Chair Bruce Jenkins called the meeting to order at 5:42 p.m. Brian Wilfley led the Pledge of Allegiance.

Approval of Minutes
A motion (Wilfley/Tucker) to approve the minutes of December 15, 2010 was passed.

Public Comment
Jeff Carter, Burlingame, commended staff for the cover of the new Caltrain timetable. He said the Baby Bullet weekend service is well received. Contrary to what anti-high-speed rail people say about elevated rail berms, Belmont and San Carlos businesses have thrived for more than 10 years.

Chairperson’s Report – Bruce Jenkins
A certificate of appreciation was presented to Bob Doty, Director Peninsula Rail Program. Mr. Doty will be leaving Caltrain on January 21, 2011.

A motion (Tucker/Richardson) to approve the resolution was passed.

Mr. Doty extended thanks to the CAC for their incredible work and dedication to Caltrain. The CAC come month-after-month to meetings, and is dedicated to learn and ask questions to make informed decisions. He saluted the CAC for making his job so much easier.

Sepi Richardson said she was so impressed with Mr. Doty in taking the time to meet with her when she joined the CAC in 2003.

Approval to Amend the Bylaws of the Citizens Advisory Committee – Time of Meeting from 5:30 p.m. to 5:40 p.m.
A motion (Jenkins/Wilfley) to amend the bylaws to a 5:40 p.m. meeting time was approved.
Staff Report – Rick Degman
Manager of Rail Operations Mr. Degman reported:

- Introduced Amtrak personnel: General Manager Peninsula Corridor Service Tom Connelly, Assistant Superintendent Tom Brown and Manager Customer Service Jon Brown.
- A news release was issued today that acknowledges Caltrain’s $30 million budget deficit for Fiscal Year 2012. Caltrain is searching for additional sources of revenue to maintain service and will be working with the CAC. Two meetings are planned to discuss issues to save Caltrain. The Silicon Valley Leadership Group is having a summit on January 21 at Stanford University and the Friends of Caltrain are meeting at the San Mateo County Transit District (District) on January 29.
- Ridership continues to grow and average weekday ridership for December increased 6.9 percent over December 2009. Total ridership for December increased 4.5 percent and without the affect of Giants ridership.
- Service changes and fare increases were effective January 1, 2011. Zone fares increased and there were cuts in midday train service.
- A survey was conducted on bikes on Caltrain and data indicated which trains had congestion issues with bikes and access capacity. Modifications were made to the two car bike Gallery sets and Bombardier sets to balance equipment between regular customer needs on peak Bullet trains and trains with heavy bike traffic. There have been shifts in bike ridership with midday cuts.
- Baby Bullet weekend express service began on January 1, 2011. Staff conducted ridership surveys last weekend and unofficial counts are averaging between 170-300 passengers.
- Modified schedules ran on Christmas Eve and New Year’s Eve. Christmas Eve service decreased 2 percent and New Year’s Eve service increased 71 percent compared to normal Saturday service. Extra firework’s trains on New Year’s Eve decreased 35 percent from last year.
- Baseball-type service ran for the Kraft Hunger Bowl at AT&T Park with two extra trains and ridership was down about 65 percent from last year.
- On Dr. Martin Luther King Jr. day, regular service ran with two special contracted Freedom Trains. Ridership was 1,008 on both trains, an increase of 19 percent from last year.
- The Giants Fan Fest is scheduled for February 5 from 11 a.m. to 3 p.m. A train set will be available in San Jose for any service demand.
- Eight-ride tickets will be discontinued on February 1, 2011 and no longer accepted after April 1, 2011. February is the last month paper monthly passes will be offered. Staff is working with the Metropolitan Transportation Commission (MTC), Clipper and passengers on the transition from paper tickets.

Committee Comments
Mr. Wilfley asked if the increase in Caltrain’s projected deficit to $30 million was due to the changes in the contributions of the partner agencies that were kept at the same level from the previous fiscal year. In the next fiscal year SamTrans is projecting an approximate $4.7 million reduction in their contribution. If the other member contributions are scaled accordingly the net is a $30 million shortfall.
Deputy CEO Chuck Harvey said member contributions went down this year from prior years that were the same for many years. Some of the money was back-filled by one-time funds provided by the MTC through a complex fund swap. SamTrans began to reduce its subsidy contribution in the current fiscal year. The reason why the $30 million deficit is in place is that it does contemplate SamTrans further reducing its subsidy to the amount of money it has available in its financial capacity and the member agencies are responding accordingly. The combination of that reduction of member contributions plus the existing structural deficit that occurs every year in the Caltrain budget results in the total gap of $30 million.

Francois Granade asked if member agencies will follow SamTrans lead and reduce their contributions. Mr. Harvey said the $30 million deficit is based on the projection that the other member agencies will reduce their contributions by an equal percentage.

Mr. Granade said San Mateo County’s contribution was much higher in the past and the other member agencies did not pay their share and perhaps it is time to give back. Mr. Harvey said there have been changes in the member agency shares over the years and those were based on a complex a.m. boarding formula but overall Caltrain’s analysis is that the member agencies have been paying their proportional equal share based on that a.m. boarding formula over the years.

