JPB Board of Directors
Meeting of March 29, 2023

Correspondence as of 03-24-2023

#	Subject
1	Caltrain Finance Workshop Letters
2	Notice of Geotechnical Work along Downtown San Jose 3/28 - 4/19
3	BART Phase II Newsletter
4	Caltrain Operating Funds and Grade Separations

12 February 2023

Dear Members of the PCJPB and staff:

In preparation for the upcoming budget workshop, I would like to offer some outside-the-box ideas for stabilizing Caltrain's budget. There are fundamental changes that motivate the planning for your upcoming two-year budget cycle and beyond:

- Caltrain will be electrified soon. This presents new opportunities for more cost-efficient service patterns.
- The pandemic has likely permanently changed white collar commute patterns. It will be essential to evolve the service to meet the needs of more kinds of riders and more kinds of trips.
- Cutting costs is key, but gutting service is no way to get there. Returning to an obsolete peak-only commuter rail service model will lead straight to a "death spiral."

I offer seven opportunities for efficiencies and cost savings to run trains all day:

1) **Let go of the past. Divest of the entire diesel fleet ASAP**, even if some components of this fleet (Bombardier + MP36s) have yet to reach their FTA minimum useful life. Maintaining a dual mixed fleet of diesel + electric causes costly duplication (staff, training, tooling, spare parts, etc.) and extremely poor fleet utilization that Caltrain can ill afford.

2) **Embrace the future. Focus relentlessly on 100% electric service ASAP**. The long-held notion that PCEP only replaces 75% of your fleet is predicated on the assumption of six train per hour service (see #5 below). In reality, you will have plenty of EMUs to run 100% electric on day one of PCEP service.

3) **Suspend the Baby Bullet and operate 15-minute all-stop service**, just like BART. This simple, frequent, regular and predictable timetable is operable with just 14 of your 19 EMUs, requiring zero diesel. The amazing acceleration performance of the EMUs will make trip times perfectly tolerable. I understand: the Baby Bullet was Caltrain's "big idea," and it will be hard to let go of it, but the new EMU fleet changes the equation.

4) **Modernize crewing practices. Reduce train crew staffing to one conductor only**, with no assistant conductors. This requires the difficult step of renegotiating union labor agreements, but can save Caltrain ~$15M/year in operating costs. EMUs have no more need for several conductors than they need the firemen or brakemen of yore.

5) **Renegotiate the PCEP FFGA conditions with FTA**. There is no pressing need to operate six trains per peak hour per direction, and this should no longer be regarded as a hard constraint on Caltrain operations. Four trains per peak hour is plenty of "core capacity" for the foreseeable future, and can perfectly mesh with half-hourly service throughout the day to support the changed travel patterns of our post-Covid world.

6) **Focus on the core. Concentrate your business model on the Peninsula Corridor** and divest service expansion projects to Gilroy, Salinas and Monterey. While rail service to those destinations is a worthy long-term goal in the State's rail plan, Caltrain does not need its balance sheet weighed down even more in the short term. Let the Capitol Corridor pick up this additional mission.

7) **Bustitute Gilroy service**. Pre-pandemic, all services south of Tamien made up about 1% of Caltrain's overall ridership. Those riders are more affordably served by VTA express buses on the now freer-flowing US 101 corridor. While commitments may have been entered into with VTA, continuing rail service to Gilroy indefinitely saddles Caltrain with an intolerably costly and redundant diesel fleet (see #1). Return to Gilroy only after the high-speed rail authority has electrified the line.

Stabilizing your budget in the post-pandemic world will require drastic measures. Caltrain's best chance to emerge healthier and stronger than it has ever been is to concentrate on 100% electric service between San Francisco and Tamien, with a prompt and complete retirement of the entire diesel fleet. I strongly recommend that you direct staff to study the cost savings of this approach, even if it shakes up long-held assumptions, plans, and commitments.

