

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

MINUTES OF JULY 6, 2017

MEMBERS PRESENT: C. Brinkman, D. Davis, J. Gee (Chair), G. Gillett, R. Guilbault, D. Pine, K. Yeager, M. Zmuda

MEMBERS ABSENT: J. Bruins

STAFF PRESENT: M. Bouchard, J. Cassman, A. Chan, D. Hansel, J. Hartnett, K. Kelly, L. Larano, M. Martinez, N. McKenna, S. Murphy, M. Senatore, M. Simon, S. van Hoften

Chair Jeff Gee called the meeting to order at 10:06 a.m. and Director Gillian Gillett led the Pledge of Allegiance.

Joan Cassman, Legal Counsel, said the Board met in a special closed session meeting prior to this meeting to receive a status report on the Communication-based Overlay Signal System Project as well as real estate negotiations and no action was taken.

PUBLIC HEARING FOR PROPOSED FARE AND PARKING FEES

Kathleen Kelly, Interim Chief Financial Officer and Seamus Murphy, Chief Communications Officer, presented the following highlights:

- Fare and parking changes effective October 1, 2017:
 - Monthly Pass based on 15 days per month, rather than 13 days per month.
 - Eliminating the discounted 8-ride ticket.
 - Monthly parking based on 15 days per month, rather than 10 days per month and raises the price from \$55 to \$82.50.
 - Increasing the Zone fare by 25-cents.
- Fare changes effective January 1, 2018:
 - Increasing Go Pass fares by 50 percent from \$190 per person to \$285, raising the minimum cost to employers from \$15,960 to \$23,940.
 - Implementing a pilot program to provide discounts for weekend and evening riders using One-way, Day Pass and Clipper cash value fare products.
- Four community meetings and 14 outreach events were held at various stations at various times and days of the week.

Concerns and/or comments from the Board included how was the price of parking decided, why isn't the Go Pass offered to service workers, how did staff decide on a 50 percent increase in the Go Pass and were the employers asked their thoughts on this increase, the amount of revenue generated from a 50 percent increase in the Go Pass,

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what percentage of parking spots are currently used at the stations and the elasticity available before the Board makes a decision,

Public Comment

Jeff Carter, Millbrae, said he submitted written comments to the Board. Riders already pay their fair share and Caltrain is significantly higher than other transit agencies. He is concerned in the increase in the monthly pass because there is also a zone increase. Mr. Carter said he supports the zone increase, but not the monthly increase and the Go Pass increase should be phased in.

Roland Lebrun, San Jose, said a managing agency overhead doesn't exist at Bay Area Rapid Transit and the Board needs to look at what is being paid to the San Mateo County Transit District. He supports the Go Pass increase.

Brian Shaw, Stanford University, said Stanford asks that the Board wait until after the fare study is completed before raising the price of the Go Pass. Stanford is the largest user of the Go Pass. The increase would make it very difficult for the university and medical center to afford. Mr. Shaw requested staff look at a 20 percent increase instead of 50 percent.

Andy Chow, Redwood City, said he is concerned about the proposal to increase fares when member agencies are not being able to pay their share. Gilroy is the underperforming portion of the system and Santa Clara Valley Transportation Authority (VTA) needs to pay more to cover the service.

Lenny Siegel, Mountain View, said options need to be developed for those that don't qualify for the Go Pass and asked that staff work with the cities and local policymakers.

Thomas Harrington, Chair, MVGo, said the Go Pass should be available to contractors and thinks there will be a loss of choice ridership if all the fare increases are done at once. He said the fare sensitivity analysis should be done before any recommended fare increase.

Jonathan Erman, Palo Alto, said he is against any fare increase. Fares are continually increased on paper tickets without raising fares on Clipper passengers. He said the Board shouldn't be raising fares, but decreasing fares. Mr. Erman said an agency that can't manage their financials, but are spending all this money for electrification doesn't have their priorities right.

Rachel Lopatin, Los Altos, said she takes Caltrain every day and asked that the monthly pass not be increased as she may not be able to afford to use Caltrain with the increase in cost. She said Caltrain uses fares for revenue more than any source of funding and the Board should look to local counties to help support this deficit.

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Adina Levin, Friends of Caltrain, said contractors and employees of small businesses are not covered by the Go Pass. She said both of these groups are largely low income workers and by including them in the Go Pass would increase revenue to Caltrain.

