

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

MINUTES OF APRIL 7, 2011

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

MEMBERS ABSENT: J. Vreeland

STAFF PRESENT: R. Bolon, J. Cassman, M. Choy, G. Harrington, C. Harvey, R. Haskin, J. Hurley, R. Lake, M. Lee, M. Martinez, N. McKenna, D. Miller, S. Murphy, M. Simon

Chair Rosanne Foust called the meeting to order at 5:03 p.m. Director Terry Nagel led the Pledge of Allegiance.

CONSENT CALENDAR

- a. Approval of Minutes of March 3, 2011
- b. Acceptance of Statement of Revenues and Expenditures for February 2011

The Board approved the consent calendar unanimously (Nagel/Horsley).

PUBLIC COMMENT

Jim Bigelow, Belmont, said this would be the last TA Board meeting for TA Citizens Advisory Committee (CAC) member Pat Dixon who is moving out of the area. He said it has been fantastic working with her over the years. Her heart was in Measure A and its implementation and she was an excellent chair for the CAC. He wished her the best and warm thoughts as she leaves the area.

Pat Giorni, Burlingame, asked that public comment be changed from one to three minutes. She said Caltrans refuses to fix storm drainage problems until Burlingame cuts down trees along El Camino Real. She said flooding on El Camino Real will hinder congestion management movement and asked that the TA speak to Caltrans. She said Ms. Dixon was a major mentor in all things transportation.

Chair Foust said concerns about the flooding and Caltrans will be forwarded to staff.

Michael McPherson, Atherton, requested quad gates be installed at the intersection of Watkins Avenue and Caltrain tracks in Atherton and said the city council was in support of this.

Chair Foust will follow up with staff.

Rich Hedges, San Mateo, invited the Board to a tour of the Contra Costa Transit Center on April 23. Interested members can meet at the agent's booth at 9:45 a.m. in the Millbrae BART station. The first 20 people will be given Clipper cards. He said Ms. Dixon is the model for activism on transportation and housing and thanked her for her service.

Ms. Dixon, Redwood Shores, said it is a sad night for her. She has enjoyed all Board members over the years. She thanked the TA for always providing her the opportunity to speak. She said she began her involvement with the TA's bicycle/pedestrian overpass project in 1991 and plans to attend the project completion celebration. Ms. Dixon said she is proud of her involvement with the bicycle path that goes from Whipple Avenue in Redwood City to the San Carlos airport. She thanked Facilities Technician Chuck Harris and wished all the best and said it was her pleasure to serve with everyone.

Director John Lee said he remembers the Disneyland expression of the E ticket and said Ms. Dixon is an E ticket. He said she represents the community and speaks her mind and thanked her for her service to all citizens of the county.

Director Nagel said she admires the passion and dedication Ms. Dixon has brought to the CAC and thanked her very much for her service.

Chair Foust said some of her best memories of Ms. Dixon are when she moved to Redwood City in 1995 and spent many hours with Ms. Dixon in her kitchen learning about local issues. She applauded Ms. Dixon's commitment to community issues. She thanked her for her service to the CAC, Redwood City and San Mateo County.

Greg Conlon, former California Public Utilities Commission president, supports installation of quad gates at Watkins Avenue in Atherton.

SAMTRANS LIAISON REPORT – KARYL MATSUMOTO

Director Karyl Matsumoto said the SamTrans Board held a study session on March 24 and received a presentation and had a discussion on the overview of SamTrans' financial situation for the next three years. Three SamTrans Board members went to Washington, D. C. to lobby for renewed funding and while there, the Grand Boulevard Initiative grant was extended.

CHAIRPERSON'S REPORT – ROSANNE FOUST

- Applications for the CAC are due April 11. Recruitment information has been sent to all city clerks in the county and applications are available online. Chair Foust and Director Groom will be involved in the interview process with appointments of new members at the May 5 TA Board meeting.

CITIZENS ADVISORY COMMITTEE REPORT

Chair Barbara Arietta presented details of the April 5, 2011 meeting:

- Received a presentation on the rail grade separation program in San Bruno.
- Received a presentation on the Measure A Program Status Report.
- Forty-one applications have been received for the bicycle/pedestrian call for projects.
- She reported on two bills supporting expanding funding for sustainable transportation and rewarding commuters for using public transportation.
- Ms. Arietta thanked Ms. Dixon and said the CAC is losing a friend and leader and the county is losing a great transportation and land use advocate.

