

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1250 SAN CARLOS AVENUE, SAN CARLOS, CA 94070**

MINUTES OF APRIL 1, 2010

MEMBERS PRESENT: R. Foust (Chair), R. Gordon, C. Groom, J. Lee, K. Matsumoto, T. Nagel, J. Vreeland

MEMBERS ABSENT: None

STAFF PRESENT: C. Cavitt, G. Harrington, C. Harvey, R. Haskin, J. Hurley, R. Lake, M. Lee, M. Martinez, N. McKenna, D. Miller, S. Murphy, M. Scanlon, M. Simon, S. van Hoften

Chair Rosanne Foust called the meeting to order at 5:07 p.m. Director Karyl Matsumoto led the Pledge of Allegiance.

CONSENT CALENDAR

- a. Approval of Minutes of March 4, 2010
- b. Acceptance of Statement of Revenues and Expenses for February 2010

A motion (Nagel/Lee) to approve the Consent Calendar was passed.

PUBLIC COMMENT

Rich Hedges said AB 2016-Common Interest Developments will establish a 10 percent requirement for disabled housing within a half-mile of rail transit to help house disabled people near transit to coincide with what the District is doing with Redi-Wheels travel training. He would like housing transit issues included in the legislative program and monitoring of housing bills that affect transit.

Mr. Hedges said San Mateo County has one remaining one-stop career center in Daly City. He is working with the Workforce Investment Board to establish a shuttle from BART to the one-stop Peninsula Works center in Daly City.

CITIZENS ADVISORY COMMITTEE REPORT

Chair Dixon said, at its March 30, 2010, meeting the CAC received information on the following:

- Dumbarton Rail Corridor Project Update
- Award of contracts for on-call transportation planning and program support
- State and Federal legislative report
- Update on public outreach for the March 3 Calera Parkway Project scoping meeting
- Update on property purchases by SamTrans for the San Bruno Grade Separation Project
- Caltrain Bicycle Advisory Committee recruitment
- May 12 Belmont bike and pedestrian overpass groundbreaking

CHAIRPERSON'S REPORT – ROSANNE FOUST

Requested staff provide information at the April 8 California High Speed Rail meeting in Santa Clara on the release of High Speed Rail (HSR) alternatives analysis.

SAMTRANS LIAISON REPORT – KARYL MATSUMOTO

The March 9, 2010 report is in the agenda packet.

JOINT POWERS BOARD REPORT

Executive Director Michael Scanlon reported on the meeting of April 1, 2010.

- Chair Sean Elsbernd reported on recruitment for the Bicycle Advisory Committee (BAC). Applications are due April 19, 2010.
- Metropolitan Transportation Commission (MTC) liaison Sue Lempert provided details on the gas tax swap.
- JPB CAC Chair John Hronowski said that at its March 17 meeting, Executive Officer for Public Affairs Mark Simon presented details on the BAC and Planning and Development Manager Marisa Espinosa presented the Comprehensive Access Plan.
- Reviewed monthly performance statistics – February 2010 compared to February 2009
 - a. Total Ridership was 865,569, a decrease of 2 percent.
 - b. Average Weekday Ridership was 35,401, a decrease of 2 percent.
 - c. Total Revenue was \$3,189,889, an increase of 0.9 percent.
 - d. On-time Performance was 95.9 percent, a decrease of 1.4 percent.
 - e. Caltrain Shuttle Ridership was 5,309, a decrease of 12.4 percent.Year-to-date performance statistics – February 2010 compared to February 2009
 - f. Total Ridership was 7,861,126, a decrease of 8.3 percent.
 - g. Average Weekday Ridership was 37,371, a decrease of 8.1 percent.
 - h. Total Revenue was \$27,809,413, a decrease of 3.9 percent.
 - i. On-time Performance was 94 percent, a decrease of 0.9 percent.
 - j. Caltrain Shuttle Ridership was 5,606, a decrease of 9.7 percent.
- Staff and the BAC will discuss decals in bike cars that will suggest non-bike passengers sit elsewhere.
- The Giants season begins with an exhibition game on April 1 and the season opens on April 9.
- Annual train count results are expected in April.
- A bikes-on-board count will begin in May.
- Vegetation has been removed to improve sightlines in area of the Meadow and Charleston crossings in Palo Alto in the area of a cluster of deaths by suicide.
- A postcard was sent to households in high density areas within a half-mile of Caltrain stations to solicit potential riders to complete an online survey and receive a couple of train tickets.
- A TransLink hard launch begins on April 2. Staff is working with MTC to issue monthly parking permits through the TransLink Smart Card, which is known as Clipper.
- District staff will be involved in 40th anniversary Earth Day activities on April 22.
- Staff continues to promote the National Mass Transportation Benefit Program, which provides participating employees a tax benefit not-to-exceed \$230 a month.
- The Bike Access brochure has been updated and distributed on all trains.
- Shared concerns about future operation of Caltrain:
 - a. Caltrain operations will be extremely problematic primarily due to the diversion of State Transit Assistance funds, reduced sales tax and declines and ridership and revenue resulting from the economic downturn.
 - b. Caltrain's current business model is not sustainable. Approximately 40 percent of Caltrain's \$100 million annual operating budget come from the three partner agency contributions; San Mateo County Transit District (SamTrans), San Francisco Municipal