Motion to close public hearing: Guilbault/Yeager

Ayes: Davis, Gillett, Guilbault, Pine, Ramos, Yeager, Zmuda, Gee

Absent: Bruins

PUBLIC HEARING FOR ENERGY SERVICE CONTRACT FOR ENERGY-EFFICIENT LIGHTING RETROFIT AT THE SAN CARLOS CALTRAIN STATION

Michelle Senatore, Principal Planner, Sustainability, said the project will retrofit 178 lights at the San Carlos Caltrain Station along the platforms, passenger shelters, pedestrian underpass, and depot buildings. The existing metal halide and high-pressure sodium lights will be replaced with energy-efficient light-emitting diode lights that are expected to reduce electricity costs by approximately \$12,000 or 50 percent per year.

Close public hearing: Yeager/Davis

Ayes: Davis, Gillett, Guilbault, Pine, Ramos, Yeager, Zmuda, Gee

Absent: Bruins

AWARD OF CONTRACT TO ENLIGHT EFFICIENT LIGHTING, INC. FOR THE SAN CARLOS STATION LIGHTING UPGRADE PROJECT FOR A TOTAL COST OF \$70,949 AND MAKE ASSOCIATED FINDINGS

Approved by Resolution No. 2017-28

Motion/Second: Yeager/Brinkman

Ayes: Davis, Gillett, Guilbault, Pine, Ramos, Yeager, Zmuda, Gee

Absent: Bruins

PUBLIC COMMENT

Roland Lebrun, San Jose, said he has submitted two public records requests (PRA) on electric multiple (EMU) unit seating. He said the first PRA response he received was that the information was not available and he has not received a response on his second PRA. Mr. Lebrun said staff deliberately misstated current and future seating. He said he will be going to look into the funding for the refurbishment of the EMUs.

Doug DeLong, Mountain View, said in making the Citizen Advisory Committee (CAC) appointments he urges the Board to appoint people who show up to meetings and realize that they are not the ones who are in charge, but the Board is. He said the Board needs to make sure those that they appoint will attend the meetings.

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Vaughn Wolffe, Pleasanton, said the regional rail planning is not doing what the public wants and most trains are at capacity. He said there is no regional planning among the transit agencies and each is spending billions of dollars on their own projects instead of regional transit.

Lennie Siegel, Mountain View said he encourages staff to work with Mountain View on transit oriented developments (TOD). He said he hopes the Business Plan encourages staff to work with cities on more TODs. Mr. Siegel said Mountain View is hoping for more evening and weekend service.

Hannah Beach, Greenbelt Alliance, said she is an intern at Greenbelt getting a degree in urban studies. She said Caltrain is the Bay Area's train and Greenbelt is a huge supporter of electrification. Ms. Beach said prior to adopting the Business Plan Greenbelt hopes affordability housing is looked at.

Adina Levin, Friends of Caltrain, said she hopes there is public engagement on the Business Plan. She said there is a need to prepare for future ridership and making sure that TOD is part of the Business Plan, including revenue opportunities and below market housing.

Kaylin Hui, Greenbelt Alliance, said she is a student at University of California Davis studying landscape architecture, and working as an intern at Greenbelt Alliance this summer. She said affordability housing is a major issue in the Bay Area and Caltrain can help with this issue by building affordability housing on Caltrain owned land. She said Greenbelt encourages 20 percent of the housing be affordable or market priced.

Aleta Dupree, Oakland, said he took Caltrain here using her Clipper Card. He said staff needs to work with Clipper to have a simplified fare structure. Mr. Dupree said an application needs to be developed for Clipper and that those that use electronic payment should be rewarded.

Jonathan Erman, asked the Board who uses public transportation and how they got to the meeting today. He said electrification will not solve the financial problems.

Jeff Carter, Millbrae, said he hopes the Fare Study will be objective and that staff seeks input from the riding public. If there was station to station pricing it would be more affordable to low income riders. He asked that staff provide utilization of monthly passes from other agencies.

Drew, San Mateo, said he is asking the Board for support on eliminating impacts on the 25th Avenue Station. He said with the new station it will be a 25 minute walk instead of the current 15 minute walk to the Hillsdale Station. Drew said there needs to be overpasses or bike paths.

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Andy Chow, Redwood City, said money cannot be loaded on a Clipper Card at the Caltrain ticket vending machines and this is a problem.