JOINT POWERS BOARD REPORT (JPB)

Deputy CEO Chuck Harvey reported on the meeting of April 7, 2011:

- The JPB discussed the prospects of the Fiscal Year (FY) 2012 budget and potential service and fare scenarios in order to balance the budget.
- Received a presentation on the Annual Passenger Count. Average weekday ridership was 41,442 in February 2011, the highest level of ridership in the history of the Caltrain system since it has been operated by the JPB. The same February count two years ago was 39,122 at the peak of 98 trains per day.
- Reported on the status of the budget:
 - a) A budget deficit of \$30 million was projected based on SamTrans' reduced contribution to Caltrain.
 - b) A series of financial transactions were negotiated between the JPB partners and the Metropolitan Transportation Commission (MTC) to balance the budget. This level of service and fare changes netted about a \$6 million positive impact to the budget. About \$24 million of the deficit was solved through a number of financial transactions.
 - c) A 48-train, peak-hour-only schedule was discussed at the March 3 JPB meeting with no midday, morning, late night, weekend, Gilroy or baseball service. The new proposal includes a 76-train schedule with service from 4 a.m. to midnight. It retains Gilroy service, weekend service and special service. Weekend-only service will be suspended at several stations due to changes in service patterns.
 - d) After extensive discussion by the Board and the public, the Board voted to continue the motion to adopt the 76-train schedule and schedule a special meeting for April 21 at 10 a.m. in order to do additional work with the MTC and JPB funding partners to identify the \$3.5 million that would be required to restore the existing 86-train schedule.
 - e) Staff is working on the daunting challenge that exists with balancing the FY2013 budget.
- The Board:
 - a) Authorized Entering into an Agreement and Covenant Running with the Land (to Construct and Maintain Train Station Platform and Light Pole into Public Right of Way) with the city of Santa Clara.
 - b) Approved an Assessment of the FY2011 Fuel Hedging Program and Adopted a Revised Fuel Hedging Policy.
 - c) Authorized the Appointment of Orrick, Herrington and Sutcliffe, LLP to Serve as Special Counsel in Connection with the FY2012 Fuel Hedging Program.
 - d) Rejected the Low Monetary Bid from GE Transportation Systems Global Signaling, LLC as Non-Responsive and Awarded a Contract to Invensys in the Total Amount of \$763,234 for Purchase and Delivery of Signal Equipment.

Director Lee asked about the status of the Hayward Park station. Mr. Harvey said the proposed changes do include suspension of service at Hayward Park. Staff acknowledged if Transit Oriented Developments (TOD) came online near the Hayward Park station, there would be consideration of the service patterns in a way to reactivate or change the service pattern.

Director Lee asked if the Hayward Park station would be closed. Mr. Harvey said the station is proposed to be closed but discussion of this item is on the table during the next two weeks.

Legal Counsel David Miller said if the money cannot be found and there is a service suspension, that the Board's resolution provide a periodic look at how TODs are progressing so that if they come to fruition, there is some process to revisit the issue of service suspension.

Director Nagel said she noticed in the San Mateo County Transit District's (District) organizational chart there are a couple of positions for the Peninsula Rail Program (PRP) that are vacant and asked if this is a possible source of funding. Mr. Harvey said staff is having a discussion with the California High Speed Rail Authority (CHSRA) to sort out what will be required for the initial operating program.

Director Carole Groom said the TOD projects around the Hayward Park station have been approved and a large part of the approval was Traffic Demand Management. Developers will not be able to get funding unless it is known that the train is operating there because TOD projects have less parking. The projects will not go forward if the station closes.

Public Comment

Jim Bigelow, Redwood City/San Mateo County Chamber of Commerce, said because the new Measure A was renewed for 25 years, it has a component for capital and operating funding, which was not in the original Measure A. The TA provides \$4.9 million to Caltrain, which plays an important part in the puzzle. Dumbarton Rail would be operated by Caltrain service to Union City and that is \$5.5 million every year for 25 years. Caltrain is in trouble and is the future service provider and should continue to push the MTC to let loose with a couple of million dollars of the Regional Measure 2 money to make sure Caltrain service stays strong prior to going to some significant permanent funding.

Pat Giorni, Burlingame, said the San Francisco International Airport (SFO) Commission is still funding a free employee shuttle for its employees from BART to SFO and at one time funded a shuttle from Caltrain to SFO before BART. She asked if pressure could be put on the Airport Commission to contribute to Caltrain because Caltrain does deliver passengers to SFO.

Rich Hedges, San Mateo, said thousands of hours of work have gone into developing TODs at the Hayward Park station and these would be killed with the closure of the station.

Chair Foust said it is a responsibility of Caltrain and the TA that good transit in the county be made a priority with short- and long-term solutions for Caltrain.

Director Don Horsley asked what the long-term solution is for a dedicated source of funding for Caltrain. Chair Foust said the Silicon Valley Leadership Group (SVLG) is the lead agency in an effort to bring public, private and labor to the table to find a dedicated funding source.

Director Horsley asked if it would involve a tax. Mr. Harvey said it could be a gas tax or parcel tax. The JPB does not have the legislative authority to go out on its own for a tax measure but could go to the Legislature for enabling legislation. Staff is working with stakeholders and the MTC on the Transit Sustainability Project that might lead to a ballot measure.

