

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

MINUTES OF OCTOBER 5, 2017

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

MEMBERS ABSENT: K. Yeager

STAFF PRESENT: M. Beveridge, M. Bouchard, J. Cassman, A. Chan,
C. Gumpal, D. Hansel, J. Hartnett, L. Larano, M. Martinez,
S. Murphy, M. Simon

Chair Jeff Gee called the meeting to order at 10:11 am and Director Brinkman led the Pledge of Allegiance.

PUBLIC COMMENT

Shirley Johnson, San Francisco, Bikes ONboard, provided a presentation on the Electric Multiple Unit (EMU) bike capacity. Ms. Johnson said that she is thrilled that Caltrain is electrifying but concerned that staff is ignoring Board direction regarding bike-to-seats ratios.

Lois Kallermar, Mountain View, said staff should encourage the public to ride bikes and not drive. Ms. Kallermar expressed concern that trains are turning away from bike riders and suggested the agency should increase bike capacity on the individual trains.

Aleta Joan Dupree, Oakland, suggested Caltrain consider applications for smartphones. Ms. Dupree also suggested upgrading payment vending machines for electronic payment that would work better than paper tickets.

Vaughn Wolffe, Pleasanton, said Caltrain can add capacity in partnership with the Altamont Corridor Express (ACE) by bringing trains up from Santa Clara to Redwood City for a short period between now and electrification. He also suggested possibly creating a boarding platform at Facebook and said this should be a part of the Business Plan.

Roland Lebrun, San Jose, said Caltrain needs seven-car Bombardier trains now and not in five years and this issue should be included in the Business Plan.

Jeff Carter, Millbrae, asked how the JPB addresses public comments. He said he has sent several questions and has received no response from staff.

Mr. Carter would also like to know who provided the monthly pass double fare increase and ridership projections. Mr. Carter noted that his questions have been submitted in writing and are on file.

Kathleen Gabriel, San Mateo, is concerned that the electrification plan considers placing handicap passengers on the bike car. Ms. Gabriel said it would cause a lot of activity and no space for handicap passengers. She requested that the JPB consider the needs and safety of all riders.

Hans Nielsen, Sunnyvale, said that the current electrification plan does not have enough capacity and suggested eight-car EMUs. He said that the new design that includes two bicycle cars will make it difficult to get bikes on trains. Mr. Nielsen said to consider bicycle access spread throughout the train.

Ada, San Mateo, said she is concerned with the pedestrian and bike safety and accessibility at the new Hillsdale train station. She said the safety concern is primarily for the residents that live on the south side of the station and not the north side.

Drew, San Mateo, said Caltrain should continue the search on ways to improve the safety of pedestrians, particularly on the south side of the new Hillsdale Station.

Adina Levin, Friends of Caltrain, said she recently attended the first public presentation of the New State Rail Plan. Ms. Levin suggested that the Board and staff view the vision in the Plan and the state resources that would assist with the agency's improvements.

CONSENT CALENDAR

- a. Approval of Minutes of Special Meeting of September 7, 2017
- b. Approval of Minutes of September 7, 2017
- c. Receive Information on Statement of Revenues and Expenses for August 2017
- d. Receive Key Caltrain Performance Statistics – August 2017
- e. Receive Legislative Update
- f. Appointment of Citizens Advisory Committee Representatives
- g. Rejection of Single Bid for the Grade Crossings Improvement Project
- h. Adoption of Peninsula Corridor Electrification Project (PCEP) Final Environmental Impact Report FEIR Addendum #2: Inclusion of Overhead Contact System (OCS) pole and wire relocations to accommodate California High Speed Rail Authority (CHSRA) Service – Adopted by Resolution No. 2017-50
- i. Adoption of Addendum #3 to the PCEP Final Environmental Impact report FEIR and approve inclusion of Pacific Gas & Electric (PG&E) substation improvements and interconnections to the Peninsula Corridor Joint Powers Board JPB Substations for PCEP – Adopted by Resolution No. 2017-51
- j. Authorization to Enter into a Funding Agreement with the California Pacific Utilities Commission (CPUC) to receive \$3.125 Million for the Mary Avenue

Grade Crossing Traffic Signal Preemption Project and Authorize increasing the
FY 2018 Capital Budget by \$3.125 Million – Adopted by Resolution No. 2017-52

Public Comment

Jeff Carter, Millbrae, said he submitted edits to the minutes and acknowledged the changes that have been noted in the file.