CONSENT CALENDAR

- a. Approval of Minutes of June 1, 2017
- b. Acceptance of Statement of Revenues and Expenses for May 2017
- c. Reject the Sole Bid from Voestalpine Nortrak, Inc. for the Purchase and Delivery of Special Trackwork
- d. Award of Contract to Dunbar Armored, Inc. to Provide Armored Car Pick Up and Deposit of Daily Transit Revenue for a Total Estimated Cost of \$2,337,618 for a Five-Year Term
- e. Receive Key Caltrain Performance Statistics – May 2017
- f. Receive Legislative Update
- g. Receive 2017 Annual Passenger Counts Presentation

Public Comment

Roland Lebrun, San Jose, bullet trains are running at 130 percent of capacity. He said the rejection of bid is a sign of incompetent employees.

Diana Reddy, Housing Leadership Council, said they support a Business Plan to make Caltrain as financially responsible as possible. She said there will be a lot of interest in builders to develop property and encourages affordable housing if the property is developed. Ms. Reddy said 20 percent must be below market rate.

Approved by Resolution No. 2017-27

Motion/Second: Zmuda/Brinkman

Ayes: Davis, Gillett, Guilbault, Pine, Ramos, Yeager, Zmuda, Gee

Absent: Bruins

- h. Receive Caltrain Business Plan Update

Board member comments included the September timeframe to have community engagement coincides with Google's community engagement for their development near the San Jose Diridon Station. What are the assumptions going into the Business Plan framework and the relationship between the Business Plan and ongoing planning work.

Public Comment

Jeff Carter, Millbrae, said he urges extreme caution on using Caltrain property for TODs as it will constrain the corridor for future expansion.

Motion/Second: Gillett/Brinkman

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Ayes: Davis, Gillett, Guillbault, Pine, Ramos, Yeager, Zmuda, Gee
Absent: Bruins

CHAIR REPORT

Resolution of Appreciation to Outgoing Director Joël Ramos

Approved by Resolution No. 2017- 26

Motion/Second: Brinkman/Gillett

Ayes: Davis, Gillett, Guillbault, Pine, Ramos, Yeager, Zmuda, Gee
Absent: Bruins

Mr. Ramos said the Board gets criticized a lot and public comments should be respectable of staff's time. He thanked staff for always being available to answer his questions. Mr. Ramos said he plans to be an advocate and win a sales tax ballot measure through his work at Transform.

CAC REPORT

Brian Shaw, Chair, CAC, thanked Jonathon Berk for his service. He said staff has told the CAC they can only meet when there is a quorum. Mr. Shaw said the CAC did not meet in March and May because of no quorum and in June there was no representative from Santa Clara. At the June meeting the CAC received the 2017 passenger counts presentation.

Public Comment

Roland Lebrun, San Jose, said he went through the entire Brown Act and there is nothing stated that a meeting cannot be held without a quorum. He said VTA holds meetings without a quorum. Mr. Lebrun said that maybe the CAC bylaws need to be changed to allow alternatives,

REPORT OF THE EXECUTIVE DIRECTOR

Derek Hansel, Chief Financial Officer, was introduced.

Update on Transportation Funding Issues

Mr. Murphy said staff has submitted priorities to the Legislative caucus for Regional Measure 3, authorized by Senate Bill (SB) 595. He said Assembly Bill 1613 authored by Assemblyman Kevin Mullin allows the Board and San Mateo County Board of Supervisors to put a half-cent sales tax measure on the ballot and a portion of the funding would be available to Caltrain. Mr. Murphy said San Francisco is contemplating a similar measure. He said SB797, authored by Senator Jerry Hill, will allow for a three county

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one-eighth-cent tax measure for Caltrain. He said that there is significant support for this tax measure as a result of private sector polling.

Communication-based Overlay Signal System (CBOSS) – Positive Train Control (PTC) Project Update

Michelle Bouchard, Chief Operations Officer, Rail, provided the following highlights:

- Parsons Transportation Group contract was terminated in 2017 due to underperformance.
- Project on target to meet December 2018 Federal PTC mandate.
- Phase 1 contract awarded in May to Alstom for software development.
- New baseline schedule to be confirmed once new integrator and key subcontractors are in place.

Public Comment

Roland Lebrun, San Jose, said the amount of misinformation just presented by staff is unbelievable. He said the money from the Federal Railroad Administration is not going to CBOSS, but for the trains going to Gilroy.

Jim Hartnett, Executive Director, said his written report is included in the Board's reading file.

AWARD OF CONTRACT TO ARINC, INC. FOR EVALUATION OF THE STATUS OF THE CBOSS PROJECT IN THE TOTAL AMOUNT OF \$730,000

Ms. Bouchard said this will allow the JPB to pursue completion of the CBOSS Project in a manner that will both minimize costs to the JPB resulting from the termination of the Parsons Transportation Group contract and also maximize the JPB's ability to comply with the Federal mandate for implementation of PTC by the end of 2018.

