

**PENINSULA CORRIDOR JOINT BOARD
ADMINISTRATIVE BUILDING
1250 SAN CARLOS AVENUE
SAN CARLOS, CA 94002**

**BOARD MEETING
MARCH 1, 2007**

MEMBERS PRESENT: J. Cisneros, D. Gage, N. Ford J. Hartnett, J. Hill, A. Lloyd,
F. Williams, K. Yeager

MEMBERS ABSENT: S. Maxwell

MTC LIAISON PRESENT: S. Lempert

STAFF PRESENT: G. Cameron, C. Cavitt, B. Fitzpatrick, V. Harrington, J. Hardie,
R. Haskin, C. Harvey, R. Lake, I. McAvoy, M. Martinez,
D. Miller, M. Scanlon, M. Simon, J. Slavitt

Chair Cisneros called the meeting to order at 10:04 a.m. and led the Pledge of Allegiance.

Ken Yeager, Santa Clara County Representative to the Metropolitan Transportation Commission, was sworn-in by the Board Secretary.

PUBLIC COMMENT

Francis Wong, Mountain View, said baseball service will be commencing for the year. He urged staff to continue to market the service.

Jeff Carter, Burlingame, said he noticed that trains had good ridership on President's Day. He said he hoped regular service could be operated on future holidays that are not widely observed. Mr. Carter said Caltrain needs a dedicated funding source.

CONSENT CALENDAR

The motion to approve the Consent Calendar was unanimously approved by the Board.

- a) Approval of Minutes of February 1, 2007
- b) Acceptance of the Statement of Revenues and Expenses, January 2007
- c) Issuance of a Purchase Order to W.W. Grainger, Inc. Under the Western State Contracting Alliance Program for the Purchase of Industrial Supplies and Equipment for \$62,028

CHAIRPERSON'S REPORT

Chair Cisneros presented a Resolution of Appreciation to Outgoing Chair Ken Yeager.

MTC LIAISON REPORT

Sue Lempert reported that Director Yeager is now a member of MTC.

The final list of projects suggested for funding from the approved transportation bonds has been revised and intense lobbying has been done by all transit agencies in the region. She said funding for regional transit projects will be very competitive.

REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)

Michael Kiesling reported that the last CAC meeting was held in San Francisco at the Transbay Transit Center, where a presentation on the Transbay Terminal was given. He noted that public comments were received at the meeting with regard to validators malfunctioning and the continued concern about having substantial public outreach over the discontinuation of Muni Route 15.

REPORT OF THE EXECUTIVE DIRECTOR

Michael Scanlon, Executive Director:

- a) Performance Statistics for January 2007 Compared to January 2006
 - Total Ridership was 878,636, an increase of 9.8 percent.
 - Average Weekday Ridership was 33,123, an increase of 7.3 percent.
 - Farebox Revenue was \$2.65 million, an increase of 10 percent.
 - On-time Performance was 97.3 percent, and increase of .2 percent.
 - Caltrain Shuttle Ridership was 5,143, an increase of 19.4 percent.
- b) Communications and Operations staff are working with Muni to inform passengers that the Muni Route 15 will be discontinued with the implementation of the full schedule of Third Street Light Rail.
- c) The previously approved 25-cent zone fare increase is scheduled to take effect April 2. Additionally, a total of eight morning southbound trains will be adjusted by a maximum of three minutes.
- d) Grade crossing improvements will begin in Santa Clara County. The Valley Transportation Authority may take on several projects under the direction of the JPB.
- e) Phase II of the ticket vending machine (TVM) parking program was rolled out on February 12. To date the project seems to be very effective and efficient for customers.
- f) The central control facility at the Centralized Equipment Maintenance and Operation Facility (CEMOF) will be completed by the end of the month. The neighborhood group met last night and there is quite a bit of concern over the noise of the train washer. Staff is looking into the matter in further detail and will continue to work with the group.
- g) The Bay Area Council's survey showed that 33 percent of people feel that transportation is the number one concern. Housing was in second place with 11 percent and third was crime at 10 percent.
- h) The Safety and Security Report was distributed. Chris Payne, Rail Safety Officer, was named vice-chair for the American Public Transportation Association Commuter Rail Safety and

Security group. Also, there are some improvements being made to the 22nd Street Caltrain station.

