MINUTES OF AUGUST 17, 2016

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

MEMBERS ABSENT: C. Cabansagan, C. Tucker

STAFF PRESENT: M. Bouchard, C. Fromson, N. McKenna, J. Navarro, S. Petty

Chair Chris Cobey called the meeting to order at 5:43 p.m. and led the Pledge of Allegiance.

APPROVAL OF MINUTES OF JUNE 15, 2016
Motion/Second: Shaw/Levin
Ayes: Berk, Levin, Shaw, Cobey
Absent: Cabansagan, Scharff, Tucker
Abstain: Mills

There were not enough favorable votes to approve the minutes. Approval of the June 15 minutes will be continued at the September 21 meeting.

PUBLIC COMMENT
Doug DeLong, Mountain View, said he is happy to see a Caltrain cab car and five Metrolink cars for a six-car consist. He looks forward to the remaining Metrolink cars being refurbished as there is a definite need for capacity.

Greg Scharff arrived at 5:45 p.m.

Jeff Carter, Millbrae, said there was discussion at a previous meeting on the ridership survey and a number of people were asking for the raw data to be posted online in an excel format. He said he appreciates the additional Bombardier trains in service and hopefully extra capacity can be increased on the Gallery sets too.

CHAIRPERSON’S REPORT
Chair Cobey said he sent a memo to the Board urging them to fill the vacancies and make their appointments of CAC members.

COMMITTEE COMMENTS
Jonathan Berk said it is time to reap the fruits. There used to be a timetable that didn’t work and trains are waiting in the stations. He said it is time to start running the old schedule.
Adina Levin said trains are arriving on the old schedule and wait at the station.

CALTRAIN FARE POLICY STUDY OVERVIEW
Sebastian Petty, Principal Planner, presented:

- **Background**
  - Last Caltrain fare study 2001
  - Much has changed since 2001
  - Caltrain lacks dedicated funding source
  - Strategic Plan includes number of objectives related to fares and revenue

- **Study purpose**
  - JPB requested study of fare policy and structure to:
    - Identify potential opportunities to maximize revenue
    - Enhance ridership
    - Safeguard social and geographic equity

- **Scope of study**
  - Two phases planned
  - Phase I
    - Technical studies to determine correct fare elasticity
    - Includes study of current structure and passes as well as industry best practices
    - Using technical data, fully scope Phase II
  - Phase II
    - Draft and evaluate fare policy
    - Public and stakeholder outreach

- **Key questions to explore**
  - How much revenue can/should Caltrain generate from fares
  - Is the current fare and pass structure the right fit for Caltrain
  - How should Caltrain phase and implement changes to its fare system

- **Phase 1 Tasks**
  - Task 1 – refine purpose and need
  - Task 2 – existing conditions and background
  - Task 3 – develop survey scope
  - Task 4 – research and peer review
  - Task 5 – fare elasticity modeling
  - Task 6 – develop phase 2 scope

- **Study timeline**
  - Summer/fall 2016
    - JPB and CAC update
    - Consultation solicitation and selection
    - Complete Tasks 1 - 3
  - Winter/spring 2017
    - Complete Tasks 4 -5
    - JPB and CAC milestone update
  - Summer/fall 2017
    - Complete Task 6
    - JPB and CAC milestone update
    - Initiate Phase II
• Outreach and stakeholder engagement
  o Phase I – research oriented
    ▪ Technical Advisory Committee (TAC)
    ▪ Rider surveys
    ▪ JPB and CAC
  o Phase II – policy promulgation and implementation
    ▪ All of the above plus
    ▪ Public meetings
    ▪ Title VI process

• Next steps
  o Development of TAC
  o Consultation solicitation

Chair Cobey asked if the Board had any questions on this presentation. Mr. Petty said one Board member was very interested in parking, but that will be looked at separately and also how staff equates fares to service.

Mr. Berk said the difference Michelle Bouchard, Chief Operating Officer, Rail, has made is amazing. He said this is fantastic to be doing this analysis. He said it is important to clearly understand the objectives as difficult decisions will have to be made. Mr. Berk said if fares are increased is there a concern that more drivers and congestion will be on the highways. The survey needs to be explicit. He agrees that parking needs to be looked at.

Ms. Levin said people who commute to Palo Alto on Caltrain work for larger companies, but lower paid workers often work for smaller companies and will drive as they don’t have access to the same benefits as the higher income workers do including the Go Pass and pre-tax commuter benefit. She said the Go Pass may be a very good deal for the larger employers and maybe the larger employers should pay a higher price for the pass. In the future electrification will offer more frequent and faster service. Ms. Levin said besides looking at parking look at access too.