- Transportation Agency (SFMTA) and the Santa Clara Valley Transportation Authority (VTA) and are all operating with significant deficits.
- c. SamTrans has to consider reducing its current contribution of \$16.5 million by 70 percent; under the terms of the Joint Powers Agreement, this action would trigger similar reductions from the other partners. Seventy percent of 40 percent of revenue equals \$28 million lost out of the \$100 million for operations, which would probably result in elimination of weekend, midday and evening and night service.
 - d. Service cuts would affect farebox recovery and result in a devastating downward spiral.
 - e. Staff will present preliminary budgets in May.
 - f. There are extraordinary difficulties but extraordinary opportunities with electrification and HSR.
- Peninsula Rail Program (PRP) Director Bob Doty presented an update on the program:
 - a. The alternatives analysis for the Caltrain corridor will be presented at the HSR meeting in San Jose on April 8.
 - b. Caltrain is close to getting a waiver needed to operate European Electric Multiple Units in mixed traffic with FRA compliant vehicles.
 - Caltrain Electrification Project:
 - a. Executive Officer Planning and Development Marian Lee presented details of the Caltrain Electrification Final Environmental Impact Report (FEIR):
 - Actions in environmentally clearing the project at the State level will put the project in a position to obtain funding.
 - The Federal Transit Administration declared a Finding Of No Significant Impact (FONSI) for the project and cleared the environmental document.
 - b. Letter on the electrification project was received by staff the evening before the April 1 JPB meeting. Legal Counsel David Miller reported no action would be taken on the electrification project until there is an opportunity to engage with some public speakers at the meeting and address the litigation.
 - c. The Board postponed action on the following:
 - Authorize Certification of the Caltrain Electrification Project Environmental Assessment (EA)/ FEIR.
 - Adopt the California Environmental Quality Act (CEQA) Findings of Fact Report and Mitigation Monitoring and Reporting Program (NMP) Documents.
 - Authorize the Approval of the Caltrain Electrification Program.
 - The Board:
 - a. Accepted the Statement of Revenues and Expenses for February 2010.
 - b. Authorized the Submittal of a Fund Programming Request of \$41.026 Million in Proposition 1A Funds for the Caltrain Corridor Electrification Project.
 - c. Authorized Filing an Application to Receive \$685,145 of Fiscal Year 2010 Proposition 1B California Transit Security Grant Program Funds and a Concurrent Letter of No Prejudice with the California Emergency Management Agency.
 - d. The Board authorized entering into an agreement of principle on the purchase of some property in conjunction with the San Bruno Grade Separation Project.
 - e. Authorized staff to settle a claim from the general contractor on the Centralized Equipment Maintenance and Operations Facility for \$2.5 million.

Mr. Scanlon said the three partner agencies can no longer support a regional network and there must be public dialogue and widespread discussion asking how to pay for regional rail service that takes

between 35,000-40,000 daily trips off Highways 280 and 101 and other streets. The average trip length on Caltrain is more than 30 miles in rush hour, which means they are regional rail trips and important to the well-being of this area and region.

Director John Lee asked how aware are the governor, Legislature and Congress of the problems Caltrain is facing. Mr. Scanlon said several SamTrans board members and staff were recently in Sacramento with the message that there are consequences to constant cuts. He thinks there is widespread denial of the financial problems at the State level. There is awareness of the problem at the Federal level but the Federal Transportation Program has not been authorized because the focus is on funding healthcare while the Highway Trust Fund and Transportation Trust Fund are out of money. Mr. Scanlon said the challenge on Earth Day is to make the public understand what they get when they invest in public transit: Help the economy; keep people in transit jobs and help people access jobs; reduce dependence on foreign oil; help people build new facilities and maintain current ones; and improve the environment.

Director Lee asked how the public could help. Mr. Scanlon said people can tell elected officials in Washington and Sacramento that it is important to invest in public transit.

