there will be a Continuing Resolution. Legislative delegates will continue efforts to secure the Federal Core Capacity appropriations.

CORRESPONDENCE

No discussion.

BOARD MEMBER REQUESTS

None

DATE/TIME/PLACE OF NEXT REGULAR MEETING

The next meeting will be Thursday, August 4, 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

Joan Cassman, Legal Counsel, said only items c and d listed on the agenda will be discussed in closed session today.

Recessed to closed session at 11:48 a.m.

Closed Session: Conference with Real Property Negotiators Joan L. Cassman, General Counsel, Elizabeth Scanlon, Manager, Caltrain Planning, pursuant to Government Code Section 54956.8: Under negotiation: Price and terms of contract.

Property Location	Owner	APN	JPB Parcel #
150 Charter Street, Redwood City, CA 94063	Ideal Charter Properties, LLC	054-112-160	JPB-SM2-0134-1A
			JPB-SM2-0134-2A
2485 El Camino Real, Redwood City, CA 94063	Dayton Hudson Corp/Target Corp	054-112-230	JPB-SM2-0135-1A
			JPB-SM2-0135-2A
2545 El Camino Real, Redwood City, CA 94061	Regency Centers	054-112-190	JPB-SM2-0136-1A
			JPB-SM2-0136-2A
201 and 205 Dumbarton Avenue, Redwood City, CA 94063	Caballero Family Trust	054-201-490	JPB-SM2-0308-1A
			JPB-SM2-0308-2A
200 Dumbarton Avenue, Redwood City, CA 94063	Redwood Apartments	054-201-560	JPB-SM2-0310-1A
			JPB-SM2-0310-2A
Westside Avenue, Redwood City, CA 94063	Del Rio Trust	054-201-550	JPB-SM2-0311-1A
			JPB-SM2-0311-2A

Closed Session: Conference with Real Property Negotiators Joan L. Cassman, General Counsel, Brian W. Fitzpatrick, Manager, Real Estate and Property Development, and Gary Cardona, Senior Real Estate Officer, pursuant to Government Code Section 54956.8: Under negotiation: Price and terms of contract.

Property Location	Owner	APN	JPB Parcel #
101 E. 25th Avenue, San Mateo, CA 94403	Bay Meadows Real Estate, LLC	039-081-020	JPB-SM-0033
2825 S. El Camino Real, San Mateo, CA 94403	Nathaniel Schmelzer Trust	039-351-110	JPB-SM-0043
2833 S. El Camino Real, San Mateo, CA 94403	UM-RO Enterprises, Inc.	039-351-120	JPB-SM-0044
2837 S. El Camino Real, San Mateo, CA 94403	Donoian Trust	039-351-130 (SBE 7775-41-1)	JPB-SM-0045 JPB-SM-0046

Reconvened to open session at 12:08 p.m.

Ms. Cassman said the Board has met on the two closed session real property negotiations. The board received reports and appropriate authorization was given. There is no action to report.

Adjourned at 12:09 p.m.