- i) Rita Haskin, Chief Communications Officer, presented three commercials that promote Caltrain ridership to AT&T Park for baseball games.

AWARD OF CONTRACT FOR ADVANCED TRAIN COMMUNICATION SYSTEM MICROWAVE PROJECT TO PETROLEUM TELCOM, INC. DBA TELECOM, INC. OF OXFORD FOR \$1,160,081

Cheryl Cavitt, Director of Contracts and Procurement, said Staff Coordinating Council (SCC) recommends that the Board award the subject contract to the lowest, responsive and responsible bidder, Petroleum Telcom, Inc. of Oxnard, for \$1,160,081 and authorize the Executive Director or his designee to execute a contract in full conformity with the terms and conditions of the solicitation documents. This project consists of furnishing and installing a wide-band digital microwave train communication system. The proposed microwave system will operate in addition to the telephone lines and offers increased reliability for those communications, providing valuable redundancy and updated technology in support of the telephone-based system. Construction is scheduled to begin in March 2007 with completion anticipated in December 2007.

The motion to award the contract to Petroleum Telcom, Inc. was approved unanimously by the Board, by roll call.

TERMINATION AND AWARD OF A NEW CONTRACT FOR PROVIDING ULTRA-LOW SULFUR DIESEL FUEL AND TRACKSIDE FUELING SERVICES WITH GOLDEN GATE PETROLEUM OF MARTINEZ FOR \$19,579,165 FOR A TWO-YEAR TERM WITH UP TO THREE ADDITIONAL ONE-YEAR OPTION TERMS

Ms. Cavitt said Staff Coordinating Council (SCC) recommends that the Board terminate for convenience the current five-year contract with Golden Gate Petroleum (GGP) of Martinez, scheduled to expire September 30, 2008; award a new contract to GGP for a total estimated bid price of \$19,579,165 for a two-year term; authorize the Executive Director to execute a contract with GGP in full conformity with the terms and conditions set forth in the contract documents; and authorize the Executive Director to exercise up to three additional one-year option terms at the appropriate time and if in the best interest of the JPB. Award of this contract will ensure the JPB an uninterrupted supply and delivery of ultra-low sulfur diesel fuel (ULSD) for the locomotive fleet at a consistent pricing structure for up to a five-year term. The change to a contract that will provide ULSD is necessary to meet the new state requirements regarding emissions and air quality. The current contract with GGP awarded in July 2003 and expiring in September 2008 was based on GGP supplying California Air Resources Board (CARB) #2 diesel and not ULSD. A recent CARB requirement mandated that intrastate locomotives use ULSD, thus rendering the specified fuel product under the current contract out of regulatory compliance and requiring its termination for convenience.

Director Gage asked if the engines will run more efficiently with the new low-sulfur fuel. Chuck Harvey, Chief Operating Officer, said there will be no difference in operation.

The motion to award the contract to Golden Gate Petroleum was approved unanimously by the Board, by roll call.

AWARD OF MULTIPLE CONTRACTS FOR PROVIDING ON-CALL RAILROAD BUSINESS, OPERATIONS, AND PLANNING SUPPORT SERVICES FOR A TOTAL AGGREGATE AMOUNT OF \$7,050,000 FOR A THREE-YEAR BASE TERM WITH UP TO TWO ADDITIONAL ONE-YEAR OPTION TERMS

Ms. Cavitt said Staff Coordinating Council (SCC) recommends that the Board award three on-call, no-guarantee contracts for providing Railroad Business, Operations, and Planning Support Services for a three-year base term at a total aggregate, not-to-exceed amount of \$7,050,000 to STV, Inc., Systra Consulting, Inc., and Transportation Resource Associates, Inc.; authorize the Executive Director to execute a contract with each of the above firms in full conformity with the terms and conditions set forth in the solicitation contract documents; and authorize the Executive Director to exercise up to two additional one-year option terms, with any or all firms, at a total aggregate, not-to-exceed amount of \$2,350,000 per year, if deemed in the best interest of the JPB.