Director Horsley said a gas tax would make more sense than a parcel tax. Mr. Miller said there is some existing legislative authority regionally for a gas tax going on the ballot at a limited level without going to Sacramento. A sales tax or other form of exemption would require legislation. Director Horsley asked what the limited level is. Mr. Miller said about 4-cents a gallon.

Mr. Harvey said 4-cents is pretty significant if Caltrain were the only stakeholder at the table but if it is being split among other transit agencies, that would not be enough.

Director Nagel asked if it would require a two-thirds vote. Mr. Miller said it would probably require a two-thirds vote.

Chair Foust said a parcel tax would require a two-thirds vote.

After referencing the legislation and upon further review, Mr. Miller said a measure could be up to 10 cents.

Chair Foust said the SVLG has a large number of comments on which ballot measure would be the most palatable to the electorate.

Director Horsley asked if a 10-cent measure would be for the three JPB counties or for the entire Bay Area. Mr. Miller said this authority resides with the MTC and in addition, transit agencies within our jurisdiction could go to the ballot for their own 1-cent measure. The MTC has the basic authority to do this but he is not certain this could be done county-by-county.

Mr. Harvey said regional transit agencies are all struggling, which is why the MTC launched the Transit Sustainability Study and there may be some form of a ballot measure that might include funding for more than just Caltrain.

Director Horsley asked if the Legislature is being asked to make this a simple majority vote. Mr. Miller said the MTC was at one time seeking that authority but he isn't aware of any pending legislation.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Harvey reported:

- Executive Director Michael Scanlon was unable to attend the meeting but asked Mr. Harvey on his behalf, to give Ms. Dixon a big bear hug and many thanks for her service, passion and dedication. Mr. Harvey said the TA and Planning and Development staff wish Ms. Dixon the best.
- The Highway 101/Broadway Interchange Project in Burlingame was environmentally cleared by Caltrans on March 24. Next steps include a request for an allocation of \$4.2 million of State Transportation Improvement Plan (STIP) money to match TA funds for the design phase. STIP funding is uncertain because the State may be unable to sell bonds. Staff is pursuing pre-award spending authority from the California Transit Commission, which will allow the TA to back-fill the design with Measure A funds and be reimbursed when STIP funds are available.
- Director Matsumoto attended the April 6 Water Emergency Transportation Authority (WETA) meeting, which provided updates on the South San Francisco Ferry Project. Terminal construction is proceeding within budget, construction is to be completed in December 2011 and service is to begin in Spring 2012. WETA is coordinating with the Peninsula Traffic Congestion Relief Alliance, SamTrans and surrounding employers to look at feeder bus and shuttle service to support ferry operations. WETA has a contract for

conceptual design on the Redwood City Ferry Project and they are working on ridership models.

PROGRAM: Measure A Program Status Report

Manager, Programming and Monitoring Melanie Choy reported:

- The report was requested by the TA Board and will be updated semi-annually and provides a general status review of each of the programs of the original and new Measures, which will provide context for funding decisions.
- The eight current programs in the original Measure A are primarily large infrastructure programs and include Caltrain, the Highway Program, and Dumbarton Rail.
- Bike/pedestrian funding remaining in the original Measure A will be rolled into the current bike/pedestrian call for projects.
- The new Measure A includes 11 program categories, which will be driven by the Strategic Plan and Implementation Plan.
- The joint TA and City/County Association of Governments (C/CAG) call for bike/pedestrian projects has received 41 applications from 18 jurisdictions for a total of about \$11 million. There is \$4 million in available funding: \$1 million of Transportation Development Act funding and \$3 million in Measure A money for two years of funding. Applications are being evaluated and a recommendation will be presented to the TA CAC in June and taken to the TA Board at their July meeting.
- The Highway Plan will be presented to the Board in summer 2011.

Director Matsumoto asked if it is still possible to redirect money from one project to another in the new Measure A. She said money in the original Measure A was redirected from the grade separation category to Dumbarton Rail. Mr. Miller said there are guidelines in the new Measure that govern situations where either a project is completed and is under budget or is no longer feasible and fundamentally calls for the money to be reallocated within the same category. He said the original Measure A didn't have implementing guidelines.

Director Matsumoto asked where money for the South San Francisco Ferry Project comes from if sales tax has not been collected by December 2011. Ms. Harrington said the TA Board made and approved an arrangement to advance funds when the project was approved before the actual cash collected would be available. Ms. Harrington said bills are received and there is a mechanism in place to advance funds to the project.

Chair Foust asked that the report be available on the TA website to distribute to other agencies in the county.

Authority Secretary Martha Martinez said she would have it available on the website and send a link to the Board.

