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EXECUTIVE DIRECTOR

**JPB Citizens Advisory Committee
1250 San Carlos Avenue, San Carlos, CA 94070
Bacciocco Auditorium, 2nd Floor**

AGENDA

March 16, 2011- Wednesday

5:40 p.m.

STAFF LIAISON: Michelle Bouchard, Director, Rail Transportation

1. Pledge of Allegiance
2. Roll Call
3. Approval of Meeting Minutes of February 16, 2011
4. Public Comment
Public testimony by each individual speaker shall be limited to three minutes
5. Chairperson's Report (B. Jenkins)
6. Ad Hoc Committee (P. Bendix, M. Tekchandani, B. Wilfley): Caltrain Service Suspensions, Station Closures and Fare Increase for Fiscal Year 2012
7. Staff Report (M. Bouchard)
8. Committee Comments
9. Date, Time and Place of Next Meeting
April 20, 2011 at 5:40 p.m., San Mateo County Transit District Administrative Building, 2nd Floor Bacciocco Auditorium, 1250 San Carlos Avenue, San Carlos, CA
10. Adjournment

All items on this agenda are subject to action

CAC MEMBERS: San Mateo County: Paul Bendix (Vice Chair), Gerald Graham, Sepi Richardson
San Francisco City & County: François Granade, John Hronowski, Mona Tekchandani
Santa Clara County: Bruce Jenkins (Chair), Cat Tucker, Brian Wilfley

INFORMATION TO THE PUBLIC

If you have questions on the agenda, please contact the Assistant District Secretary at 650.508.6223 or cacsecretary@caltrain.com. Agendas are available on the Caltrain Web site at www.caltrain.com.

JPB and Citizens Advisory Committee (CAC) meeting schedules are available on the Caltrain Web site.

Location, Date and Time of Regular Meetings

Regular meetings are held at the San Mateo County Transit District Administrative Building located at 1250 San Carlos Ave., San Carlos, CA, which is located one block west of the San Carlos Caltrain Station on El Camino Real. The office is also accessible by SamTrans bus routes: 390, 391, 295, 260, and KX.

The JPB Citizens Advisory Committee meets regularly on the third Wednesday of the month at 5:40 p.m. at the same location. Date, time and place may change as necessary.

Public Comment

If you wish to address the Committee, please fill out a speaker's card located on the agenda table and hand it to the Assistant District Secretary. If you have anything that you wish distributed to the Committee and included for the official record, please hand it to the Assistant District Secretary, who will distribute the information to the Committee members and staff.

Members of the public may address the Committee on non-agendized items under the Public Comment item on the agenda. Public testimony by each individual speaker shall be limited to three minutes and items raised that require a response will be deferred for staff reply.

Accessibility for Individuals with Disabilities

Upon request, the JPB will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and a preferred alternative format or auxiliary aid or service at least two days before the meeting. Requests should be mailed to Assistant District Secretary at Peninsula Corridor Joint Powers Board, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or emailed to cacsecretary@caltrain.com; or by phone at 650.508.6223, or TDD 650.508.6448.

Availability of Public Records

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that public records are distributed or made available to the legislative body.

**Peninsula Corridor Joint Powers Board (JPB) Citizens Advisory Committee (CAC)
San Mateo County Transit District Administrative Building
1250 San Carlos Avenue, San Carlos CA 94070**

MINUTES OF FEBRUARY 16, 2011

MEMBERS PRESENT: P. Bendix, G. Graham, F. Granade, J. Hronowski, B. Jenkins (Chair),
S. Richardson, C. Tucker, B. Wilfley

MEMBERS ABSENT: M. Tekchandani

STAFF PRESENT: T. Bartholomew, M. Bouchard, R. Haskin, R. Lake

Chair Bruce Jenkins called the meeting to order at 5:44 p.m. Brian Wilfley led the Pledge of Allegiance.

Approval of Minutes

A motion (Tucker/Graham) to approve the minutes of January 19, 2011 was passed.

Public Comment

Jeff Carter, Burlingame, said people are not happy with proposals to solve Caltrain's problems and some are saying to replace Caltrain with BART at a cost of \$10-\$15 billion. There would be no express service or bikes on board during peak hours or special service and the San Francisco to San Jose trip would take 90 minutes.

Chairperson's Report – Bruce Jenkins

The March 23, 10 a.m. meeting of the Metropolitan Transportation Commission will include a discussion on Caltrain's future and everyone was encouraged to attend. The Friends of Caltrain, members of the Rail Passenger Association, JPB Director Art Lloyd and he will attend.