Mr. Scharff said the goal should be to maximize ridership and eliminate greenhouse gases. The big social justice issues are corporations can buy the Go Pass, but smaller restaurants cannot. He would hate to see going to an 80 percent farebox recovery and then lose funding from the partner agencies. Mr. Scharff said when he takes the train at 11 a.m. he is not costing the system anything, but at 8 a.m. and standing shoulder to shoulder he is costing the system something. There should be a benefit to taking the train at non-peak times. There are some trains that could run with higher fares with fewer stops.

Brian Shaw said he agrees demand pricing should be looked at. Caltrain is in the same place as San Francisco is with parking. Caltrain is suffering from a crisis with their overcrowding and it needs to be solved now. This fare study is a great thing to help solve this problem. Mr. Shaw said as someone who administers the Go Pass there is a lot that goes behind the scenes. His company provides Caltrain a lot of extra support for administering the Go Pass to their employees and brings a lot of value back to Caltrain.
Yvonne Mills said the demand based pricing bothers her. She said those that can afford it are paying for better service because they can afford it. She said a lot of service workers work off times and there are not enough trains for them or are they better served by a bus. She said staff needs to look at the public as a whole and not just those that can afford the service.

Chair Cobey said he would like to see all the detail on demand pricing before a decision is made. He asked what is fare indexing. Mr. Petty said the Bay Area Rapid Transit has this and it is compared to the Consumer Price Index.

Mr. Berk asked if those using the Go Pass are getting a better deal. Mr. Petty said based on consumption the Go Pass is a significantly lower source of revenue per passenger.

Chair Cobey said he uses a senior pass and would like the assumptions for pricing on the senior pass.

Mr. Scharff said he thinks congestion pricing would help with the service workers as they would be on a less crowded train due to their work hours.

Chair Cobey asked if this study will go as broad as who takes the train and who takes the bus. Mr. Petty said that might be further down the line.

Ms. Levin said it takes two hours for a person travelling from San Jose and on Caltrain it is 45 minutes. The city of Palo Alto has data that shows people would drive versus taking Caltrain. She said SamTrans is starting to look at a Highway 101 Express Bus Study.

Chair Cobey asked if the public will have access to the studies.

Public Comment
Doug DeLong, Mountain View, said it would be useful to educate the JPB and the public on this fare study. There is a certain category of riders that won’t feel the increase such as Go Pass users. He said it is too bad that the pass doesn’t take into account the vast diverse financial equity among all riders.

Jeff Carter, Millbrae, said Caltrain needs to secure a dedicated funding source and the member agency contributions need to remain the same. Santa Clara Valley Transportation Authority (VTA) has a 15 percent farebox, SamTrans has a 25 percent farebox and Caltrain has an even higher farebox recovery. Mr. Carter said people who work a fixed schedule shouldn’t have to wait for a certain train because of congestion pricing. The Go Pass is priced at three times a two-zone monthly pass, but don’t know how many employees use the Go Pass.

PENINSULA CORRIDOR ELECTRIFICATION PROJECT (PCEP) QUARTERLY UPDATE
Casey Fromson, Manager, Government Affairs, presented:
- Electrification infrastructure
  - Design Build Contract
    - Best value proposal: Balfour Beatty
    - Negotiations through end of June
- **Authorization Limited Notice to Proceed (LNTP) – July 7, 2016**
  - Pacific Gas and Electric
    - Master agreement executed
    - Continue coordination on Power Quality study
  - Tunnel modifications
    - 65 percent design plans completed
    - Final design targeted for the end of 2016
  - Centralized Equipment Maintenance and Operations Facility (CEMOF)
    - Schematic design complete
    - Preliminary design to start once vehicle design is available
  - Utility relocation
    - Monthly utility coordination meetings continued with telecommunication and power carriers
    - Final verification requests were submitted to utility companies

- **Electric Multiple Units (EMU)**
  - EMU contract
    - Single proposer: Stadler
    - Negotiations through end of June
  - EMU related activities
    - Buy America pre-award audit conducted at Salt Lake City facility
    - Continue work on system interface matrix

- **Safety**
  - Hazard Management Plan complete
  - Integrating utilization of IndustrySafe application into project lifecycle
  - Internal audit of Safety and Security Management Plan
  - Started updated of the Caltrain Roadway Worker Protection Program

