MINUTES OF SEPTEMBER 16, 2015

MEMBERS PRESENT: J. Berk, C. Cobey (Chair), A. Lee, A. Levin, Y. Mills, G. Scharff, B. Shaw, A. Sweet, C. Tucker

STAFF PRESENT: J. Averill, N. Debessay, R. Haskin, D. Olmeda

Chair Chris Cobey called the meeting to order at 5:44 p.m. and led the Pledge of Allegiance.

APPROVAL OF MINUTES OF AUGUST 19, 2015
Motion/Second: Scharff/Tucker
Ayes: Berk, Lee, Levin, Scharff, Shaw, Sweet, Tucker, Cobey
Absent: Mills

PUBLIC COMMENT
Jeff Carter, Millbrae, said work is being done on the bridges at 23rd Street in San Francisco, which sometimes requires the southbound platform at the 22nd Street station to be closed and customers are directed to the northbound platform. The problem is the ticket vending machines are only on the southbound platform. There should be better customer relations because some conductors might give citations even though it is Caltrain’s fault.

Roland Lebrun, San Jose, said there should not be an island platform at the South San Francisco Caltrain Station. It would save $20 million and would be safer to put platforms on both sides of the tracks. The gallery cars are getting ridiculously crowded. Two gallery trains should be broken up and added to the other gallery trains to lengthen them.

Yvonne Mills arrived at 5:50 p.m.

Susan Setterholm, San Francisco, said she is concerned with fare equity. Her son is 22 years old, gets financial aid for community college and works full time, and it costs him over 2.5 hours gross income to go from Sunnyvale to San Francisco. It is important to provide an opportunity for low-income and off-peak riders to travel.

COMMITTEE COMMENTS
Chair Cobey said he recommends the work plan topic of Caltrain Corridor Tenants be moved to make room for other more pressing items in October.
Cat Tucker said there are a lot of staff reports on agendas that take away time from the committee requested items. She would like the CAC to prioritize items in the future. She asked the CAC to keep their comments relevant to the subject matter.

Adina Levin said in November the San Francisco planning study for the use of the Caltrain railyards will be available. There is also a study on core capacity that includes potentially creating a second rail tube. These are important and strategic and perhaps should go on the work plan.

Alex Sweet said she would like to include the lost and found process in the CAC work plan.

Jonathan Berk asked the members of the public to consider how their comments affect the CAC’s ability to make Caltrain look better for the public and be more efficient.

Public Comment
Roland Lebrun, San Jose, said Palo Alto limits the amount of time council members can talk at council meetings to cut down on meeting times. He said the CAC can put items on a consent calendar.

Chairperson’s Report
Chair Cobey said he reported the CAC activities to the Board at their last meeting.

Presentation on Proposed Changes to the Codified Tariff
Rita Haskin, Executive Officer, Customer Service and Marketing, said this is a system-wide fare increase proposal, and would be the first system-wide increase since July 2011. The cost of the paper ticket has increased during the intervening years as a way to encourage more customers to use Clipper. This increase will also impact the monthly passes and eight-ride tickets. A 50-cent increase is being proposed on the base fare and daily parking, and monthly parking is proposed to increase from $50 a month to $55 a month. The last parking increases were in September 2013. The purpose of the fare increase is to help cover operating costs. Caltrain does not have a dedicated funding source. In order to renovate cars, improve stations, get signs on trains and make other improvements, a revenue source needs to be built. A fare increase will probably be proposed every other year. She said staff uses a multiplier to determine the eight-ride ticket and monthly pass price. The Caltrain monthly pass is deeply discounted based on 26.5 rides.

Chair Cobey asked what the farebox recovery percentage is and if this increase would substantially change it. Ms. Haskin said it is 65 percent and this would not substantially increase it, but would improve it.

Chair Cobey asked if it has historically been 65 percent. Ms. Haskin said it has been going up the last few years as more riders have been attracted to the system.

Brian Shaw asked what the Eligible Discount is based on and if it is mandated by the government. Ms. Haskin said part of it is imposed. Some agencies call it “Senior, Disabled, Youth,” but Caltrain calls it “Eligible Discount.” Riders have to be a youth,
senior, have a certified disability or be a Medicare cardholder to get the discounted fare, about 50 percent of the full fare.