Presentation: Caltrain Customer Survey Key Findings

Executive Officer, Customer Service and Marketing Rita Haskin provided the following report:

- The objectives of the survey are to determine the customer base and measure whether their needs are being met.
- The onboard survey was completed in October 2010 and surveyed every weekday peak, off-peak and weekend trains. Surveys were available in English and Spanish.
- The survey response rate was 83 percent.
- Two-thirds ride four or more days per week and the vast majority is making roundtrips.
- About one-third of ridership changes every year.
- The monthly pass is the most popular form of payment followed by a one-way ticket.
- Fourteen percent use Clipper.
- Customers want to ride to avoid traffic and relax.
- An impressive number of commuters were introduced to Caltrain by taking it to a special event.
- Nearly as many customers walked to a station as drove.
- Overall experience was rated 3.97 out of 5.0. There were quite a few mechanical problems during the survey.

- Customers like effectiveness of station signage, value for money, connections with other transit systems, convenient schedules and the website.
- The Caltrain website gets about 300,000 hits a month. Customers rely on printed material onboard. Fourteen percent of responders said they used a personal digital assistant.
- Customers used a variety of sources for local news: radio, television, newspapers and the Internet.
- Demographics: Sixty percent of riders are male; the key market is from 25 to 54 years of age; 83 percent are employed and ride during weekday peak versus 52 percent on weekends; more weekday peak customers have college degrees compared to weekend customers; riders speak 43 languages; 60 percent of riders are white/Caucasian; mean income of riders is \$104,000 and the three-member counties are home to more than 90 percent of customers.
- Next steps include using this information to inform future planning, to communicate with customers, to market potential customers and to remember that all customers are important.

A KQED video presentation by a young woman was shown about her developmentally disabled brother who loved to ride the train and taught her their rides together were not about a destination but the joy of the ride.

Sepi Richardson said Caltrain is making a mistake cutting service and must find a source of funding. The survey said 74 percent of customers use Caltrain to get to work and cuts in service will affect these people.

Paul Bendix said people live in an atmosphere with cars full of logistic communication but rarely talk about atmospherics around train travel; there is a lot to be said about the pleasure of riding a train.

John Hronowski said he recently traveled from the east to west coast and the train is very soothing and relaxing.

Public Comment

Jeff Carter, Burlingame, said it would be interesting to see data on people who ride only four days a week and the monthly ticket should be priced for a four-day commuter. He said many riders don't have an income of \$104,000 and it is not easy to afford increased fares.

Presentation: Proposed Service and Fare Changes due to Fiscal Constraints

Ms. Haskin said this is the presentation given to the public at the four Caltrain outreach meetings. She provided the following:

- Current Caltrain Environment: If Caltrain maintains the status quo with 86 trains, it will have a deficit of \$30 million on July 1, 2011. State funding is uncertain; SamTrans structural deficit initiated a reduction in its financial contribution and Caltrain is the only Bay Area transit system without a dedicated funding source.
- Caltrain has been successful and ridership has benefited from the reinvention of Caltrain service. Average weekday ridership has increased by 44 percent since 2004.
- Caltrain has a high farebox recovery of 47.4 percent and is second only to BART in the Bay Area. Other commuter rail systems compare as follows:

Altamont Commuter Express (36.7 percent), Virginia Railway Express (51.2 percent), Coaster in San Diego County (58.9 percent) and Tri-Rail (18.4 percent).

- Six percent of Caltrain's cost goes to administrative staff costs.
- Caltrain operates with a lean staffing level and staff is shared with SamTrans and the San Mateo County Transportation Authority (TA). Administrative staff salaries have been frozen since 2008; employees have been subject to 17 furlough days since 2008; there were staff layoffs in 2009 and fare and service changes in 2009 and 2011.
- Member contributions in Fiscal Year (FY) 2011 totaled about \$35 million with FY2012 projected operating contributions at \$11 million based on SamTrans saying it is unable to give what it provided last year. It is assumed the partners will drop their contributions to the same level.
- Current service with 86 weekday trains and a projected deficit of \$30 million is proposed to be cut to 48 weekday trains with a deficit of \$4.7 million.
- Forty-eight trains will preserve weekday commute-hour service; minimize ridership loss and maximize revenue, minimize the number of crews and equipment required, maximize service to most heavily used stations, suspend service to least-used stations and balance station coverage and end-to-end run time of 70 minutes.
- Stations under consideration for closure include: Bayshore, San Bruno, Hayward Park, San Antonio, Santa Clara, South San Francisco, Burlingame, Belmont, Lawrence and College Park.
- Proposed service suspensions include: weekend service, service south of San Jose Diridon Station, holiday service and service for special events.
- Potential actions for FY2012 include a base fare increase of 25-cents, daily parking increase of \$5 per day and monthly parking rate increase of \$40 per month and cost reductions in staffing, expenses and programs, and initiatives.
- Immediate steps:
 1. March 3 – public hearings at the JPB meeting and development of final service proposal and fare increase for Board consideration after reviewing all public comments.
 2. April 7 – consideration of declaration of fiscal emergency, service suspension and fare increase at JPB meeting.
 3. July 2 – implement new fares and service.
- Next steps:
 1. Continue to seek additional funding for FY2012.
 2. Continue advocacy efforts to secure a dedicated, permanent funding source.
 3. Continue efforts to advocate for capital projects that will increase operational efficiencies (Caltrain electrification and modernization).