Director Lee asked if the public response time on the HSR alternatives analysis has been extended beyond 45 days. Mr. Scanlon said there is now no time limit for responses.

Director Terry Nagel asked how there cannot be a time limit. Mr. Scanlon said preliminary engineering and environmental work and design will take a number of years so the time limit can be eighteen months to two years.

Mr. Miller said the project level Environmental Impact Report (EIR) process has not been held up as a result of the court order requiring the program level EIR to be revised and that fact probably renders moot the open comment period on the program EIR, something that is not detrimental. Had the project level EIR work been stopped, then the deadline to complete the program phase, he thought, would have been more important.

Director Nagel asked what the bottom line is on transportation funding with all the State takeaways and givebacks. Mr. Scanlon replied reductions in the tens of millions.

Director Nagel asked if the California Environmental Quality Act (CEQA) contains a deadline for action on Caltrain electrification. Mr. Scanlon said testimony heard at the JPB meeting indicates some people want to kill the project and others feel overwhelmed with HSR, CEQA and Caltrain's electrification CEQA and there is the veiled threat of litigation.

Mr. Miller said there is no explicit deadline for action. He advised that a letter arrived last night, before today's JPB meeting and contained a veiled threat of litigation by the Planning and Conservation League. He said Proposition 116, which provided the seed money to acquire the entire Southern Pacific right of way and created the mechanism by which Caltrain was fashioned had been sponsored by the Planning and Conservation League. He said it seems ironic the League now is advancing arguments to stop electrification of Caltrain, a project with obvious beneficial environmental impacts.

Director Jim Vreeland said he is hearing that one of the most environmentally conscious regions in the country with mandates on global warming and to compel local planning agencies to make planning choices that reduce vehicles miles traveled doesn't have the ability to support regional rail. He asked what the region would look like in 40 years if Caltrain doesn't exist. Mr. Scanlon said Caltrain would exist but would be severely challenged.

Director Vreeland asked about Earth Day events. Mr. Scanlon said the American Public Transportation Association (APTA) is doing Earth Day events across the country to heighten awareness of the benefits of public transportation.

Executive Officer Customer Service and Marketing Rita Haskin said the District is partnering with some local radio stations at the San Francisco and San Jose Caltrain stations to thank our customers. The District will be providing SamTrans customers at four locations with a wallet that will carry a TransLink card. The District is also partnering with the Peninsula Congestion Relief Alliance to give away TransLink cards for Earth Day that are good for summer use on Caltrain and SamTrans.

Chair Foust said everyone must get the message out that Caltrain must survive. She said several associations she works with have started letter writing to the State Legislature to focus on fiscal stability. She wondered what the public attention would be if transit operations were shut down for a week. She asked how long Caltrain could survive. Mr. Scanlon said Caltrain could have an insignificant, undersized, underperforming system of 40 or so trains a day and a few SamTrans bus routes. He said given the wealth of this area, even in tough times, we should be having quality, first-class mobility services particularly with the demographics of a sizable aging population.

Chair Foust asked about the timeframe for the waiver for freight and passenger rail on the same rail. Mr. Scanlon said it is imminent.

REPORT OF THE EXECUTIVE DIRECTOR

- Mr. Scanlon commented on Rich Hedges' public comment on the District's involvement in transit oriented housing. He said the TA Measure A Expenditure Plan approved by the voters encourages transportation projects that support transit oriented development.
- Board members are invited to attend the groundbreaking ceremonies for the Belmont pedestrian bicycle overcrossing project, to which the TA made a significant contribution. Director of TA Program Joe Hurley will represent the TA.
- Funding options for the San Bruno Grade Separation Project will come before the Board in May and/or June.
- Will be meeting with the California Transportation Commission on April 2 to get clarity on \$30 million of Proposition 1B.

Executive Officer Planning and Development Marian Lee provided details on the Notice of Call for Projects: Local Shuttle Program:

- The TA announced a Call for Projects for the Local Shuttle Program under the Measure A Program on March 31, 2010.
- A total of \$4.5 million is available for Fiscal Years 2011 and 2012.
- Of the \$4.5 million, \$2.9 million is allocated for existing (FY2010) shuttle operations that have been funded by the original Measure A program, which means \$1.6 million is available for new shuttle projects and open to competition.

- Sales tax revenues will be monitored as well as the cost of existing local shuttle projects.
- Applicants need a letter of sponsorship from SamTrans because, based on the Expenditure Plan, there is only one qualified project sponsor, which is SamTrans.
- Applications are due April 30. The Board is to consider funding selected projects in a July timeframe.