Public Comment

Roland Lebrun, San Jose, said in 2013 he told the Board ARINC was not qualified and is the root cause of the problem

Ms. Bouchard said there are many sides in successful projects and staff has had a very long and successful relationship with ARINC on many projects.

Approved by Resolution No. 2017-29

Motion/Second: Yeager/Davis

Ayes: Davis, Gillett, Guillbault, Pine, Ramos, Yeager, Zmuda, Gee

Absent: Bruins

ADOPTION OF A FINANCIAL RESERVE POLICY

Ms. Kelly said staff is recommending a minimum of 10 percent reserve with a goal of 15 percent.

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Board comments included premature to adopt the policy prior to the fare study being completed, but the majority of the Board was positive and supported the policy.

Director Dev Davis made the motion to defer adoption until the fare study is completed. There was no support for this by the other Board members and the motion failed.

Approved by Resolution No. 2017-30

Motion/Second: Zmuda/Brinkman

Ayes: Davis, Gillett, Guilbault, Pine, Ramos, Yeager, Zmuda, Gee

Absent: Bruins

APPROVE AND RATIFY THE FISCAL YEAR 2018 INSURANCE PROGRAM FOR A TOTAL PREMIUM OF \$4,356,492

Ms. Kelly said the proposed insurance program provides the JPB with the same coverage levels and structure as in Fiscal Year Y2017, but at a lower cost. The competitive program maintains the JPB's \$1 million self-insured retention, which greatly reduces out-of-pocket payments on large claims.

Approved by Resolution No. 2017-31

Motion/Second: Yeager/Davis

Ayes: , Davis, Gillett, Guilbault, Pine, Ramos, Yeager, Zmuda, Gee

Absent: Bruins

AWARD OF CONTRACT TO SHIMMICK/DISNEY JOINT VENTURE FOR THE 25TH AVENUE GRADE SEPARATION PROJECT IN THE TOTAL AMOUNT OF \$82,890,000

Ms. Kelly said the project will raise the Caltrain tracks between State Route 92 and Hillsdale Boulevard, slightly lower the road at East 25th Avenue, complete east-west street connections at 28th and 31st avenues, and construct a new elevated Hillsdale Station located at East 28th Avenue, with new parking lots east of the new station between 25th Avenue and 31st Avenue. One protest was received and staff and legal counsel confirmed it had no merit.

Public Comment

Roland Lebrun, San Jose, asked why the California High Speed Rail Authority (CHSRA) funding agreement isn't part of the packet. He said the 20 percent change order is mandated by CHSRA. Mr. Lebrun said the real issue is the station is not designed properly to increase capacity and allow HSR.

Larry Patterson, city of San Mateo, thanked the Board for the award of contract and JPB and San Mateo County Transportation Authority staff to get to this point. He said the councils have been working on this project for the past 17 years and it is great to see the project come to fruition.

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Approved by Resolution No. 2017-32

Motion/Second: Pine/Guilbault

Ayes: Davis, Gillett, Guilbault, Pine, Ramos, Yeager, Zmuda, Gee

Absent: Bruins

AUTHORIZE EXECUTION OF SUPPLEMENTAL AGREEMENT NO. 3, PACIFIC GAS AND ELECTRIC (PG&E) FINAL DESIGN FOR PG&E INFRASTRUCTURE BUILD OUTS IN SUPPORT OF THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT (PCEP)

Liria Larano, Deputy Chief, Caltrain Modernization, said based on a System Impact Study performed by PG&E and reviewed by the PCEP staff, both of the PG&E substations located in South San Francisco and San Jose need improvements in order to provide sufficient and reliable power to Caltrain. Improvements to the PG&E substations will be designed and constructed by PG&E. Interconnections between the Caltrain substation and the PG&E substations will be constructed by the PCEP Design-Build Contractor with oversight from PG&E.

Approved by Resolution No. 2017-33

Motion/Second: Yeager/Davis

Ayes: Davis, Gillett, Guilbault, Pine, Ramos, Yeager, Zmuda, Gee

Absent: Bruins

BOARD MEMBER REQUESTS

Director Gillett requested that a discussion on ad hoc committees on finance, the Business Plan and the electrification and CBOSS projects be agendaized for the August meeting.

Public Comment

Roland Lebrun, San Jose, asked that any ad hoc committees created by the Board be open to the public.

DATE/TIME/PLACE OF NEXT REGULAR MEETING

Thursday, August 3, 2017, 10 a.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070.

Adjourned at 1:06 p.m.