Ms. Richardson asked if people's comments will make a difference. Ms. Haskin said it will give staff a flavor of how important Caltrain is to that community, indicate ridership at the station, its connection to other transit and local development plans.

Director, Rail Transportation Michelle Bouchard said staff needs feedback from the CAC on how to determine which stations to close. If stations will not be closed, staff will then need feedback on what service and fare changes will work to balance all issues.

Ms. Richardson said there are a handful of people walking down San Bruno Mountain to commute to their jobs and they don't think their voices will be heard. Ms. Haskin said they have a voice and there will be many heartbreaking stories, which shows how vital Caltrain is the Peninsula.

Ms. Richardson said SamTrans can't pay their share because they are not doing well. Ms. Haskin said SamTrans has allowed Caltrain to thrive to this point and fronted the money in 1991 to purchase the right of way. SamTrans' core business is the bus system and it must make sure the bus system survives and services more people who are transit-dependent than Caltrain.

Ms. Richardson asked how Caltrain can create a funding mechanism to have a sustainable, viable transportation system in the county. Ms. Haskin said Caltrain is advocating for a permanent funding source and Caltrain has to show the value of what it is losing.

Ms. Richardson asked if Caltrain in San Mateo County could move away from the other JPB partners if it had a dedicated funding source. Ms. Haskin said it would depend on how the value of the dedicated funding source. It would provide a layer of stability.

Cat Tucker said there is money set aside for future projects including electrification but current service may be gutted. She heard the Santa Clara Valley Transportation Authority (VTA) is committed to giving its full allocation but it doesn't feel the full \$15 million should be funding San Mateo County's share. She heard San Francisco County would also contribute \$15 million. There is discussion about redefining the JPB agreement if two of the three member agencies put in money.

Ms. Tucker asked about the drop dead date to notify employees, etc. about final changes and about the planning schedule. Ms. Bouchard said union rules require a 45 day notice. Caltrain needs a schedule three months in advance before moving through the process.

Ms. Haskin said funding for electrification comes from various sources. The TA's contribution, on behalf of the JPB member SamTrans, is capital money and cannot be used for operations. The color of the money from other JPB partners is unknown. The goal is to try and solve the problem now but have the hope that there can be a better solution farther out.

Francois Granade said, regarding the question of spending money on electrification when there is no money for trains, there may be money for investment but not for management. Money put into a project is transforming money into something that has a value versus operating money, which disappears. Ms. Haskin said a major cost for electrification is investment in rolling stock, which can't be put aside because current stock is more than one-way through its useful life.

Gerald Graham said there is a big difference between capital and operating budgets and each comes from different sources and cannot be comingled. He asked who funds the Capitol Corridor. Ms. Bouchard said Caltrans' State funds.

Ms. Haskin said JPB Director Liz Kniss asked at a recent meeting why other transit agencies receive State funding but not Caltrain. The answer was should the State be providing any rail funding.

Mr. Granade said Caltrain's name causes an extreme amount of confusion and people constantly interchange Caltrain and Caltrans and many people think Caltrain is financed by the State. Ms. Haskin said there have been efforts to change names but there is brand recognition.

John Hronowski asked how the CAC could help.

Brian Wilfley asked what the total operating budget is that has the \$30.3 million deficit. Ms. Haskin said about \$100 million.

Mr. Wilfley asked what the operating budget amount would be with the projected \$4.7 million deficit. Ms. Bouchard said about \$58 million.

Mr. Wilfley asked what the plan would be to bridge the \$4.7 million deficit amount, which seems almost as difficult as bridging the \$30 million deficit. Ms. Haskin said Caltrain would have to go out further to see what is available.