Motion/Second: Brinkman, Bruins

Ayes: Brinkman, Bruins, Davis, Gillett, Guilbault, Pine, Zmuda, Gee

Absent: Yeager

CHAIRPERSON'S REPORT

BUSINESS PLAN AD HOC COMMITTEE UPDATE

Director Bruins reported:

- Overview :
 - The Caltrain Business Plan was first introduced to the JPB in April 2017. The Board subsequently received a written memo update on the Caltrain Business Plan at its July meeting.
 - At the August meeting of the JPB, Chair Gee announced the formation of an Ad Hoc Committee to assist and guide staff in the development of the Business Plan. Membership in the Ad Hoc Committee was finalized at the September JPB meeting and includes, Chair Gee, Director Gillett, Director Guilbault and herself.
 - Since the September Board meeting the Ad Hoc Committee has met twice.
- September 7th Meeting: The Committee first met on September 7, immediately following the September JPB meeting and discussed the following:
 1. The Ad Hoc Committee's role, expected meeting frequencies and process for reporting out to the Board
 2. Overview of Phase 1 of the Caltrain Business Plan
 - As described in the July memo update to the JPB, Phase 1 of the Business Plan includes the development of a refined technical scope along with a higher level business strategy statement.
 - The Ad Hoc Committee discussed expectations that Phase 1 work products including a Scope of Work and Business Strategy statement would be brought to the full Board for adoption by the end of 2017.
 3. A stakeholder workshop for the Business Plan to be held on September 20
Discussion topics included:
 - Workshop purpose, agenda and subjects to be covered
 - Attendees
- September 28 Meeting: The Committee discussed the results of the September 20 stakeholder workshop and to review some preliminary scope concepts for Phase 2 of the Business Plan. Specific discussion topics included:
 1. A debrief from the September 20 Stakeholder workshop
 - Committee members reviewed a report documenting the stakeholder scoping workshop

- Ad Hoc members discussed future stakeholder outreach opportunities and strategies
- 2. Initial feedback on Phase 2 concepts
 - Committee members reviewed and discussed an initial scope concept for the larger Phase 2 Business Plan and provided input and comments on technical issues to be addressed, scope organization and outreach strategies .
- 3. Discussion of schedule and budget for Phase 2
 - Committee members discussed the schedule of Phase 2 and affirmed staff's desire to complete work during 2018.
 - A proposed budget for Phase 2 work was not presented at the September 28 meeting. The issue of funding was raised, however, and potential funding strategies including the possibility of partner contributions, regional or state funding and private funding, were all discussed.

Public Comment

Roland Lebrun, San Jose, said that the primary objective is congestion relief and the way to get there is capacity. Mr. Lebrun also noted that the JPB needs to have staff that is familiar with running a high capacity railway system and station design that accommodates capacity.

Chair Gee reported on the Caltrain 25th Avenue Grade Separation Groundbreaking Event that occurred in September and said the project took a lot of vision, perseverance and commitment to make it happen. Chair Gee also noted that there will be another groundbreaking event in November for the South San Francisco Caltrain Station.

CAC REPORT

Brian Shaw, Chair, CAC was not present and his report was in the agenda packet.

REPORT OF THE EXECUTIVE DIRECTOR

Jim Hartnett, Executive Director, said his written report is in the agenda packet.

Peninsula Corridor Electrification Project Monthly Report

Liria Larano, Deputy Chief, CalMod reported:

Federal Transit Administration (FTA) quarterly meeting was held on August 24 and included a presentation of the project status.

- The "Issued for Construction" (IFC) Overhead Contact System (OCS) layout designs for Segment 2 Work Area 5 were reviewed, and IFC layouts for Segment 2 Work Area 4 are under review. OCS layout designs for Segment 4 and other work areas in Segment 2 are advancing.
The project team met with Union Pacific Railroad (UPRR) to review signal design. The feasibility study for the 115 kilovolt (kV) interconnections between the future Caltrain substations and PG&E substations has begun. Tree pruning and removal began in Segment 2 Work Area 5.

- The Supervisory Control and Data Acquisition (SCADA) contract was awarded and the Notice to Proceed (NTP) will be issued after the contract is executed.
- The EMU initial Contract Deliverables Requirement List (CDRL) was finalized and has been approved by the PCEP. The Preliminary Design Review phase has begun with an approximately 65 percent completion point of design. Engineering analysis of structural strength aspects of the carbody and truck frames has commenced. The PCEP team continues to address system-wide interface issues involving the emerging Electrical Multiple Unit (EMU) design and the existing wayside infrastructure, the electrification project, and the Communications-Based Overlay Signal System (CBOSS)/Positive Train Control (PTC) Project.

