

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 SPECIAL MEETING APRIL 5, 2011

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

MEMBERS ABSENT: C. Tucker

STAFF PRESENT: T. Bartholomew, M. Bouchard, C. Harvey, R. Lake

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

Update on Caltrain Fare Increase and Service Suspensions for Fiscal Year (FY) 2012

Director, Rail Transportation Michelle Bouchard thanked the committee for their flexibility and support in efforts to address Caltrain's issues. She said staff at all levels are working with Caltrain's funding partners and regional entities to find solutions for Caltrain.

Deputy CEO Chuck Harvey said final negotiations on the financing package and the service proposal with the JPB funding partners and the Metropolitan Transportation Commission (MTC) were just finalized.

Mr. Harvey provided the following details:

- Caltrain was initially formed without a dedicated funding source and the JPB was organized to save Caltrain after the State of California said they were through with subsidizing service. The economic downturn in the early 2000s caused significant reduction in ridership and revenues and the reinvention in 2004 and 2005 led to increases in ridership and revenues.
- SamTrans' structural deficit initiated a reduction in its member contribution to Caltrain in FY2010 and 2011 and proposes to continue its reduction to \$4.9 million in FY2012.
- Caltrain has relied on one-time funds in the past. The structural deficit will continue due to the lack of a dedicated funding source. The JPB doesn't have the statutory right to pursue a tax for the purpose of funding operations of Caltrain service. In order to secure a dedicated funding source, Caltrain must seek sponsors to pursue a tax measure on its behalf and is working with stakeholders to determine if a source can be secured by 2014.
- A public hearing was held on March 3 on the proposal to address the \$30 million deficit, which included a 48-train schedule with commute-hour service only, minimizing train crews and equipment with service to the most heavily used stations, an end-to-end run time of about 70 minutes, suspension of weekend, holiday and special event service and weekday service to Gilroy, and suspension of service at up to seven stations.
- Caltrain received a total of 2,592 comments.
- Details of the tentative budget solution will be presented to the JPB at the April 7 meeting. Balancing the FY2012 budget requires a combination of fare and parking fee increases and service reductions to improve operating efficiency.
- Competing objectives must balance local community needs with overall system needs.
- Since the March 3 public hearing, a revised service proposal has been developed.
 - Service will be restored from 48 to 76 trains per weekday, service hours will be from 4:40 am until midnight, off-peak service is restored to hourly all-stop service during

the early morning/late night and midday hours, Gilroy service will run with service suspended at the Capitol Station, hourly weekend service will run with a revised stopping pattern and Giants, holiday and other service to special events will be restored.

- Weekday peak service is proposed to have four trains per hour in both directions but there will be no 57-minute Baby Bullets in the schedule and all peak period trains will retain express service design with an approximate 70-minute travel time.
- The origin destination station travel time comparisons for several pairs for minimum travel time will change to a maximum of 13 minutes in the worst-case and a minimum of about one to five minutes.
- Service will be suspended to Bayshore, Hayward Park and Capitol stations. Service at 22nd Street and San Bruno will have service in reverse peak and South San Francisco, Tamien and San Antonio stations will have service in traditional peak.
- Saturday and Sunday service are proposed to be hourly frequency on a 71-minute run time to 11 intermediate stops.
- Weekend service will be suspended at 22nd Street, Bayshore, South San Francisco, Broadway, Hayward Park, Atherton, California Avenue, San Antonio, Lawrence and Tamien.
- Net savings for the revised service proposal totals \$5.3 million with an estimated \$2 million loss in fare revenue due to reduced ridership for a net savings of \$3.3 million.
- Fares and service proposals include an increase in the base fare by 25-cents, increased parking fees to \$4 per day and \$40 per month, elimination of the Tamien weekend shuttle and reduction of other shuttles based on train service.
- Proposed service and fare changes will have a net positive impact on the Operating Budget of \$6,000,000. The other \$24 million is made up through the creative financing and the financial package through negotiations with the MTC and the three JPB partners.
- Draft Title VI analysis reveals no unmitigated impacts to minority or low-income communities.
- The JPB will consider the revised proposal at the April 7 meeting to be effective on July 1, 2011. The cost of delaying the decision is \$500,000 per month.
- If the proposal is adopted, service, revenue and ridership patterns will be monitored with adjustments as needed and negotiations for the FY2013 Operating Budget must be completed.
- Strategies for new revenue sources and a permanent funding source will continue with stakeholders including the Silicon Valley Leadership Group and MTC's Transit Sustainability Project.