Mr. Shaw asked if there is a program for income-based discounts. Ms. Haskin said no.

Ms. Levin asked if there is going to be a change to the Go Pass Program. Ms. Haskin said this increase is to the base fare, so it impacts all individual fares, not zone upgrades. Staff is not proposing any change to the Go Pass Program because in January it will go up $10 to $190 per a previous Board approval. The Go Pass may go up in a couple of years.

Ms. Levin asked what the percent increase is for fares. Ms. Haskin said it is about 9 percent based on a weighted measure.

Ms. Levin said the Eligible Discount Monthly Passes is going up 16 percent. Ms. Haskin Eligible Discount is based on 50 percent of the full adult fare.

Annie Lee said Zone 1 customers are getting a disproportionately higher increase because of the increase to the base fare. Zone 1 gets a 16 percent increase, but Zone 2 is getting a 9.4 percent increase.

Ms. Levin said Go Pass users are getting a smaller increase than the base-fare users. Ms. Haskin said survey data and the Caltrain annual counts show the average customer is traveling about three zones, so staff has tried to price the Go Pass at three zones.

Greg Scharff left at 6:12 p.m.

Ms. Lee asked how staff determines when to propose an increase over the base fare instead of by zone or distance. Ms. Haskin said many times the increase alternates between base fares and zones so increases do not hit the same population each time. If a zone increase was implemented, riders who travel within only one zone would have no increase.

Mr. Berk said there should be a more scientific process of fare determination. He said an objective should be defined. He said the objective might be to use taxpayer dollars to help people in the best possible way. Riding the train means people are polluting less or not causing traffic jams. Ms. Haskin said the Board approved a farebox recovery goal so the customers would pay their share of the operations of the railroad, especially because there is no dedicated funding source. The farebox recovery is about 65 percent now, and as costs increase, staff wants to achieve the farebox recovery goal and retain as many customers as possible. Staff also has to look at peer agencies and similar trips on their services to keep the commuter rail fare average.

Mr. Berk said he would like staff to send him privately information about how they determine the pricing. Ms. Haskin said staff projects what the operating costs are going to be in coming years and how much revenue will be needed. The Short-Range Transit Plan states Caltrain should be increasing fares about 7.5 percent every other year to
maintain enough revenue to keep the railroad running. She said transportation agencies use formulas.

Chair Cobey asked how staff came to the conclusion that the base fare should be increased 50 cents and if it will be presented in writing as to how that conclusion was reached. Ms. Haskin said staff looked at different scenarios including a 25-cent increase on the base, a 50-cent increase on the base, the zones, and varying discounts. The numbers were run to see if the revenue needed would match the projections, and this proposal was the one that matched. She said this information will be presented verbally to the Board.

Ms. Mills said she assumes that people going one or two zones travel outside of the commute because they need to go to doctor or other appointments. People who need the discount are going to bear the bigger brunt of the increase. She said she assumes people who have longer commutes could probably absorb the increase more. She asked staff to look at the impact on people who rely on public transportation.

Ms. Tucker said during previous public hearings in Gilroy, riders have said they would rather pay a higher rate than have no service. Ridership has gone up for years, which must result in more revenue. She asked how the revenue is weighing out. She asked if this money will pay just for operations. Ms. Haskin said fare recovery goes to operations, and the recovery of 65 percent means riders pay 65 percent of what it costs to operate the service. More ridership means more wear and tear, more servicing, more staff, transit police, and other additions. The operation of the railroad has gone up. Caltrain is not getting enough money to pay for the extra service for Levi’s Stadium events.

Chair Cobey asked if senior discounts are mandated by the State or by Federal law. Ms. Haskin said she thinks the senior and disabled rates are mandated by the Federal government.

Public Comment
Jeff Carter, Millbrae, said Caltrain needs dedicated funding. It is demeaning to tell people they have to ride bus if they can’t afford the train. Fares should be based on distance, not zones. He handed out a page with pricing charts from Chicago Metra and Caltrain that shows various ridership statistics for both systems. The typical Caltrain rider pays $4.52 per ride. Metra riders only pay $3.76 per trip. Caltrain is also higher than Bay Area Rapid Transit (BART). Fares should remain as low as possible.