Clem Tillier, resident of San Carlos, a longtime friend and rider of Caltrain

FRIENDS
OF
CALTRAIN

March 21, 2023

Re: Caltrain board finance workshop

Honorable board members and staff,

As Caltrain considers the financial challenges ahead at the upcoming board finance workshop, we hope that the board looks at the strategic issues facing the service, and not only at short-term tweaks to address near-term budget challenges.

The business model that Caltrain had before the pandemic is broken, and it is essential to address structural issues relating to service model, revenue, costs and risks.

Service model - more kinds of riders and trips

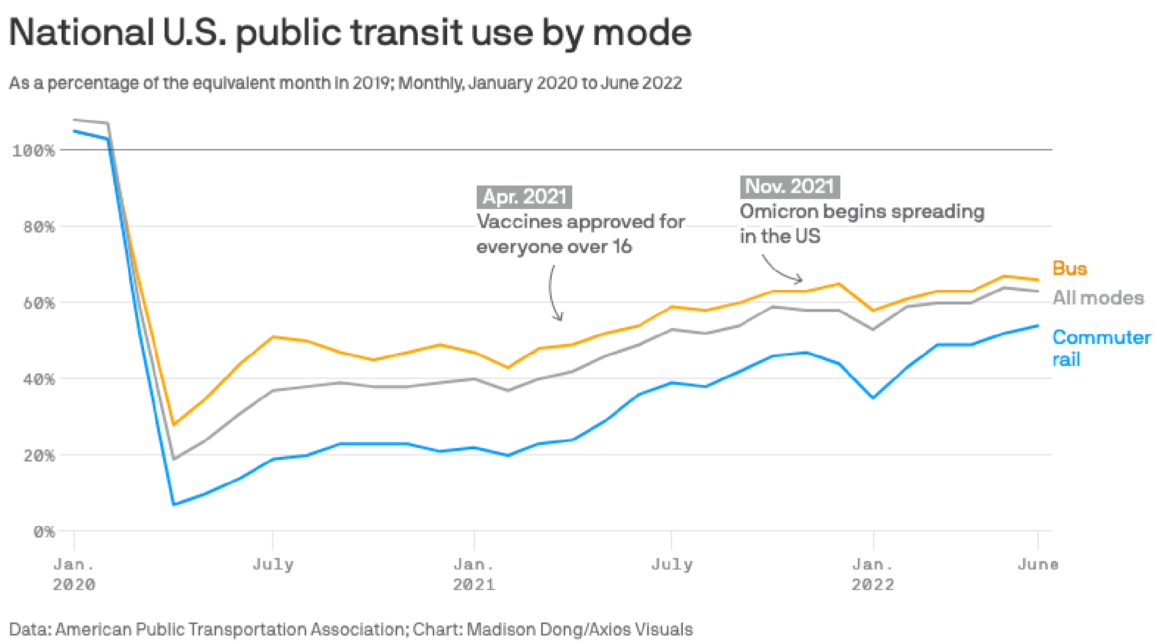
All around the US, services that had been designed as “commuter rail” - with a peak-focused service pattern and relatively high fares focused on a customer base of white collar commuters - are seeing post-pandemic ridership lag with changes to white collar commute patterns. In the Bay Area, the ridership of Caltrain and BART is particularly hard-hit because of persistent shifts to work from home in San Francisco and Silicon Valley. Bay Area Council surveys show that on average, white collar workers are coming to the office 2-3 days per week.

Fortunately, even before the pandemic, Caltrain had developed a business plan which outlined a strategy to move from the historical US commuter rail model toward the international model of regional rail. The international model, with service that is more frequent all day and all week, and that is better connected with other parts of the transit system, serves a greater diversity of riders and trips, and overall better return on public investment.

Caltrain’s business plan studied equity and concluded that there were pent-up opportunities to attract a greater diversity of riders by income and ethnicity, by providing coordinated fares and schedules connecting to local transit, and service hours addressing needs outside white collar commute times.

Before the pandemic these business plan findings were good strategy, and now they are existential. A service strongly focused on white collar commuters is less viable, and diversifying ridership to serve more kinds of riders and trips is essential.