Sepi Richardson said she was not happy the Bayshore Station was closing. She asked what would happen if parking was increased to \$5. She would prefer parking up to \$6 per day and a fare increase to 30-cents to closing a station. Mr. Harvey said a parking increase of \$1 will raise approximately \$500,000. He said when trains are stopped at all stations, trains are slowed down and crews must be added and that will cost more than the revenue earned. Slowing trains may drive away customers.

Ms. Richardson asked if there were any operational cuts for travel or training, etc. Mr. Harvey said the FY2012 budget includes a substantial amount that addresses the cost side of the equation. The JPB is in the process of negotiating a new operating contract and everything has been done to reduce overhead administrative expenses.

Ms. Richardson asked what the future would be for the Bayshore Station if there was a stable source of funding. Mr. Harvey said it should have a great future due to a number of potential transit-oriented developments.

Ms. Richardson said every station is named after a city except the Bayshore Station.

Mona Tekchandani said she was saddened to see elimination of Baby Bullet service. She asked what projects could be done to make people happier with the proposed fare and service changes if parking was increased by \$2. Mr. Harvey said Caltrain is happy to be able to run express service and keep travel times very competitive. He will take this issue to staff.

Paul Bendix asked about the possibility of having 24-hour parking at stations, especially ones attractive to the San Francisco International (SFO) airport. Ms. Bouchard said this is not under consideration due to liability issues but will be up for consideration in the future. Staff has thought about looking at express versus local differential parking rates. Staff needs to monitor how the proposals affect the pattern of how people access the system and will then be able to gauge how parking might be leveraged both as a resource for access and for revenue.

Mr. Bendix asked if non-stop Millbrae to 4th and King trains are one minute longer, which is slower than in the past. Mr. Harvey said that is possible and probably set up due to construction activities between the two points.

Mr. Bendix asked what marketing would do with Caltrain's somewhat revised image because Baby Bullet service can't be touted. Mr. Harvey said the marketing department is brainstorming this and welcomed any suggestions.

John Hronowski said he had concerns about elimination of the San Francisco weekend stops. Mr. Harvey said customers on the north end of the Caltrain line can get to San Francisco on BART.

Mr. Hronowski asked if there will be special event trains on weekend with limited stops. Ms. Bouchard said there are plans for Giants service, which will mimic the proposed service pattern.

Ms. Tekchandani asked if fewer trains will have a positive impact on bicycles with more two bike car trains. Mr. Harvey said every train will soon have two bike cars and funding is in place to upgrade on the last of the Gallery cars. When service is reduced from 86 to 76 trains per day, there will be a reduction in available bike slots and staff will monitor this.

Mr. Bendix said there will also be pressure on wheelchair customers. Mr. Harvey said this is an example of competing objectives.

Francois Granade asked if the farebox receipts of \$2.2 million have a breakdown between the fact that the trains are not as fast and there are fewer stations. Mr. Harvey said he didn't have that level of breakdown in the analysis.

Mr. Granade asked how many people will be laid off, and marginally what is the cost of this and the cost of the change itself. Mr. Harvey said the vast majority of the savings are due to the reduction of the head counts on the operating and maintenance crews. The service proposal allows Caltrain to reduce at least seven total crews on the operating side, significant numbers in the maintenance department along with maintenance of some of the stations. There will be schedule change costs but these are built into the budget.

Mr. Granade said the major changes will be station closures and the complete reworking of the morning and evening schedule including removal of Baby Bullet service. He asked if it is worth doing all these changes because people are quite ready to see an increase in price and it would make more sense to try to increase prices and minimize schedule changes. Caltrain riders are rich and want a fast, predictable service. The proposals might undo this and there is a risk that is higher than taking the risk of reaching inelasticity. Mr. Harvey said Caltrain has not reached the full elasticity of fares. Fares were increased in January 2011 and are proposed to increase on July 1, 2011. These fare increases are in excess of 10 percent and nearing BART fares on a per-mile basis. Fares cannot be raised high enough to run an 86 train schedule. The proposed schedule still retains extremely attractive trip times versus paying \$1 more a day and people will have to decide whether or not to ride with an additional few minutes of travel time. Mr. Harvey said there is a risk to Caltrain with proposed changes but the risk of not doing anything is \$500,000 a month on the deficit and a 48-train schedule would have to be adopted in January 2012 if the problem is not fixed. A dedicated funding source must be secured for continued future service and there will be short-term pain to get there.