Roland Lebrun, San Jose, said the fare shouldn’t have to be raised 7.5 percent every other year when ridership has grown 20 percent the last two years. Nothing has changed over the last two years since increasing trains from 86 a day to 92 a day. Caltrain added six cars to six trains. The Board set the fare recovery goal too low. It’s between 45 and 65 percent. Now that the recovery is above 65 percent, staff could have reduced fares to keep the farebox recovery below 65 percent, but instead they artificially inflated the operating expenses.

Mr. Berk said the objective should be defined to determine what the fares should be.
Ms. Sweet asked if the fare recovery rate has affected the amount of money each of the three counties has contributed. Ms. Haskin said yes. Whatever Caltrain does not receive in fares, the three partners provide a percentage to make up the difference.

**DISCUSSION ABOUT FARE EQUITY**

Ms. Levin said Friends of Caltrain worked with Stanford Urban Studies and Working Partnerships doing research on fare equity and conducted a study in Santa Clara County. She said she has the results of the survey and would like to share them.

Ms. Tucker said 60 percent of the Gilroy community are low income and don’t ride the train. She said she doesn’t understand how a survey could capture information about whether low-income people would ride unless a lot of work was done in a community of low-income non-riders.

Ms. Levin said the low-income people she talked to were from various populations including service workers from Stanford, union workers, and Palo Alto service workers, and 75 percent of the people make under $50,000 a year.

Ms. Mills asked who did the survey and what controls were used so she knows it is a valid survey versus grassroots data collection. Ms. Levin said one of the reviewers of the study was a Stanford professor of urban studies, another was from a regional transit advocacy organization called TransForm, and the basic survey was adapted from other transportation surveys that were done from Metropolitan Transportation Commission (MTC) and Redwood City. She said a set of reviewers were professionals from relevant fields. She said almost 200 people were surveyed, which is not enough to provide scientific results. The survey was conducted by staff from Working Partnerships, Stanford students, and volunteers from San Jose State University.

Ms. Haskin said last May the MTC started working on a regional means-based fare pricing study. It has representatives from various agencies including transportation agencies and social service agencies. There are three program objectives: make transit more affordable for low-income residents; move towards a more consistent regional standard for fare discount policies; be financially viable and administratively feasible without adversely affecting the transit system’s service levels and performance. MTC is looking at a literature review, transit use by low-income populations, statistically significant surveys, Bay Area transit fare and discount policies, local and national means-based fare programs, means-based testing, the role of social service organizations, and funding for low-income transit fare programs. The study should be completed in the spring.

Ms. Levin said 94 percent of metro San Jose households have cars, so many low-income people drive. She said there may potentially be an exasperated fare equity issue when more connections are created by BART going to Silicon Valley.

Ms. Levin said 40 percent of the respondents use transit. Some surveys were conducted at transit stops and buses, so a disproportionately high number of transit users were
captured in the survey. She said the top priority for respondents was time, the second priority was convenience, and 40 percent were sensitive to cost. She said 67 percent of respondents that reported receiving commute benefits from their employers use transit, and 30 percent of respondents did not receive benefits but used transit. This suggests that having a transportation benefit is successful in encouraging transit use. Respondents who get benefits had higher income than the sample surveyed. This points out that benefit programs disproportionately reach higher income people.

Ms. Levin said the survey looked at trips between 30 and 70 minutes, and between 50 and 75 percent of those trips required a transfer. Transfer pricing and times should be studied.

Ms. Levin said the recommendations are to look at bulk pass programs and offer them through a transportation management association, increase the use of interagency transfers, and look at low-income fare programs similar to a transit agency in Seattle that raised its base fares and had an income-based program.

Ms. Haskin said it is important to look at statistically significant information, which is what MTC is doing. MTC has looked at transit use by low-income populations. There are two million Bay Area residents, 28 percent of whom live in low-income households. She said 28 percent of that 28 percent lack access to a car, which means many of these residents have transportation options.

Mr. Berk asked if it is part of Caltrain’s objective to get low-income people to work. It is hard to have a discussion about fare equity without knowing what Caltrain’s objectives are. It is not the CAC’s role to set Caltrain’s objectives.