- **Third party agreements**
  - City/county agreements: 10 approved, nine in-process
  - Cooperative agreements: San Mateo and Santa Clara counties approved, San Francisco in-process
  - Utilities: California Public Utilities Commission operating rules in-process
  - Transportation: California State Department of Transportation in-process

- **Schedule**
  - Environmental clearance – January 2015
  - LNTP – July 2016
  - Notice to Proceed (NTP) – spring 2017
  - Electrification infrastructure construction – 2017 – 2020
  - First train set delivered – 2019
  - Final system testing – 2020
  - Rollout first passenger service with electric trains – 2021

- **Budget and expenditure**
  - Electrification: budget $697 million, actual this quarter $0
  - EMU: budget $551 million, actual this quarter $0
  - Separate contract and support: budget $416 million, actual this quarter $5.42 million
  - Contingency: budget $316 million, actual this quarter $0
- PeninsulaCorridor Electrification Project (PCEP) total: budget $1.98 billion, actual this quarter $5.42 million

**Funding update**
- Seven-party Supplemental Memorandum of Understanding (MOU)
  - Approved: JPB, Santa Clara Valley Transportation Authority, San Mateo County Transportation Authority, San Francisco County Transportation Authority, Metropolitan Transportation Commission, California High-Speed Rail Authority, city and county of San Francisco
- Federal Transit Administration (FTA) Core Capacity
  - First quarterly meeting with FTA headquarters and region
  - Preparing for Fiscal Year (FY) 2018 President Budget
  - Finalizing documentation for engineering phase
  - Preparing to request the Full Funding Grant Agreement (FFGA)

**Risk/quality/environmental**
- Risk management
  - 223 risks; 97 retired
  - Top risk: overhead utility relocation
- Quality
  - Four internal audits conducted
  - Zero non-conformance reports issued
- Environmental consultation and permits
  - Completed Section 106 process
  - Completed Section 7 Endangered Species Act
  - Ongoing coordination other permits

**Real estate**
- 66 appraisal packages
- 21 appraisals completed
- Two acquisition offers

**Community/Disadvantaged Business Enterprises (DBE)**
- Community relations
  - 48 community presentations
  - Press releases, website updates
  - Many stakeholder meetings (State and Federal staff, city/county staff, advocacy groups, chambers and businesses)
- DBE participation and labor
  - To be determined

Ms. Levin said staff has made presentations to the Board on the construction schedule and would like to hear an update. Ms. Bouchard said weekends will run on 90 minute headways compared to the current hourly headways. During the week there will be single tracking during non-peak and evening hours.

Ms. Levin asked when more detail will be available on the schedule. Ms. Fromson said as soon as it is available it will be shared.
Ms. Levin said San Francisco wanted stronger oversight on the Communications-based Overlay Signal System Project. Ms. Fromson said the Board will be getting a presentation on the oversight and mechanisms in place at the September meeting.

Public Comment
Doug DeLong, Mountain View, said he is glad to hear the contract signature milestone was reached. He said undisclosed sources said appropriations committee staffers were taking a tour of the Transbay sight and impressed with what they saw. He is glad to hear there will be no weekend shutdowns for the project.

STAFF REPORT
Ms. Bouchard said:
- Joe Navarro was introduced as the new Director, Rail.
- The lease for eight locomotives seems promising and a down payment has been made. Mr. Navarro will be inspecting the locomotives at the end of the month. These locomotives will be put in service while the older locomotives go through their state of good repair maintenance. This will help with a five-year fix and bolster reliability of the system. Staff will be going to the Board in October for approval of the full number of locomotives to lease.
- TransitAmerica (TASI) has been the contract operator for the last three and a half years and the base contract is up June 2017. The contract requires notification six months prior to the contract end date. Amtrak was the contractor for 20 years. Staff is working to identify improvements with TASI and arrive at a mutual negotiation and extension of contract.
- The timetable was changed in April. The deploying of six six-car trains is working out well. August on-time performance is almost at 95 percent goal. Staff has been working with TASI to keep mechanical delays to a minimum and quick recovery.

Mr. Berk said it is amazing the difference Ms. Bouchard has brought to the system and run time and getting extra locomotives.

Ms. Bouchard said increase in service on the shoulder peaks helped alleviate capacity on those trains.

DATE, TIME AND LOCATION OF NEXT REGULAR MEETING:
September 21, 2016 at 5:40 p.m., San Mateo County Transit District Administrative Building, 2nd Floor Bacciocco Auditorium, 1250 San Carlos Avenue, San Carlos, CA.

Adjourned at 7:16 p.m.