We hope that the board workshop discusses not only near-term promotions, but strategic changes to help regrow transit ridership and create the confidence for the legislature and public to support funding.



Costs
Because of the high fixed cost of rail service, Caltrain cannot cut service as a path to financial viability. Service cuts intended to reduce costs would make the service less appealing to riders and further suppress ridership and revenue.

However, as electrification approaches, Caltrain has new options to consider to reduce costs per rider.

- **Fully electric service under the wires.** By moving to 100% electric service between San Francisco and Tamien, Caltrain can increase fleet utilization and reduce duplication of training, tools, spare parts, etc.
- **Modernize crewing practices. Reduce train crew staffing to one conductor only**, with no assistant conductors. This requires the difficult step of renegotiating union labor agreements, but could save Caltrain up to ~$15M/year in operating costs. If this is done in tandem with electric service, the change could be done without layoffs.
- **Renegotiate service conditions with FTA**. The FTA set a requirement of more frequent peak service as a condition of funding electrification. With changed commute patterns and the need to diversify ridership, Caltrain could run four trains per hour with a schedule supporting easy connections.

We hope that the board finance workshop considers multi-year strategies to reduce structural costs through service and staffing patterns in conjunction with electric service.

Revenue
The region's transit agencies are working together with MTC and agencies around the state to pursue funding from the state to avert the fiscal cliff that threatens Caltrain along with 80% of Bay Area transit riders and 72% of California's transit agencies.

And the region's agencies are working together with MTC on options for regional transit funding needed to bolster long-term financial sustainability. The multi-agency vision for a regional measure includes funding for the Transit Transformation Action Plan initiatives for coordinated fares, schedules, and wayfinding that have strong potential to increase ridership and are popular with voters.

As a peer agency, the BART board has been discussing the need for a multi-agency funding measure over the last year.   A scenario where agencies go to the voters separately would potentially have SFMTA, BART, Caltrain, and AC Transit seeking funding at the same time, increasing the risk for any measure to pass.

Also, Caltrain corridor voters recently passed Measure RR. Rather than asking voters to rescue Caltrain again, it may be more appealing to ask voters to support the popular idea of regionally coordinated transit service - a concept that has polled extraordinarily well over time.

We hope that the board workshop has a section discussing the need for revenue and starting considering the various revenue options.

Opportunities and Risks

Early results from the BayPass all agency transit pass pilot are showing a 40% increase in transit ridership when a randomly selected cohort of riders at public colleges and universities and affordable housing communities who previously had a single-agency pass were provided with an all-agency transit pass.

On the Peninsula Corridor, with Caltrain's historically high share of ridership from the GoPass, an all-agency pass may appear like a risk that could cannibalize revenue. But in an era where ridership is lagging at less than 30% of pre-pandemic levels, there are opportunities to attract new employers who didn't consider the GoPass because Caltrain serves a small fraction of their workers; and new kinds of organizations such as educational institutions and housing developments.

Similarly, regional revenue strategies may appear more risky than single agency measures because they appear to offer more control. But the value provided to riders and the public by funding a well-coordinated transit system may increase the likelihood of a ballot measure passing. To pursue these regional strategies successfully, they would need to be negotiated in order to increase benefits and reduce risks to riders and corridor residents.

But the old model of a standalone commuter rail system, heavily dependent on fare revenue, is no longer viable.   We urge the Caltrain Board to consider opportunities and risks looking forward in the context of today's world.

Thank you for your consideration,

Adina Levin
Friends of Caltrain
650-646-4344

From: VTA BART Phase II <vtabart@vtabsv.com>
Sent: Monday, March 20, 2023 4:20 PM
To: Board (@caltrain.com)
Subject: Notice of Geotechnical Work along Downtown San Jose 3/28 - 4/19

You don't often get email from vtabart@vtabsv.com. [Learn why this is important]

ATTENTION: This email came from an external source. Do not open attachments or click on links from unknown senders.