Ms. Larano said that the report includes a change order log as requested by the Board during the last meeting and will continue to provide this information on the monthly reports. Ms. Larano said she will include a Construction Project Management (CPM) schedule during the next meeting.

Director Davis asked who the stakeholders are for the Centralized Equipment Maintenance and Operations Facility (CEMOF). It is her understanding that for High Speed Rail, there is one potential design that may move CEMOF and if this is included in the stakeholder outreach.

Michelle Bouchard, Chief Operating Officer, Rail, said that this stakeholder outreach is to look at the existing facility to accommodate the new electrified fleets for the first vehicle to be commissioned in 2019.

Chair Gee asked about the partner oversight process. Ms. Larano responded that there is a Change Management Board that includes members from San Francisco, Santa Mateo County Transit District, Santa Clara Valley Transportation Authority (VTA), California High Speed Rail and Metropolitan Transportation Commission (MTC). They meet once a month to review approved changes that are over \$200,000 and the entire change order log.

EMU Bike Storage

Seamus Murphy, Chief Communications Officer, reported that EMU Onboard Bike Storage samples arrived early August 2017. His presentation provided information on bike car configuration constraints and the ratio of stacking options:

- Stacking: 27 percent riders chose the stacking option due to current capacity issues
- Hybrid preference: 24 percent riders favored the hybrid option mostly because of easy storage

Mr. Murphy said that there were other website comments, 33 percent mentioned their inability to lift their bike; some wanted a combination of both hybrid and stacking; and 16 percent said they are concerned about bike theft and the effectiveness of cameras to prevent it.

Director Brinkman asked if staff considered presenting a bike share program where bikers would park their bike at a station and shift to bike sharing. Mr. Murphy responded yes and noted that this information would be included in the Bicycle Parking Management Plan presentation.

Director Bruins asked if there is a report that reflects the bike ridership rate and how it has changed over the years. Mr. Murphy said staff will provide the information at a later date.

Director Pine asked about bike security and the number of bike thefts. Mr. Murphy said there has been one reported over the last year and staff receives reports regularly.

Director Davis suggested staff consider installing overhead straps for passengers in the bike car to hold on to while the train is moving.

Director Davis asked staff if there will be more secured bike storage before electrification. Mr. Murphy responded yes.

Director Zmuda asked if the Business Plan will continue to look at the cost to fully electrify all the equipment to maximize efficiency and seek other opportunities sooner than 15 years. Ms. Bouchard responded yes.

Director Gillett noted that there is an affordable bike share program sponsored by Ford, the Bay Area's new bike share system.

Director Guillbault asked when will the camera security recommendations be ready for the Board to review. Mr. Hartnett said staff will provide information at later date.

STANDARD & POOR (S&P) BOND RATING

Derek Hansel, Chief Financial Officer, provided an update on the S&P bond rating downgrade. Mr. Hansel said the grants billing team is in the process of regularly claiming funds and working on the backlog. Mr. Hansel will provide a regular update to the Board on the grant billings.

Director Bruins asked staff how long will it take for the bond rating to turn around. Mr. Hansel responded that it could take 18 months to two years process.

Director Zmuda said that staff should consider a Board Finance Committee.

Chair Gee requested that staff provide a financial monthly report and quarterly presentation.

GENERAL MANAGER REPORT CONTINUED

Mr. Hartnett recognized Customer Service Employees for Customer Service Appreciation Week.

Mr. Hartnett said that the contract with Parsons Transportation Group (PTG) on the Positive Train Control Project was terminated in February of this year and despite the termination the JPB contracted with the subcontractor to continue with the work. Mr. Hartnett also said that the JPB is in litigation with PTG and will continue to work on a path forward to complete the Project. He said this issue will be discussed in closed session.

Public Comment:

Jeff Carter, Millbrae, said that Caltrain should consider longer trains and additional EMUs to address the need for additional capacity.

Paul Jones, Atherton, said the Board should suspend all construction on electrification projects until it can prove that the CBOSS system can provide all of the required grade crossing protection needed by all of the rail services that would use the Caltrain tracks.

