

JPB CITIZENS ADVISORY COMMITTEE
San Mateo County Transit District Administrative Building
1250 San Carlos Avenue, San Carlos CA 94070

MINUTES MAY 20, 2009

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

MEMBERS ABSENT: F. Granade

STAFF PRESENT: J. Brown (Amtrak), M. Bouchard, J. Gunther (Amtrak), G. Harrington, C. Harvey, R. Lake

Chair Gerald Graham called the meeting to order at 6:03 p.m.

Approval of Minutes

John Hronowski said he traveled on the “Go” Transit in Toronto and not the “Gold” Transit. He said a train rather than a car arrived every minute or so during rush hour. The minutes of April 15, 2009 were approved by the Committee with these corrections.

Presentation: Annual Passenger Counts

A motion (Wilfley/Richardson) to table the presentation to the next meeting in order to focus on the operating budget was passed.

Public Comment

Jeff Carter, Burlingame, said Giants special service trains are very popular and asked why some trains keep cars closed, which creates crowding in other cars. He said some Bay to Breakers trains were late and had heard that some trains should run a little earlier in order to get to the race before the starting time.

Staff Report

Deputy Director, Rail Transportation, Michelle Bouchard reported at this point in the meeting because some members needed to leave by 7 p.m.

1. Year-to-date revenue/ridership:

- Caltrain year-to-date fare revenue remains above the originally approved budget.
- Budget numbers were revised in a mid-year correction and there has been a cooling of ridership and revenue trends from February to April. Revenues are now running \$100,000 below the revised budget.
- Prior to February 2009 average weekday ridership increased 8-9 percent; February ridership increased about 5.5 percent and March ridership remained flat. April ridership is tracking 2.2 percent below April 2008 at just above 39,000.

2. Special Service:

- Last Friday’s Giants ridership was 7,000 and is tracking up in double digits from 2008.

- Bay-to-Breakers far surpassed 2008 ridership with three northbound trains. One train scheduled to make stops along the Peninsula carried 1,500 people after leaving the Santa Clara station and reached the starting line before the race began.
 - KaBoom service far surpassed 2008 service.
3. If the economy can stabilize a bit, Caltrain can at least keep the fare revenue as a reliable revenue source, which provides 40-45 percent of revenues and covers much of the operating budget.
 4. Public hearings were called at the May JPB meeting for consideration of service suspensions and/or fare changes and for a declaration of a fiscal emergency for FY10.

Sepi Richardson asked if a CAC finance subcommittee should be resurrected to review fiscal emergency issues. Ms. Bouchard said this isn't anticipated with this fiscal emergency. The declaration of a fiscal emergency will allow the JPB to avoid going through a complete California Environmental Quality Act (CEQA) process when it comes time to implement the necessary service suspensions and/or fare increases that will likely be required to balance the FY10 operating budget.

Presentation – Proposed Caltrain Fiscal Year 2010 Operating Budget

Ms. Bouchard reported:

1. Reserves used in previous years are not available.
2. Amtrak labor settlements are an inflator on the cost side of the budget.
3. Member contributions are down due to decreased sales tax revenues, agencies' budget issues and state funding cuts.
4. The current out of balance FY10 expenditures exceed revenues by approximately \$10.1 million.
5. Options to close the funding gap include fuel savings from the FY09 budget and reductions in the proposed FY10 budget.
6. Service and/or fare changes would be implemented about four months after final operating budget approval, which would eliminate savings for ¼ of FY10; savings are based on ¾ of FY10.
7. Possible service suspensions options include: weekend service with a net saving of ¾ of \$2 million/year, and midday service with a saving of ¾ of \$2.5-2.6 million/year. Gilroy service cost changes may be weighed out by the loss of fare revenue.
8. Possible changes in fares include:
 - \$.25 on the base fare would result in additional fare revenue of about ¾ of \$1.5 million.
 - \$.25 on the zone would result in additional fare revenue of about ¾ of \$1.6-1.7 million.
 - GO Pass pricing to be changed from the value of a 2-zone monthly pass to a 3-zone monthly pass.
 - Parking fees would be increased from \$2 to \$3 for the daily pass and from \$20 to \$30 for the monthly pass.

Mr. Wilfley asked about a net revenue projection for the Go Pass and parking changes.

Ms. Bouchard said these projections are still being reviewed and both are in the \$.5 million range. Executive Director Michael Scanlon has the ability to raise parking fees to \$5/day and \$50/month, which has been included in public outreach.

Ms. Bouchard wanted to emphasize that Caltrain was under priced about four years ago and fare increases have brought Caltrain up to the level of its peer agencies. In contemplating a fare increase, especially during these economic times, there is a risk of a high elasticity factor, which could result in a ridership loss related to the fact that fares are being raised during difficult economic times. Ms. Bouchard said when looking at Caltrain compared to peer agencies, it is beginning to go above BART and Metrolink in terms of fare per mile.