FINANCE

Authorizing Award of Contract to Fehr & Peers and HNTB Corporation for On-call Transportation Planning and Program Support for up to \$1,500,000 for a Three-year Term

Director of Contracts and Procurement Cheryl Cavitt said the \$1.5 million will be shared among three contractors that will be functioning under this contract. Wilbur Smith Associates was awarded a contract to be part of this group at the February TA board meeting. The Board will also be asked to authorize the Executive Director or his designee to exercise up to two one-year options with the above two firms with a total maximum compensation in the amount of \$375,000 for each option term, to be shared in the aggregate with Wilbur Smith Associates, if deemed in the best interest of the TA.

Director Rich Gordon left at 6:10 p.m.

Ms. Cavitt said all services will be provided on an on-call basis but there is no guarantee of any particular amount of work going to any of the consultants. Before any issuance of any Work Directive for which \$250,000 or more cumulatively in State or Federal funds will be used, the firms may be required to undergo a post-audit, which will be performed by Caltrans or a designated outside auditor.

Director Nagel asked who the designee is for the Executive Director. Mr. Scanlon said there are specific limits of authority. There is a hierarchy of threshold amounts.

Director Nagel asked if it is a finite number. Mr. Scanlon said it is an absolute number.

A motion (Groom/Nagel) to award the contract for on-call transportation planning and program support was approved.

PROGRAM

Dumbarton Rail Corridor Project Update

Ms. Lee provided the following details on the project description, status and challenges:

- The project would extend commuter rail service across the Dumbarton rail bridge from Union City in the East Bay to the Peninsula during peak commute hours only.
- The project involves rehabilitating the Dumbarton rail bridge and activating the rail line and four stations.
- Union City will function as the key intermodal transit center for connections to the Altamont Commuter Express, Capitol Corridor and BART. Three other stations will be located in Centerville, Newark and East Palo Alto/Menlo Park. Caltrain stations will be used when Dumbarton service reaches the Caltrain corridor.
- Funding agencies include the TA, MTC, VTA, Alameda County Transportation Improvement Authority, Alameda County Congestion Management Agency and the Capitol Corridor Joint Powers Authority.

- Engineering design is at 15 percent; the administrative document environment impact statement and EIR and technical studies are complete. The capital cost estimate and ridership forecast are updated.
- Capital costs are \$700 million in 2009 dollars with \$300 million in funding identified. Regional Measure 2 funding of \$91 million was loaned to another project but is to be paid back.
- Ridership is projected at 6,200 average weekday riders in 2035, which is a decline from 2005 projections due to fewer commute-direction trips, fewer stops on the Caltrain and changes in the travel demand model.
- The project scope revision analysis and funding plan are scheduled to be completed in 2010 and a schedule linked to HSR and the PRP. The project cannot advance without regional leadership and support. The administrative draft environmental document and public hearings will be finalized in 2011-2012.

Director Vreeland said staff must keep preparing for the future and if a plan isn't available, it is a guarantee that it will not work out. Mr. Scanlon said having a robust regional rail system is a key link across the Bay but will need to be done by regional leadership and support with a vision and willingness to invest. He said this region will grow again but staff can't take the project much further until conditions change.

Chair Foust said it is important that the vision is going forward but ridership needs to be considered because no one will build this for ridership numbers of 6,200. She said this statement should be reflected in the presentation and clarified for the reader.

Director Carole Groom asked if Dumbarton rail would be necessary if BART runs to Warm Springs. Mr. Scanlon said there would still be a need for both because people don't want to ride around the Bay.

Director Groom asked if the \$300 million identified funding could be transferred to something that could be done more quickly. Mr. Scanlon said \$91 million was loaned to BART for the Warm Springs extension and is to be paid back.

Chair Foust asked if there was a regional plan by MTC to bring different transit systems together. Mr. Scanlon said MTC is starting a two-year sustainability study and he is involved with the steering committee. MTC has concluded the two dozen or so transit systems in the Bay Area are not sustainable and they will be studying options.

Chair Foust said MTC reported that in the Bay Area there are 28 transit agencies, 228 transit decision makers, 11 service providers, 15 districts, authorities and agencies and two additional districts with elected board members. She said this is not sustainable.

Verbal Update on State and Federal Legislative Program

Government Affairs Manager Seamus Murphy said Director Lee asked a good question about how much the Legislature is aware of the dire situation with public transportation funding. He introduced Legislative Advocate Gus Khouri of Shaw/Yoder/Antwih, Inc., who represents the TA and the California Transit Association (CTA) to expand on transportation funding.