Roland Lebrun, San Jose, said that Caltrain should consider a maintenance contract and a maintenance facility because maintaining EMUs is fundamentally different than maintaining diesel trains.

Adina Levin, Friends of Caltrain, thanked staff for paying attention to the capacity issues and for considering recommendations.

Shirley Johnson, San Francisco, suggested putting bike space in all the train cars.

Vaugh Wolfe, Pleasanton, said since the issue is capacity, then Caltrain should consider no bikes on the train.

REPORT ON THE ENACTMENT OF SENATE BILL 797 AUTHORIZING A 1/8 PERCENT TRANSACTIONS AND USE TAX FOR PENINSULA CORRIDOR JOINT POWERS BOARD

Joan Cassman, Legal Counsel, reported:

This measure has some unique elements. Preparing for an election would necessarily include both (1) preparatory efforts and actions to build consensus support for such a measure, which could occur through development of the Caltrain Business Plan, and (2) the multi-agency approval process that must be completed before an election can be called. Ms. Cassman noted the steps would need to be completed in time to submit ballot language to the Elections Office/Registrar of Voters in each of the three counties 88 days before the selected election date. Established election dates and the associated deadlines over the next three years (2018-2020) are provided in the report.

Director Zmuda said the Board requested this item to be heard before the full Board. It was expected that the Board would be able to discuss the preference and discuss this measure particularly as it relates to the timing as to when the JPB should act on this item.

Director Zmuda said that the sequencing of the approval is important and how the dollars would be used. She said that it requires a two-thirds vote because it would be used to provide funding for the operations and maintenance needs of Caltrain.

She said that it is important that any additional tax that is enacted be used to supplement and increase the overall budget in the future and not to replace the existing funding that is coming from various counties and the three partner agencies.

Director Bruins asked when was the last time San Mateo County had a ballot measure that dealt with transportation. Ms. Cassman said, November 2004, when the Transportation Authority's Measure A was reauthorized and went into effect January 1, 2009.

Director Pine also added that San Mateo County placed a one-eighth cent percent General Sales Tax Measure on the ballot in November 2012 that passed and in November 2016 to extend the length of the term that also passed.

Chair Gee asked how the 1/8 percent sales tax was decided and it is unclear that there has been a robust conversation between the three agency partners about using SB797 to replace member agency contributions. Chair Gee also said he is unsure that the right answer is to replace versus to augment and do more.

Mr. Hartnett said the tax proposal was the subject of a question in a poll that the Silicon Valley Leadership Group conducted. Mr. Hartnett said the JPB did not see the poll, but it was the sole question in a three-county poll (San Francisco, San Mateo and Santa Clara) related to Caltrain. He said the JPB was not informed on how the 1/8 percent was derived. The tax question received a positive polling result of over 70 percent in each county.

Director Gillett asked since this is a revenue measure, would Caltrain be able to issue General Obligation Bonds (GO Bonds). Derek Hansel Go Bonds can be issued but he will confirm with Legal Counsel and Bond Counsel.

Chris O'Connor, Senior Director of Transportation Policy, Silicon Valley Leadership Group, said the measure would have to be a three-county political effort in order to be placed on the ballot and be successful. Mr. O'Connor said that initially in 2011 they were approached by Caltrain to begin testing the sales tax concept because it has been a perennial funding problem for Caltrain. After the most recent poll, a decision was made to start the legislation. He said that the money as collected through the counties would go to the JPB for direction as a bondable source of revenue for potential capital improvements in the future.

Director Pine it is evident that the tax proposal should not go on the ballot in November 2018 as there is a busy ballot. If staff decides to amend this Bill they would have to go through seven governing boards and would need to start now to get it done by August 10, 2018 (10 months) from today.

Director Pine left at 12:16 p.m.

Public Comment:

Jeff Carter, Millbrae, appreciated that this has finally come up after 20 years and thanked Senator Hill, Assembly Member Mullin and Silicon Valley Leadership Group. Mr. Carter said that Caltrain needs it as soon as possible and is way too dependent on passengers for providing fares to operate the system. Mr. Carter said the third paragraph of the staff report indicated that it would generate up to \$100 million per year and could be sufficient to replace the member contribution. Mr. Carter suggested that it should be supplemental to member contributions and he hopes that this sales tax would supplement the member contribution in the future.

Mr. O'Connor said what was tested in a 2.6 margin poll, across the three counties, is that of likely voters in 2018, there is 74 percent approval and in San Mateo County it is 75 percent. He is happy to share the poll results in an effort of transparency. Mr. O'Connor said that this measure has the potential to solve Caltrain's funding issue throughout the years.