Brian Wilfley said this proposal is an amazing job of addressing what is a catastrophic situation and is fabulous compared to a 48-train schedule. He doesn't think it is true that all Caltrain riders are rich; Caltrain is a service business in addition to just business and a service to the community and includes people who have to ride at odd hours and who don't have much money. Running the service is a question of competing pain in some sense. He emphasized that the importance of the commitments by those on the outside to fund the \$24 million gap cannot be underestimated and hopes they follow up on their commitments.

Mr. Graham asked if there will be no weekend service for San Carlos and Belmont. Ms. Bouchard said that is correct. He said the schedule notes trains will not operate on Sundays. Mr. Harvey said it is just the first and the last, which is the current schedule.

Mr. Graham said BART charges \$1 for parking and parking is part of the package. If parking increases too much, people will be pushed away in the same way as raising fares.

Public Comment

Jeff Carter, Burlingame, said it is unfortunate the train will not be stopping at 23rd Street between 3:35 p.m. and 7:35 p.m. and this will be difficult for him. He said Caltrain is a proof-of-payment system and asked if two conductors are needed per train. Mr. Harvey said Caltrain is required by the Amtrak national labor agreement to have two conductors on every train.

Mr. Carter asked how much money SamTrans pays for BART debt per year. Mr. Harvey said it is about \$12.5 million. The money is not debt that SamTrans owes to BART. It is debt

service SamTrans took out to buy the Caltrain system and extend the service to SFO and it would be SamTrans' own bonds that they would be defaulting on.

Mr. Carter added that he is disgusted that people say Caltrain riders are rich.

Andy Chow, Redwood City, said the new schedule is unacceptable. The elimination of Baby Bullet service will have a big impact in terms of what Caltrain is even though trip times only vary by a few minutes; perception means more than reality. People will see Caltrain as a much slower system without Baby Bullet service and turn away from the system. The schedule will be difficult for people who need to travel locally with significant wait time. Many local riders are also low-income riders and these changes will impact them.

Doug DeLong, Mountain View, said the schedule is a good step and reduces the uncertainty for travel time and a rider doesn't have to pick the one or two opportunities per hour between the station pairs versus the existing schedule. One tremendous improvement is that every origin-destination pair gets a minimum of half-hourly service in the peak. If revenue increases, there could potentially be more trains in the peak hours and a change in the service pattern to still get the 70-minute run time but serve more station pairs. He said there is no one-way for the four-zone fare and it isn't clear whether there are eight or 10-rides. He suggested the senior category be replaced with a low-income category.

Barbara Arietta, San Mateo County Transportation Authority CAC chair, asked if service changes are for beyond July 1, 2011. Mr. Harvey said the proposal is for the FY2012 budget. If the proposal is adopted by the JPB at its April 7 meeting, changes could be in place by July 1, 2011.

Ms. Arietta asked if there will be Giants service. Mr. Harvey replied yes.

Pat Giorni, Burlingame, said the loss of Baby Bullet service is not so bad because Caltrain riders will feel better about a little extra time on the trains rather than sitting on the freeway. She said the proposal provides a better shot of getting bicycle riders on the trains versus using the Bombardier cars with only 46 bike slots.

Mr. Harvey said Caltrain recognized changing the Baby Bullet service is a significant change. Revenue in the 2004 service model was one-half of current revenue and ridership was 50 percent less. If Baby Bullet service is included in the current proposal, it would mean loss of service to five or six stations in addition to the three that will be closed.

A motion (Wilfley/Graham) that the CAC recommends to the JPB that they adopt the package of service and fare changes as presented was approved. Mr. Granade abstained.

Mr. Granade said removal of the Baby Bullets is too risky.

Date, Time, and Location of Next Meeting:

Wednesday, April 20, 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 7:07 p.m.