Mr. Wilfley said he was surprised the South San Francisco Station might be closed because of the proximity of Genentech. Ms. Haskin said Genentech picks up employees at the Millbrae Intermodal Station.

Mr. Wilfley said Caltrain has become phenomenally efficient and this needs to be conveyed to the broader community.

Paul Bendix said electrification represents a liquid asset transformed to a fixed asset whose value can be demonstrated over a long period of time. He asked if the CAC could have a discussion on electrification in down-to-earth terms. He also asked if there could be a discussion on a simple expression to define a dedicated funding source to the average person. Ms. Haskin said dedicated funding in layman's term is pay day so bills can be paid.

Ms. Tucker said because of SB 375, cities are planning sustainable high density housing around train stations. The city of Sunnyvale has done significant planning work around the Lawrence Station and the city is devastated about possible station closure. Ms. Haskin said staff is looking at development plans near many stations.

Public Comment

Doug DeLong, Mountain View, said the recession and the State taking State Transit Assistance funding has compounded the loss of sales tax revenues. He said the state-funded transit operations like the Capitol Corridor flow through a different path and this might be explored for south county and potential service to Monterey County. He said BART should take on the debt they caused San Mateo County and warned the south county in dealing with BART.

Mr. Bendix, Mr. Jenkins and Ms. Richardson left at 7:08 p.m.

Ms. Tucker chaired the remainder of the meeting.

Jeff Carter, Burlingame, said BART nearly bankrupted SamTrans and VTA may be stepping into the same boat. SamTrans provided funding to buy the Caltrain right of way and a discount

program to stabilize fare revenue. Federal law needs to temporally change so capital funds can be used for operating funds.

Mr. Graham and John Hronowski left at 7:10 p.m.

No quorum at this point of the meeting.

Staff Report – Ms. Bouchard

- Ms. Haskin's presentation on proposed service and fare changes will be given at all Caltrain public outreach sessions.
- A fare increase was implemented on January 1, 2011 and fare revenue is up 21 percent from January 2010. Additional income can be applied to next year's operating budget.
- Average weekday ridership increased about 5 percent from January 2010, and was up 6.9 percent in December 2010, which is a robust growth curve and gives hope that the usefulness of the service will help for support of a long-term funding source and a shorter-term solution.
- In response to how the CAC could help out, she suggested the CAC may want to convene a subcommittee to develop an official position on Caltrain's future would be very helpful in terms of advising and supporting the JPB as it goes through this difficult process.

Committee Comments

Mr. Granade said Caltrain's successes should be presented including the increases in ridership without like increases in member contributions. Caltrain could continue to grow if it had the money.

Ms. Tucker said people confuse High Speed Rail with electrification and this distinction should be included in discussions.

Mr. Granade said the word modernization should be used rather than electrification.

Mr. Granade said he didn't understand why the press release on the employee compensation was so defensive. He said Caltrain can improve their communication and sensitivity with press releases.

Mr. Wilfley thanked the public members who regularly attend the CAC meetings and express concerns. He said the people most at risk with proposed service and fare changes are those with the fewest choices.

Mr. Granade said any communication on proposed cuts should mention the economic and social impacts.

Date, Time, and Location of Next Meeting:

Wednesday, March 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 7:28 p.m.

**CALTRAIN
PUBLIC HEARINGS & MEETINGS NOTICE**

**Declaration of Fiscal Emergency for Fiscal Year 2012
&
Proposed Changes to Service**

The Peninsula Corridor Joint Powers Board will take public comment on a proposed declaration of fiscal emergency for Fiscal Year 2012 due to projected negative working capital within one year of the date of declaration.

The Peninsula Corridor Joint Powers Board also will receive public comment on proposed adjustments to Caltrain service and fares to become effective July 2, 2011.

Proposals to be considered include:

- Reduction of weekday trains to 48 from 86 to run during commute hours only, and any necessary adjustments to shuttle bus services
- Suspension of weekday service at up to 7 of the following stations: Bayshore, South San Francisco, San Bruno, Burlingame, Hayward Park, Belmont, San Antonio, Lawrence, Santa Clara and College Park
- Suspension of all service south of the San Jose Diridon station (Tamien, Capitol, Blossom Hill, Morgan Hill, San Martin, Gilroy)
- Suspension of weekend service, including the Tamien shuttle, and holiday service
- Suspension of special event service, such as to baseball games and Bay to Breakers
- Increase base fare by 25 cents

The public hearings will be held:

Thursday, March 3, 2011 at 10 a.m.
Caltrain Administrative Office
1250 San Carlos Ave., San Carlos