Mr. Shaw said this topic should be tabled until the MTC survey is completed, because the topic is not just about Caltrain, it is about the 27 transit agencies the Bay Area has.

Ms. Sweet said she would like to add the MTC study to the work plan for next fall.

Mr. Berk left at 7:17 p.m.

Public Comment
Roland Lebrun, San Jose, said this issue gets addressed by MTC. This discussion should not have happened. The agenda item on rolling stock is more important.

Jeff Carter, Millbrae, said the problem with the zone system is sometimes a rider will go only a short distance but will pay the same fare as a person who is traveling many miles in one zone. That is fare disparity. BART uses distance-based fares, and Caltrain should do the same. The problem is since zones are very long, the base fare has to be high to cover that distance. If the fares were distance based, the fares could be lower. There is also the fare equity challenge of transferring between systems. This is discouraging people to use transit as a whole.

Ms. Tucker left at 7:24 p.m.
TRAIN IDENTIFICATION AND SCHEDULE COMMUNICATION AD HOC COMMITTEE UPDATE

Mr. Shaw said the committee did not meet since the last CAC meeting, but will meet again to provide recommendations or findings to the CAC in October.

OVERVIEW ON ROLLING STOCK USEFULNESS AND LIFECYCLE

David Olmeda, Director, Maintenance, said Caltrain has a total revenue fleet of 142 cars, including cab cars and trailer cars, and 29 locomotives, of which 23 were manufactured in 1985 and six were manufactured in 2003. Rail equipment is typically designed for 25 to 30 years of service, but requires a mid-life overhaul in order to reach the 30 years. This raises the dilemma of who will pay for the overhaul since Caltrain does not have a dedicated funding source. He said 73 of the cars were manufactured in 1985. Twenty-two Americans with Disabilities Act cars were purchased in 2000, 24 Baby Bullet cars were purchased in 2002, nine Bombardier cars were purchased in 2008, and 16 more Bombardier Generation II cars manufactured in 1997 were recently purchased.

Mr. Olmeda said the ongoing maintenance program includes State of Good Repair (SOGR). This is capital dollars invested in the rolling stock to make sure equipment continues to function with the reliability needed. To assist staff, in 2008 and 2012, the services of LTK Engineering were solicited to conducted an evaluation on the equipment to determine the wear and tear of the equipment. Both reports informed staff about which components needed to be replaced and the schedule to change components going forward, which informed a schedule with the budget. With the schedule and priorities, Caltrain started investing significant capital dollars in 2010 in the SOGR Program. In 2011 and 2012 the program was halted because the contractor was changed. In 2013, the SOGR work resumed with an average of 10 Gallery cars and six Bombardier cars refurbished every year. As of today all locomotives have had their engines rebuilt.

Mr. Olmeda said in preparation for Caltrain Modernization, in 2017 staff will be requesting funding for more Bombardier SOGR work, separate head and power replacement for locomotives, which is the power for the lights, air conditioning, doors, and other things. In 2018, staff will request funds for additional main engine work. The focus of SOGR is to spend the appropriate amount of money to ensure the reliability of the equipment but not spend too much money knowing that the equipment will be replaced. Because of the different manufacturing years of the equipment, the Gallery cars should be removed from service in 2015, but because of the SOGR Program, staff is able to extend the useful life of the vehicles and retain them in revenue service. The difficulty for the program is that a hard date for electrification is not known. The current expected date is 2021, so staff is working toward getting the equipment to that date.

Mr. Olmeda said essential components of one-third of the Gallery cars have been replaced or refurbished, and locomotive engines are replaced every seven years. The engine is designed to be able to remove and replace vital components to raise the emission control factors and improve reliability. The head and power life cycle is five years and is replaced accordingly. The maintenance programs are designed to assess the condition of the equipment and are calendar based.
Mr. Olmeda said approximately $6 million to $7 million a year is invested in SOGR. The conditions of the engines have been improved, the reliability of key components have been improved. Not everything is reliable. Key performance indicators show the fleet reliability is still behind the curve. Staff’s goal is to maintain the equipment long enough to get to electrification and replace as much of the equipment as possible.