Award of these contracts will provide JPB staff with a selection of highly qualified, on-call firms on an as-needed basis to provide a wide range of expertise in various railroad support services. Support categories were identified in the solicitation and may include services in the following three areas: 1) commuter railroad business methodologies, practices, and strategies; 2) fleet management, asset allocation, and service development; and 3) contract administration and inspection of locomotive and passenger car production. These contracts provide for continuation of services provided under prior on-call contracts for railroad consultant support services.

The award of specific tasks will be administered through a work directive process and will be issued on an as-needed basis, taking into consideration such factors as work priorities, specialized expertise, and budget availability. Because the contracts are on-call, no-guarantee agreements, actual services performed by any or all of the three firms may be less than the specified totals.

The motion to award the contracts was approved unanimously by the Board, by roll call.

AUTHORIZATION TO EXECUTE AGREEMENTS ASSOCIATED WITH THE BURLINGAME CALTRAIN STATION OUTBOARD PLATFORM IMPROVEMENTS PROJECT WITH MIKE HARVEY HONDA

Brian Fitzpatrick, Real Estate Manager, said Staff Coordinating Council (SCC) recommends that the Board authorize the Executive Director to execute a Cooperative Agreement for Design, Construction and Implementation of the Burlingame Caltrain Station Outboard Platform Improvements Project with Michael R. Harvey, dba Mike Harvey Honda (Harvey); amend the current Commercial Lease; and execute a new Lease Agreement.

Currently, Mike Harvey Honda leases certain property from JPB on which he parks and stores cars in conjunction with his business operations. The agreements define the terms and conditions under which Harvey and JPB will cooperate to construct the Burlingame Caltrain

Station Outboard Platform Improvements Project in a manner designed to minimize disturbances to Harvey's operation and allow the project to proceed efficiently.

The new lease, which will be signed upon completion of the project, will include a larger lease area and a rental-rate increase schedule. The new lease will be in the Agency's current standard lease form, which includes clauses for termination for transit activities, the tenant's waiver of relocation benefits, updated insurance requirements and indemnification of JPB and its directors, officers, and employees.

In response to Ms. Lempert's question, Mr. Fitzpatrick said there is a clause in the lease that allows the JPB to terminate the lease if the JPB needs to use the land for transit purposes.

Director Gage asked if there is a plan to issue other leases for land that the JPB owns but is not using. Mr. Scanlon responded that there is an ongoing effort to lease any land that the JPB isn't currently using. Mr. Fitzpatrick noted that the portfolio generates approximately \$1 million per year with 150 leases.

Public Comment

Jeff Carter, Burlingame, said that any projects occurring near the Burlingame train station need to take into account the need for passing tracks and compatibility with high speed rail.

The motion to authorize the agreements was approved unanimously by the Board, by roll call.

AUTHORIZE THE FILING OF FISCAL YEAR 2006 TRANSIT SECURITY GRANT PROGRAM FUNDING APPLICATIONS FOR \$1,000,000, AUTHORIZE THE EXECUTION OF THE REQUIRED FUNDING AGREEMENTS AND AUTHORIZE AN AMENDMENT TO THE FISCAL YEAR 2007 CAPITAL BUDGET IN THE AMOUNT OF \$475,000

Joel Slavit, Manager of Capital Programs & Grants, said Staff Coordinating Council (SCC) recommends that the Board authorize the Executive Director or his designee to submit applications to the U. S. Department of Homeland Security; execute agreements and other necessary documentation required to receive \$1,000,000 in FY 2006 Transit Security Grant Program (TSGP) funds; and increase the FY 2007 Capital Budget in the amount of \$475,000 for the Caltrain Station Safety & Security Improvements project.

The motion to authorize the filing of the applications was approved unanimously by the Board, by roll call.

QUARTERLY CAPITAL IMPROVEMENTS AND ELECTRIFICATION REPORT

Ian McAvoy, Chief Development Officer, updated the Board on design efforts for the bridge rehabilitation program for San Mateo County. The California Public Utilities Commission (CPUC) has agreed to limit the vertical clearances, which reduces the cost of the project significantly. The design phase of electrification is approximately 35 percent complete and staff is working on the environmental document. Staff continues to work with the CPUC with filing a petition for the 25 kV General Order with updated information consistent with the Project 2025

strategy for the railroad. Staff is working on innovative financing strategies to fund the project, which may include public/private partnerships.