*Prior to the hearings, comments may be sent or called to:
Peninsula Corridor Joint Powers Board, JPB Secretary
P.O. Box 3006, San Carlos, CA 94070-1306
changes@caltrain.com • 1.800.660.4287*

Public Meetings

Caltrain will hold four public meetings to present and explain the proposals and receive comments on the proposed service and fare modifications listed above. The meetings will take place at:

San Jose City Hall – Feb. 14 at 7 p.m.
Council Chambers
200 E. Santa Clara St., San Jose

San Francisco Municipal Transportation Agency – Feb. 16 at 6 p.m.
Atrium
1 So. Van Ness Ave., San Francisco

Gilroy Senior Center – Feb. 17 at 6 p.m.
7371 Hanna St., Gilroy

Caltrain Administrative Office – Feb. 17 at 6 p.m.
1250 San Carlos Ave., San Carlos

Information on the proposed declaration of fiscal emergency, service and fare changes will be available by Feb. 9. Call Caltrain at 1.800.660.4287 (TDD only 650.508.6448) or visit www.caltrain.com.

Para servicio de traducción en Español, llame a Caltrain al 650.508.6242 por lo menos tres días antes de las audiencias.

**AD HOC COMMITTEE (P. Bendix, M. Tekchandani, B. Wilfley) DRAFT MEMO:
Caltrain Service Suspensions, Station Closures and Fare Increase for Fiscal Year 2012**

The Caltrain CAC is shocked and saddened by the prospect of a \$30 million shortfall in the line's 2012 fiscal year. This memo conveys our collective judgment regarding steps to address the budget deficit.

Regarding station closures, we fully appreciate the human impact and note the comments of many riders (in the staff presentation to the JPB on 3 March 2011). If Caltrain obtains interim funding, preserving these stops should be a top priority. Without short-term financial assistance, closing stations may be necessary to ensure reasonable end-to-end run times. The latter is critical to retaining peak riders and achieving economies. In the worst-case, we do support suspension of service to less-used stations. If ridership shifts to the remaining stations, we ask that Caltrain provide more parking at these locations, if this promises to be revenue-neutral.

In its presentation to the CAC, the staff outlined a service comprising only 48 weekday trains at peak hours. If that is all the budget will allow, we reluctantly support this approach which focuses on the peaks of service. However the loss of "off-hours" service may result in a bigger loss of riders than the current peak-ridership counts would predict. For many riders, the inability to be flexible, for example, to stay late at work and take a later return trip, may push them to drive. The flexibility of off-hours, and especially evening trains, may be very important to maintaining peak ridership.

The loss of evening and weekend trains would badly impact special event and Giants riders. Last year, Caltrain transported over 400,000 fans to and from regular-season Giants games. Weekend service has seen substantial recent growth, with promising ridership aboard the new Saturday Baby Bullets. We hope Caltrain can continue limited-stop service on weekends.

Regarding fare increases, we advise caution. It does make sense to extend the fare hikes implemented 1 January 2011 into the next fiscal year. Reluctantly, we acknowledge the need for increased parking fees. We would like to see the Go Pass program expanded as much as possible. We urge Caltrain to work with the Silicon Valley Leadership Group and others to boost support from employers. We recommend against Go Pass fare increases.

We urge Caltrain and its regional community to aggressively pursue a dedicated funding source for commuter rail. Never has it been more apparent that Caltrain's very structure imperils the rail line. We urge the JPB's members to solicit support for dedicated funding, including the ability of Caltrain to issue bonds. We urge the MTC to lend its unifying voice to this effort. We urge member agencies and respective county governments to collaborate on a proposal that can be approved by the voters. And we urge all who know the value of Caltrain to actively support dedicated funding.

To prepare voters for action on Caltrain funding, we urge making the rail line even more attractive to riders. In the Friends of Caltrain event and other forums, many people have suggested improvements to the service (Wi-fi on board, push notification of disruptions, increased bicycle capacity, etc). Though revenue from ridership is high, Caltrain needs to win over more customers and voters. It must redouble efforts to educate a public unfamiliar with trains and transit.

For years we have witnessed a small staff achieve remarkably big results with Caltrain. We extend our sincere thanks to this remarkable team. Finally, we observe that service reductions under consideration will badly hurt the growing number of people who depend upon Caltrain – and wonder if the commuter rail line could survive such cuts. We urge all stakeholders to pursue funding for FY 2012. Otherwise, we face an experiment in bare-bones operation that Caltrain should not be required to perform.