Cat Tucker asked that a discussion on the deficit be agendized for the February CAC meeting. Mr. Harvey said staff’s intent is to bring all details of the fiscal emergency, service reduction proposals and how the service plan would look to the CAC after the call for the public hearing and before the public hearing occurs. Public meetings are scheduled between the February and March JPB meetings.

Ms. Tucker asked what triggered the press release today. Mr. Harvey said there are two summits planned on Caltrain’s future by the Silicon Valley Leadership Group and the Friends of Caltrain and staff will be providing a transparent historical perspective to those stakeholders about what the true financial picture of Caltrain is.

Gerald Graham said the new governor will not reduce any contributions to public transit and there is a swap due to Proposition 26 last year and Caltrain may receive some increased gas tax funds.

Mr. Granade asked what the $30 million deficit represented in the yearly operating budget Mr. Harvey said 30 percent. He said information about the deficit should include numbers about the operating budget.

Ms. Richardson appreciates Mr. Harvey and Director Lloyd attending the meeting. She said constant service cuts do damage to people and Caltrain needs to look for a steady source of revenue from the communities. She said a lot of operations will be shifted to local communities. There needs to be a summit on how to fund transportation and what type of transportation is desired and follow up should address how to get that type of transportation.

Mr. Harvey said that is why dialogue has begun. It is painful to talk about the prospect with Caltrain because the system has grown in the last 20 years and Caltrain has upgraded and enhanced the system since 2004 to increase ridership by 40 percent and revenue by 100 percent with the same base of employees that are delivering the basic service model by Amtrak. No one could anticipate the problems with investments, labor, pension, and healthcare costs, which have
caused economic ruin. The summits will address what is the best form of a dedicated revenue source. The MTC is conducting a transit sustainability study and looking at potential regional revenue sources.

Mr. Bendix uploaded money on his Clipper card with a credit card and doesn’t understand why it takes three days to access the funds. Mr. Degman said Caltrain is working with MTC and the Clipper contractor to mitigate and correct these issues. He said the transition of remaining Caltrain paper products is resulting in a delay of up to five days to access funds.

Ms. Tucker cannot attend the summits but will do what she can to lobby her State legislators.

Mr. Wilfley asked if there are Clipper add fare machines at Caltrain. Mr. Degman said the MTC is being asked to put one in the Ferry Building. The nearest is the Walgreens across the street from the 4th and King Caltrain Station. Staff is looking for other vendors in the area including The Creamery and the bike share facility.

**Public Comment**

Doug DeLong, Mountain View, said staff needs to ring MTC’s bell on Clipper issues. The MTC hired a defense contractor to do a customer service system and they are the only agency that can make a change.

Mr. Granade said the news release shows the negative side of things. Caltrain is growing even with its troubles and has a remarkable potential for growth. He said Mona Tekchandani is very interested in bringing WiFi to trains. Caltrain could do more with the same amount of money to put more people on trains. He would like to hear about the new contract operator for Caltrain. The subcommittee report on bicycle capacity reported one of the main issues is that there is not clear or good communication about bicyclists and there needs to be better feedback on bike bumping. He said people should focus on the bright side of things.

Mr. Degman said staff is looking at alternatives for revenue sources and beginning by looking at the worst case scenario. Caltrain has formed a Bicycle Advisory Committee that has been meeting for several months and listening to feedback. The ridership survey was used to change the train consists around to better accommodate bikes to reduce bumps and eliminated some key trains that were problematic and Caltrain has made a commitment to the bicycle community to find funding to convert Gallery cars to have two Gallery cars with 80 bike spaces. The focus is to keep a balance in all customer groups.

Ms. Richardson asked how Caltrain can operate if there is no money and needs money to attract passengers and said WiFi is the least of problems on trains.

Mr. Granade said Caltrain’s rider base is very wealthy and people who want WiFi should and would pay for the service.

Ms. Tucker said WiFi is one of many opportunities to generate funding instead of draining funding. She said a goal of the committee would be to try and help Caltrain to be successful with innovative ideas and she would like to agendize a discussion on ideas to generate funding.
Ms. Richardson said the committee needs to focus on ideas to generate ridership and revenue.

Chair Jenkins said many of these issues are discussed at JPB meetings and encouraged members to attend.

Ms. Richardson said the committee should discuss goals and objectives and how to achieve them at the March meeting. The CAC should also be familiar with the goals of the JPB.

Public Comment
Jeff Carter, Burlingame, has said for years that Caltrain needs a dedicated source of funding. San Mateo County is starting a ferry service that is very costly and that money could go to Caltrain. The Santa Clara Valley Transportation Authority is fixated on bringing BART to San Jose and they should slow down.

**Date, Time, and Location of Next Meeting:**
Wednesday, February 16, 2011, 5:40 p.m., San Mateo County Transit District Administrative Building, 2nd Floor Bacciocco Auditorium, 1250 San Carlos Avenue, San Carlos, CA

The meeting was adjourned at 6:42 p.m.