Mr. Olmeda said staff is trying to get the Generation II cars into revenue service. Those cars need to be made compatible with the existing fleet, which takes a lot of work from communication cables to interior signage and cleaning.

Ms. Sweet asked if there is any kind of customer behavior that could be changed that would result in a reduction in maintenance. Mr. Olmeda said vandalism, holding doors open, which can knock them off the tracks, and other similar behavior is what costs money and takes cars out of service.

Chair Cobey asked if trains have security cameras. Mr. Olmeda said no, they have forward-facing cameras for safety and security that look down the tracks, but not in the cars to record customer behavior. The new cars may have cameras in them.

Mr. Shaw asked if there is anything Caltrain should be doing differently or is doing better than other properties. Mr. Olmeda said he worked at three different railroads. Many best practices are being performed here. Electrifying is at the top of the list for improvements. Other improvements, such as additional tracks, cost a lot of money. Maintenance programs are standard across the board. The Federal Railroad Administration has strict guidelines, and from there staff exercises best practices. A wheel here at this property would last perhaps less at Metrolink because of the stopping and going that Metrolink does not have. That is the nature of the equipment in this territory, so the maintenance program has to adjust to address that.

Ms. Mills asked how confident staff is that they will hit the target date with this stock and when it will become a crisis. Mr. Olmeda said it would become a crisis when a car is deemed unsafe to have in service. Mr. Olmeda said for a car, the structure and suspension system is inspected regularly and should something need to be replaced it would be as a normal course of business. There will not be a catastrophic failure on a component of that nature. The cars are overdesigned, and as long as the maintenance programs address the systems and replace critical components, staff is not worried about the cars running 30 or 35 years. The primary concern is with the locomotives. Those items are continually addressed in the SOGR Program. If the deadline was extended, staff would request additional funds or rebuild the engines if needed. He is confident the equipment will meet the deadline.

**Public Comment**
Roland Lebrun, San Jose, said Caltrain doesn’t have to be stuck with these trains for another six of seven years or wait for electrification. He said hybrid trains have power packs on them, and could be diesels or they could be generators. He recommended Caltrain get brand new hybrid trains now that have 960 seats, carry 1,500 passengers and are electrification ready. They will not need this maintenance and will be cleaner to run.
STAFF REPORT
Nahom Debessay, Manager, Rail Compliance, said
- Staff held a meeting and identified where to install Clipper readers at the Stanford Stadium Caltrain Station. They will be accessible and will keep crowds out of the way of the railroad. Staff hopes to have them in place before the Super Bowl, but full implementation plan has yet to be finalized.
- Plans are being finalized for the bus bridges due to the San Mateo bridge replacement projects. The first is scheduled for November 7 and the second is tentatively scheduled for December 19. The remaining two will be late winter and early spring.
- July average weekday ridership was 62,630, an increase of 6.9 percent over July 2014. This is the 60th straight month of ridership growth.
- On-time performance (OTP) is below average. July’s OTP was 83.9 percent. Nearly two-thirds of all delayed trains arrived within 10 minutes, so the delays were not significant. The vast majority of delays are due to increased ridership, large crowds at special events, crowded peak trains, and more bicycles. As a result, staff is analyzing the current schedule, dwell times and OTP to determine how to best accommodate the record growth of the past few years. The goal is to create a revised schedule with the current service pattern to improve the customer experience.
- The annual emergency preparedness drill will be on October 20 at the Menlo Park facility. This is an opportunity for first responders to gain firsthand knowledge how to respond to an emergency situation other than fatalities and vehicle strikes. Contact April Maguigad for volunteering opportunities.

Public Comment
Roland Lebrun, San Jose, said a Clipper reader was added to the transfer point from Caltrain to the light rail at Diridon and he thanked the person responsible for putting the reader at that location next to the light rail machine.

DATE, TIME AND LOCATION OF NEXT MEETING:
October 21, 2015 at 5:40 p.m., San Mateo County Transit District Administrative Building, 2nd Floor Bacciocco Auditorium, 1250 San Carlos Avenue, San Carlos, CA.

Meeting adjourned at 7:55 p.m.