BOARD MEMBER REQUESTS

Director Hill said that as a result of inquiries from various cities in San Mateo County, he would like to have a review of the Caltrain system since the reinvention and implementation of Baby Bullet express service. He suggested having a third party do the analysis to ensure that the service being offered is the best and most that the system can provide.

Mr. Scanlon responded that he would be pleased to consider an effort like that. He said Caltrain is getting looked at all over the country because people want to replicate what has been done to reinvent the system. He said that with the vision of Project 2025, Caltrain will be operating electric multiple units, which will increase frequency and, due to the increased acceleration and deceleration that electrification provides, service can be restored to stations. He said Caltrain's long term vision is to make the type of rapid transit frequently available that would help to reshape commuter rail.

Director Hill said his request was not a reflection on the outstanding work that the staff and Caltrain has done to this point. His request is to look at a three year success and review it to see if there is something that we may be missing.

Ms. Lempert said people have also approached her looking for an answer on when service can be restored to stations. She said the people concerned are not convinced that service will be restored with electrification and Project 2025. She agreed with Director Hill that analysis should be drawn from data so that people can focus on facts and not necessarily hopes or misconceptions.

Director Gage said he would rather see staff conduct the analysis before funds are spent on a consultant. He said there will always be people who will believe Caltrain is not providing enough or the best service.

Mr. Scanlon said staff is constantly reviewing the system. By the end of April, the annual ridership counts will be available and analysis can be drawn from that data. He cautioned that the previous model of the Caltrain system did not work. Had we not changed the model, Caltrain would either be closed or operating no more than three or four dozen trains in the peak hours only.

Director Hartnett said he does not expect staff to bring forward a recommendation for an independent consultant. He said he thinks it is important to be data driven. He said people want stops at cities that don't have stops at a couple stations and they want more stops at some of the stations that are currently served. They want a rapid transit system. That can not be achieved at this time, however, because of the current technology, the current equipment, the current infrastructure, and the lack of funding. It is not realistic for those individuals to expect Caltrain to be the system that they want to be right now. With that in mind, he said, he believes it would be good practice to review the Caltrain system, not necessarily with the expectation that there will be dramatic changes but it validates that Caltrain is operating the best that it can. There is plenty

of data that can be accumulated and it may or may not validate for other people but the Board has a responsibility to publicly review the system.

Director Hill said he agreed with Director Hartnett's comments and reiterated that the goal is not necessarily to increase stops. The goal is to review the service to make sure that the system is getting the best and most that it can provide.

Director Williams said he believes that the Board and staff have the technological capability to model the Caltrain system. There needs to be the ability to insert variables into a formula to analyze the output to see if something is worth changing. He said staff could then look at designs of developments and move things around to get the output of 'what if' scenarios. If money is invested, he would like to see it go to a permanent ability to answer these kinds of questions quickly and responsively.

Director Lloyd said one of the concerns that the public has, that he shares, is the 30-minute headways during the off-peak. He recommended that staff look at the schedules to see what can be done to reduce the headways. He said the perception of the public is that intermediate cities are not being served.

Mr. Scanlon said earlier in this meeting he talked about changing eight trains by a maximum of three minutes, very precise changes, which will help maintain a level of service and predictability that can pull more customers to this model. He said that in seven months of this year, Caltrain has received as much revenue as it did in an entire year three years ago. We can change stops and put them any place the Board would like or the public would like. But what we are doing right now is catching national attention as the way to run commuter railroad in this country. Mr. Scanlon said he is very proud of it and proud of our staff and the men and women that contract with us under Amtrak.

David Miller, Legal Counsel, said this is not a discussion item that is on the agenda. The matter can be taken up in the context of a Board member request for your next meeting, if the Board so desired.

Chair Cisneros said that staff can bring an update to the Board at a future meeting.

REPORT OF LEGAL COUNSEL

None.

DATE/TIME OF NEXT MEETING

Thursday, April 5, 2007, 10 a.m. at 1250 San Carlos Avenue, San Carlos, CA 94070.

ADJOURNED

The meeting adjourned at 12:04 p.m.