Mr. Khouri provided the following details:

- The governor is sitting on a \$20 billion deficit over the next 18 months with a current year deficit of \$6 billion and about \$13 billion for 2010-2011 including a \$1 billion reserve. In order to deal with the deficit, the governor recommended eliminating the sales tax on gasoline, which halts Proposition 42 (Transportation Congestion Improvement Act) and converts the tax to an excise tax. This is a tax paid at the pump based on consumption. This action was a direct response to the CTA lawsuit filed against the State because the State took \$1.2 billion from public transportation. The governor said if funding sources are eliminated, the State doesn't have to fund public transportation and that money could be used to pay down bond debt service. Bond debt is not supposed to be above 6 percent but is at 9 percent, which means the State can't sell Proposition 1B bonds. The Legislature got rid of three sources of funding and retained the sales tax on diesel, which will be dedicated to transportation for operations. The Legislature appropriated \$400 million statewide in the current year, which is about \$5.2 million for SamTrans and \$5.1 million for Caltrain. Funds are to be received by the beginning of July. Caltrain, SamTrans and San Mateo City and County Association of Governments' (C/CAG) advocacy efforts were extremely influential in getting this funding.
- The Highway situation is somewhat better because the State is taking advantage of the temporary increase in sales tax that is now 6 percent, which is going to sunset at the end of FY2010-2011. This results in an extra \$631 million for the State Transportation Improvement Program (STIP) and State Highway Operations and Protection Program (SHOPP) for local streets and roads. San Mateo County will receive \$5.6 million.
- The picture for transportation is more optimistic than it has been in the last couple of years.
- The CTA, in conjunction with the California Alliance for Jobs and California League of Cities, proposed a ballot initiative for the November election aimed at barring the State from raiding local government coffers to balance its budget. Signatures are due April 16 and it is close to making the ballot with 900,000 signatures to-date.

Director Lee said he is concerned there won't be enough signatures to qualify. Mr. Khouri said if the initiative passes it is unclear whether it protects traditional sources of funding or locks in place the current funding mechanism the governor just enacted. Mr. Khouri said his firm is seeking legal opinion on the issue. It would at least protect the Transportation Development Act and the sales tax on diesel and could potentially protect spillover revenue and Proposition 42 dollars and undo the governor's gas tax swap. Mr. Khouri said State leaders are unhappy about the initiative and the concern is they could, at some point during the year, undo some of the funding promised in the out years for public transportation and maybe even on the highway side.

Director Nagel asked what would be an effective way to wake up the Legislature and public about the current and future crisis with public transit funding. She wondered if a day without public transit would have an effect.

Mr. Khouri said the problem has to be tangible to people and is amorphous to them because the trains are very efficient and still running. Until agencies actually say there will be cuts to ridership, and people laid off and passengers actually feel the impacts and communicate this story to the representatives, there won't be a positive response – communicating the story is really the key.

Mr. Scanlon said, in order to get the story out, business members of APTA are planning to take a cross country bus trip.

Mr. Scanlon said the gas tax swap could be challenged in court. Mr. Khouri said it could but it's uncertain whether it will be. Because the gas tax swap is revenue neutral, it undercuts an argument that the State is raising taxes on a particular group.

Director Vreeland asked what the possibility is for the oil extraction fee getting any traction. Mr. Khouri said it's been hovering around for at least two years. He said all options will be considered but it will be up to the Democrats to decide how much they want to cut from education, health and human services before they go down that route. He said it only generates about \$200 million but these are desperate times that call for desperate measures.

Chair Foust said many people are tired of the initiative process and don't want to support any.

Mr. Murphy said the appropriations process is underway and Caltrain heard from Congresswomen Anna Eshoo and Jackie Speier that they are moving forward with submitting a request for \$500,000 each for Caltrain fencing/signage improvements that are identified through a needs-assessment. This is in addition to \$1 million in Proposition 1B security money that Caltrain has received, which will bring the total to \$2 million for additional fencing on the Caltrain right of way, if the appropriation is successful.

REQUESTS FROM THE AUTHORITY

Director Vreeland expressed his thanks to Deputy CEO Chuck Harvey and Mr. Hurley for hearing the concerns of coastside residents on the Calera Parkway Project.

WRITTEN COMMUNICATIONS TO THE AUTHORITY

None

LEGAL COUNSEL

No report

DATE AND PLACE OF NEXT MEETING

The next meeting is scheduled for Thursday, May 6, 2010, at 5 p.m. at the San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos CA 94070.

Adjournment 7:02 p.m.