WHAT

- Contractors will be collecting soil samples and installing groundwater monitoring instruments around the future Diridon Station to help prepare for VTA's BART Silicon Valley Phase II Project

WHERE

- The work will take place along West Santa Clara St. between South Market and Third Street.

WHEN*

- Work will be conducted Tues Mar. 28 - Weds Apr. 19
- General working hours will be 9:00AM-3:00 PM.

** Please note that timelines for construction activity have some inherent uncertainty and may change depending on field conditions and/or inclement weather.*

WHAT TO EXPECT

- The work activity will be advanced with a truck-mounted, mud rotary drill rig.
- There will also be periodic, repetitive hammering during soil sampling.
- This work activity does not typically generate dust.
- Partial parking will be impacted by this work.
- From Tuesday April 4 through Wednesday April12, the Westbound 22, 522 and Southbound 64A, 64B and 500 stops between First St. and Second St. will be temporarily relocated between South Market St. and South First St. Signs will direct passengers to the temporary location.

****All work has received necessary approvals and permits. Construction is a dynamic process and information is subject to change without notice.***

Have a question for us about Phase II?

Visit www.vta.org/bart or email us vtabart@vtabsv.com

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VTA BART Phase II

vtabart@vtabsv.com

(408) 321-2345 BART Silicon Valley Hotline

Follow Follow Website Email

You requested information about VTA's BART Silicon Valley Extension Phase II.

Our mailing address is:

Valley Transportation Authority
3331 N First Street
San Jose, CA 95134

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Want to change how you receive these emails?
You can update your preferences or unsubscribe from this list.

From: BART Phase II Media Relations <vtabart@vtabsv.com>
Sent: Monday, March 20, 2023 5:15 PM
To: Board (@caltrain.com)
Subject: Planning for Long-Term Benefits

In 2001, VTA did a major investment study to determine the best transit solution for the highly congested I-880 and I-680 commute corridors on the east side of the Bay. Extending the regional BART system on the current alignment, was determined the best alternative of 11 options studied. BART, when compared to other transit options, demonstrated the highest ridership potential and fastest travel times. Further studies of the planned extension project also demonstrated it would increase access to and from major employment centers throughout the

Bay Area, enhance connectivity of regional transit services, promote economic development in the Silicon Valley and improve mobility for transportation-disadvantaged populations.

Read more...

Have a question for us about Phase II?

Visit www.vta.org/bart or email us vtabart@vtabsv.com

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VTA BART Phase II

vtabart@vtabsv.com
(408) 321-2345 BART Silicon Valley Hotline

Follow Follow Website Email

Our mailing address is:
Valley Transportation Authority
3331 N First Street
San Jose, CA 95134

From: Adrian Brandt <adrian.brandt@gmail.com>
Sent: Tuesday, March 21, 2023 12:52 PM
To: Board (@caltrain.com)
Subject: Re: Don't shift transit capital/operating dollars to fund Caltrain grade seps, please

Follow Up Flag: Follow up
Flag Status: Flagged

On Sat, Mar 4, 2023 at 5:51 PM Adrian Brandt <adrian.brandt@gmail.com> wrote:
Honorable Boardmembers and fellow Transit Advocates & Stakeholders!

I want to share some recent concerning observations with you.

I've noticed across several recent public meetings that some transit board members, particularly some new ones, are making worrisome comments advocating/suggesting cannibalizing whatever scarce Caltrain operating (and any other transit) funds possible for "absolutely essential" grade seps. Often the pandemic-reduced ridership and revenue is cited in the same breath portraying it as only prudent to cut operating budgets anyway (despite federal electrification funding conditioned on increased service). And I suspect they're not entirely alone and/or swaying their board colleagues' views (or "*Overton window*") on this "robbing Peter to pay Paul" scheme.

Note that Burlingame's "value engineered" (cost-reduced) Broadway grade sep is still estimated at around $1/3 of a billion. Caltrain's entire electrification & system modernization with sleek, quiet, high-performance, state-of-the-art, zero emission Swiss trains was (originally) $2 billion — or about the cost of just 6 Broadway-priced grade seps. It's obvious which of those two will more benefit transit riders, the Peninsula and entire region's economy, and the environment.