9. Next steps include:

- A call for a public hearing on fare tariff changes/and or service suspensions was made at the May 7 JPB meeting.
- A call for a public hearing for the determination of financial fiscal emergency was made at the May 7 JPB meeting.
- Public meetings on service suspensions/fare options will be held in the three-member counties on May 27 and staffed by Caltrain and public information staff, which will explain the proposals on the table. Comments from public outreach and the Caltrain Web site will be presented at the June 4 JPB meeting.
- Board approval of the FY10 operating budget is scheduled for the July 2 JPB meeting.
- Implementation of the approved changes are scheduled to begin on October 1, 2009.

Bruce Jenkins said Mr. Scanlon said at the May JPB meeting that even the bicycle community would be willing to pay a \$1 surcharge; this was not noted in the presentation. Ms. Bouchard said this was reviewed and there may be legal impediments to the surcharge.

Ms. Richardson said all cities will need to cut budgets due to state budget cuts and asked if there will be salary/benefit reductions in the operating budget. Ms. Bouchard said this is being reviewed but if there is a reduction at the District it is, in essence, a reduction in force at Caltrain. She said the JPB is beholden to the Amtrak contract negotiations and is complying with the Amtrak contract settlement.

Ms. Richardson said maybe this is the time to be serious and outspoken about a stable source of funding in the county for transportation and is tired of being "nickel/dimed" every year on budget issues. Ms. Bouchard said there are budget issues in the best of years and this year Caltrain is fighting for its life; it may not be the year to go out for a stable funding source.

Mr. Wilfley asked when the CAC will make its comments on preferences for budget changes. Ms. Bouchard said the FY10 operating budget item is agendaized on today's agenda and the CAC may choose to make a resolution for recommendations that can be taken at a subsequent meeting. She encouraged all members to attend public outreach meetings and register comments there and on caltrain.com.

Chair Graham said the CAC needs to hear from committee members, from the public and the public hearing before making a resolution.

Mike Kiesling said he does not want to see any service cuts but the least worst would be midday service cuts, which is when he usually rides the train. He didn't speak for anyone else because

his schedule is flexible. He said it would be horrible to discontinue weekend service and cutting Gilroy services would provide minimal benefit. He said the state doesn't have anything else to cut because it has taken all money away.

Ms. Bouchard said if these same cuts were contemplated four to five years ago there would have been a lot more to cut. The success of the Baby Bullet resulted in an increase from 76 to 98 trains with no additional resources. It involved partnering with Amtrak and Amtrak crews and with a management willing to step up to the plate and really provide those productivity efficiencies. Now that Caltrain has all that productivity there is no slack to cut.

Mr. Wilfley asked how many consists run on the weekend. Ms. Bouchard said eight train sets.

Mr. Wilfley asked if Caltrain could reduce weekend service and save some fraction of the programmed savings, but not eliminate it. Ms. Bouchard said staff looked at that but railroad economics is counter to basic economic models because it is such a high overhead business. The reason why complete removal of weekend service is recommended is that it allows Caltrain to do other things on the weekends. Once Caltrain runs one train on the weekend, there is such a structure that is required so there is minimal savings to be seen for just reduction. Complete removal of service does constitute quite a savings. The reason why there is less savings than anticipated is because of robust patronage on the weekends and these riders are the people who are most likely not traveling on monthly passes, which require a higher fare. Special service is on weekends and suspension of weekend service means suspension of special service.

Mr. Hronowski voiced his opposition to eliminating weekend service because it would require turning people away that don't have an option to get to San Francisco. There is inadequate bus service even if the train ran every two hours. He said Caltrain learned a lesson several years ago when it eliminated weekend service during construction work.

Chair Graham said, "If you build, they will come." This was true of the Baby Bullet and one-half hourly service. He said he went to Mountain View today to take a train and didn't have to plan or worry because a train arrives every half hour. He said he would choose to drive if trains ran every hour. He said both weekend service and half hourly service have their points.

Chair Graham said a lot of service was built up due to the efforts of Rail Transformation Chief Bob Doty. It would damage Caltrain's great service to go to an hourly schedule during the day, which would get rid of a lot of casual full fare riders. Caltrain would end up as a commuter service without weekend service. He supports maintaining both weekend and half hourly service.

Mr. Kiesling said one benefit in getting rid of weekend service on October 1 would guarantee the Giants in the World Series.