Roland Lebrun, San Jose said that half of Santa Clara County does not get Caltrain service and therefore the JPB will have a problem with Santa Clara County. Mr. Lebrun wanted to know what San Mateo County and San Francisco County would be able to achieve in the November timeframe and agrees with Director Pine that placing this on the November ballot is not to be considered. He also would like to know what the JPB will do with all this money.

Adina Levin, Friends of Caltrain, said her organization's mission statement supports stable funding and successful modernization of Caltrain and supporting policy. Ms. Levin said that it sounds like there are significant complications of getting something on the ballot in 2018 and if it does not happen she encouraged the Board and partners to work on solutions to stabilize the budget for the next several years before such stable funding would be available. The ideas that were raised about getting funding to increase capacity and full electrification might help because VTA has already advanced funding for their share of full electrification and longer platforms. If that happened sooner and there was money coming in to pay for that, then that raises the opportunity and question of whether that could reimburse VTA for the money that they will be bringing in and help VTA to make sure commitments could be made in the short term to stabilize the budget.

Director Bruins provided the following requests to inform the Board's decision. The JPB needs to be the lead agency; identify a favorable timeframe; deal with the polling issue; information on other possible ballot initiatives; for a clear understanding of what else might be on the ballot; if those other measures fail whether held hostage the next time.

ADOPTION OF THE CALTRAIN BICYCLE PARKING MANAGEMENT PLAN

The Board agreed to move the item to the November agenda.

AUTHORIZE EXECUTION OF AGREEMENTS TO RECEIVE FUNDING AND ACT AS PROJECT LEAD FOR THE BROADWAY GRADE SEPARATION PROJECT

Director Guilbault asked about the timing of the project. Peter Skinner, Manager, Grants and Fund Programming, said the project would take several years and the city of Burlingame has not developed a full funding plan. The initial phase would possibly take 12-18 months to get through a 35 percent design as well as the environment clearance.

Director Bruins said the staff report outlines the project as a grade separation and a reconstruction and improvement of the station but the motion as proposed only speaks to grade separation. She is unsure if the project definition needs to be in the motion and the resolution.

Mr. Skinner clarified that the grade separation itself includes the station reconstruction and it is part of the entire Project.

Director Bruins requested that for the purpose of clarity to amend the resolution to include the grade separation and platform.

Public Comment

Roland Lebrun, San Jose, said that this project is going to be another South San Francisco and Hillsdale and another problem. The JPB will spend another \$2 million.

Approved with amendments to the language to include reconstruction and improvement of the station.

Motion/Second: Bruins, Guilbault

Ayes: Brinkman, Bruins, Davis, Gillett, Guilbault, Pine, Zmuda, Gee

Absent: Yeager

GENERAL COUNSEL REPORT

- a. 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 #
2925 South El Camino Real San Mateo CA 94403	Sandra Weil, Trustee of the Sandra Weil Trust Agreement dated April 1, 1993; Karen Weil Morris; Susan	039-360-120	JPB-SM-0048

	<p>Weil Lakatos, Trustee under the Susan W. Lakatos Separate Property Trust Agreement dated February 8, 1993; Uri Rot and Evelyn Weil Rot, Trustees under the Rot Family Trust dated August 23, 1991; and Sandra Weil, Karen Weil and Susan Lakatos, +Co-Trustees of the Bypass Trust under the Ernest Weil Family Trust Agreement dated September 16, 1986, as amended; All as tenants in common as there interests might appear</p>		
--	---	--	--

- b. Closed Session: Conference with Legal Counsel - Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Peninsula Corridor Joint Powers Board. v. Parsons Transportation Group et al; San Mateo County Superior Court Case No. Case No. 17CIV00888
- c. Closed Session: Conference with Legal Counsel - Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Parsons Transportation Group v. Peninsula Corridor Joint Powers Board et al; San Mateo County Superior Court Case No. Case No. 17CIV00786

Recessed to closed session at 12:34 p.m.

Reconvened at 1:01 p.m.

Ms. Cassman said the Board met in closed session and received an update on potential litigation and real estate matters. No action was taken.

DATE/TIME/PLACE OF NEXT REGULAR MEETING

Joint Powers Board Meeting
Minutes of October 5, 2017

Thursday, November 2, 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 1:02 p.m.