Unless they're on a downtown community-benefitting/connecting open-underneath fully-elevated viaduct, grade seps *primarily* benefit motorists who are annoyed & delayed by a crossing's daily "gate downtime" — which is (and likely always will be) just a fraction of most any ordinary traffic light's daily red cycle time … an annoying pause to let hundreds of (sometimes even a thousand) “other” (non-driving) people to pass aboard a more environmentally-sustainable TOD-serving train.

To throttle back sustainable green transit service operating or capital funding, delaying or reducing its improvements or service to primarily reduce motorists’ annoyance at occasional delays seems wrong. Little or no transit value for transit money. (And as in Atherton and over a thousand crossings across the US, needless horn blowing at crossings can be ended by implementing a safe CPUC- & FRA-approved quad-gate-protected “train horn quiet zone” — Google it! — typically for less than 1% of a grade sep’s cost.)

While nobody is seriously (yet!) proposing it, fully grade separating the remaining ~40 (~70 if you include the Gilroy line) grade crossings could easily completely consume all Caltrain operating and capital dollars for *decades* without any train service or capital improvements actually benefitting its current or potential future riders.

Also, after watching his line of questioning at last Thursday’s SMCTA presentation on Redwood City’s citywide grade sep plans, a newly elected director clearly didn't sound OK with Redwood City possibly getting **all** or even most of its grade seps funded as one larger project ahead of other ones (perhaps in his home town?). He pushed to know that since funding will be tight, and everybody won’t be able to do everything they want, which crossing was highest priority? (Answer: Whipple, of course … but doing just that one is both difficult and nonsensical because they’re all close together, due to construction/mobilization economies of scale, and due to the 2 crossings adjacent to the new 4-track station consistent with Caltrain’s business plan must be also be grade separated per CPUC policy proscribing new 4 track crossings.)

From monitoring LPMG and other meetings at which Caltrain’s under-development Corridor Crossings Study is now regularly being presented, I’m sensing a growing LPMG sense that funding grade seps with transit funds is totally appropriate because grade seps are “oh so essential” for better train service and reducing GHG emissions (presumably from increasingly electric cars delayed at crossings). The crossing “accident” stats being cited are greatly inflated by including even pedestrian deaths, which are known to nearly all be intentional and therefore not strictly a matter of “safety” when these can just shift to other crossings or stations (as on grade separated systems like BART). Also realize that indeterminate deaths are all lumped in the accidental category (“accidental unless proved otherwise”), thereby inflating that already smaller category. I’ve suggested numerous times to introduce a 3rd category to track indeterminate deaths separately. (Even some past motorists’ deaths appear plausibly intentional … yet these are all automatically presumed and counted as accidental unless proven otherwise.)

There is also an oft cited false conception or narrative that grade seps will somehow “speed up” or “improve” train service for its current or future riders. For the record, to date, apart from the relatively rare/occasional crossing “incident” related delays, there has never been a Caltrain grade sep whose lack of existence slowed trains or prevented a service increase … or whose completion sped up or increased or improved train service.

Most people, including many electeds that sit on transit boards, do not come from the transit advocate or rider community. Most or all of what they know from their daily, lived first-hand transportation experience has to do with driving. So it’s hardly surprising when they sometimes have more of a motorist’s “windshield perspective” on issues such as this. But to dip into or shift scarce transit operating or capital dollars to fund grade seps is not right or fair. Unless there is good transit value rationale for a particular project (e.g. new mid-line 4-track station to facilitate more & better train service), these should always be funded with other non-transit dollars (road, highway, earmarks, grants, purpose-specific taxes, benefit districts, etc.).

Thank you for your attention and ongoing thoughtful consideration of the foregoing points.

Questions, comments, doubts, disagreements? Always happy to discuss!

Respectfully,
Adrian Brandt

adrian.brandt@gmail.com
650.568.1561