Public Comment

Andy Chow, Redwood City, said that Bay Rail Alliance has a five-point plan: No weekend service cuts, no bike surcharge, Caltrain needs a dedicated funding source; the JPB needs to be replaced and possible implementation of airport parking. BART parking starts at \$5/day and is \$6 at some stations. Caltrain has a lot of empty parking spaces in less-used stations and could

generate revenue by allowing long-term parking at some stations. The Santa Clara station could probably charge \$7/day because of bus service. He said the JPB is not a fully accountable body at this point with two board members in Santa Clara County representing areas south of San Jose with no representation in other areas of the county. Mr. Chow said it would be a shame to eliminate weekend service. He said Caltrain staff would love it because it would mean more room to do service work. Caltrain needs to sustain itself politically and needs political support to survive. If weekend trains are eliminated Caltrain will become just a commuter rail and if Caltrain asks for political support people will say, "What is Caltrain."

Larry Para, San Mateo, thought this was a public meeting for comments on Caltrain service suspension and/or fare changes. He provided these comments:

- He is a regular weekend rider and bicyclist to the City and environs for pleasure and work.
- He is a Giants ticket holder and uses Caltrain special service to AT&T Park.
- Caltrain has spent an enormous amount of money upgrading infrastructure for Baby Bullet Service.
- Suggested Caltrain go down to a three car train on weekends rather than completely eliminating service. Staffing levels could be reduced to one conductor on that train.
- Losing weekend special service would have an enormous impact on the Bay Area and impact traffic.
- Caltrain has an obligation to the community as a whole to keep freeways clear.
- Suggested a flexible fare schedule bumping up zone fares and running a higher schedule.
- Grateful that bicyclists would not be charged an additional fee.
- Bump up midday fares and keep a 30 minute schedule.
- Caltrain has done a wonderful job of upgrading service over the years; don't take it away.

Jeff Carter, Burlingame, said he was pleased that staff is considering fuel hedging. He said comments about a dedicated funding source for Caltrain have been ignored over the years but he has heard more consideration for fuel hedging since Mr. Scanlon came onboard. People were told the BART/SFO connection would make money for the District but it is a drain on funds. Mr. Carter does not want weekend service cut, no surcharge for bikes and an elected JPB. He complimented current staff on doing a great job. On a positive note, he is pleased that the JPB changed the public comment period from one to two minutes on non-agendized items.

Chair Graham suggested forming a study group to discuss the comments on proposed Caltrain service suspension and/or fare changes and presenting a resolution at the next meeting.

Ms. Bouchard said it is her understanding that the JPB will not take action on the proposed changes until the July meeting.

Mr. Hronowski, Mr. Wilfley and Ms. Richardson agreed to serve on a subcommittee to review priorities and make a recommendation for a resolution on proposed service reductions/fare changes. Mr. Hronowski said he would serve as chair.

A motion (Wilfley/Kiesling) to approve a subcommittee to propose a resolution for Caltrain service reductions/fare was passed.

Mr. Kiesling asked if the Chair could report at the next JPB meeting that the CAC heard testimony and discussion amongst CAC members that weekend service is the top priority for preservation if there are cuts to the service.

A motion (Wilfley/Kiesling) that Chair Graham report at the next JPB meeting that the CAC favors retention of weekend service was passed.

Chairperson's Report

Chair Graham reported:

1. The highlight of the May 7 JPB meeting was review of the Caltrain FY10 operating budget.
2. MTC liaison to the JPB Sue Lempert said there are misunderstandings with the public regarding the impact of High Speed Rail (HSR) on the Peninsula.
3. The JPB approved a two-minute public comment rule on non-agendized items.

Committee Comments

Paul Bendix said the new wheelchair platform at the Menlo Park station is wonderful and must cut 90 percent boarding time for the Bombardier cars.

Ms. Richardson wants to press the issue of a dedicated funding source for Caltrain even if the timing isn't right because she said we can't afford to continue our transportation advancement in this county or anywhere else with the existing system.

Chair Graham said each of the three-member counties has their own budget issues.

Ms. Bouchard said that on behalf of staff she will take back a strong message that it is certainly the desire of anyone who cares about Caltrain service.

Brian Wilfley, Paul Bendix and Bruce Jenkins left at 7:08 p.m.

Mr. Hronowski thanked Ms. Bouchard for the excellent presentation and urged all to attend the May 27 public outreach meetings on the proposed FY10 budget.

Assistant District Secretary Rosemary Lake reported that JPB CAC recruitment of applications closed on May 11. Each of the three-member counties will review applications and make a recommendation for appointment to the CAC at the June or July JPB meeting.

Date, Time, Place of Next Meeting

Wednesday, May 20, 6 p.m., San Mateo County Transit District Administrative Building, 1250 San Carlos Avenue, San Carlos CA 94070, 2nd Floor, Boccaccio Auditorium

Adjournment at 7:12 p.m.