PROGRAM: Rail Grade Separations Program (San Bruno)

Director, TA Program Joe Hurley quoted Winston Churchill to Ms. Dixon and said, "You make a living by what you get but you make a life by what you give." He said Ms. Dixon has given so much to San Mateo County to make it a better place for all of us.

Mr. Hurley said the Rail Grade Separation Program supports Caltrain's ongoing effort to improve safety along the Caltrain corridor and to improve local traffic flow that is adversely affected by the gate downtime. When the original Measure A was passed, there were 43 at-grade rail crossings in San Mateo County and four structures to be upgraded. Seven grade crossings were added as part of the Dumbarton Rail Corridor Project. To-date nine of those have been grade-separated, one was closed as part of the Burlingame Station Project, and four bridges identified for seismic retrofit and rehabilitation are currently under construction in San Mateo.

Project Manager Rafael Bolon provided details:

- Project goal: Improve safety by eliminating conflicts between trains and vehicular/pedestrian traffic at crossings between Highway 380 and San Felipe Avenue in San Bruno.
- The project involves raising the existing Caltrain tracks and partially lowering Angus, San Mateo and San Bruno avenues. Three pedestrian underpasses will be built at Sylvan and Euclid avenues and at the new station location.
- Box culvert construction was completed in October 2010 and grade separation construction is estimated for completion in summer 2012.
- Total estimated cost is \$147 million of which \$111.4 million is authorized from Measure A funding.
- Community outreach included community meetings, project kick-off events, weekly construction updates, weekly constituent contact reports to city staff and mailed and emailed construction notices in both English and Spanish.

Chair Foust thanked Mr. Bolon for the excellent presentation.

PROGRAM: Update on State and Federal Legislative Program

Government Affairs Manager Seamus Murphy reported:

State

Components to the governor's budget include elimination and redirection of redevelopment funds and gas tax swap reenactment, which yields about \$1.7 billion in General Fund savings for the State and also protects about \$330 million for the State Transit Assistance (STA) program of which Caltrain receives about \$4.2 million and SamTrans receives about \$3.4 million. It also guarantees about \$2.5 billion for highway and local streets and roads. The governor proposed about \$11.7 billion in cuts and the extension of existing sales tax rates that were approved as part of the current year budget and those would yield \$14.7 billion for the next fiscal year. Cuts to existing programs of about \$11 billion have been passed and the governor signed the gas tax reenactment bill. Revenue extensions were to be put on the June ballot but the deadline has passed and the governor may ask the Legislature to pass additional cuts. The Department of Finance is looking at the STA program as a place where they can achieve additional General Fund savings. The TA's delegation and staff's goal is to keep transit whole and maintain the \$330 million fund. A portion is not protected by Proposition 22 and could be allocated to the General Fund, which is the new excise tax on diesel fuel. The existing excise tax on diesel fuel is protected but that funding source could be eliminated with an increase of another revenue source such as truck weight fees.

Federal

Congress has until midnight on April 8 to approve an extension of existing spending levels or the Federal government will shutdown, which wouldn't affect transit operations or services. Proposed cuts are potentially threatening to capital programs including any unobligated High Speed Rail (HSR) funding, which includes \$16 million as part of the FY2010 appropriations through that program that have been programmed for the Caltrain corridor. The House was looking to cut a TIGER II Award for the Grand Boulevard Project that is part of a discretionary program but those funds were recently obligated. The president of the State Senate has appointed Jim Hartnett to the CHSRA Board of Directors.

Director Matsumoto asked for an explanation of commuter rail versus intercity funding and HSR. Mr. Murphy said HSR at the Federal level is available to fund intercity rail or HSR service improvements but commuter rail agencies are not eligible to apply or receive funding directly for improvements that would primarily benefit commuter rail unless they have utility for intercity or HSR service, which is the situation for the modernization efforts on the Caltrain corridor relative to the CHSRA.

Director Matsumoto asked about funding for positive train control, which is Caltrain's Communications Based Overlay Signal System (CBOSS). Mr. Murphy said positive train control is an eligible project to be funded by the HSR intercity passenger rail program.

Director Matsumoto asked if Caltrain could receive any funding from the Florida HSR program. Mr. Murphy said the CBOSS project wasn't included in the CHSRA application for those funds. Caltrain's delegation is pursuing HSR program funding for that project but there are significant challenges by the Federal Railroad Administration in delivering funding from the Florida reallocation to that project.

Mr. Harvey said issues with positive train control are being faced by every commuter rail organization in the nation with an unfunded mandate for 2015. The JPB is working to secure small increments of money to help Caltrain with the positive train control project with the goal to award a contract in 2011 to get the project through the critical design phase.

REQUESTS FROM THE AUTHORITY

None

WRITTEN COMMUNICATIONS TO THE AUTHORITY

None

Director Nagel said she was thrilled to have Mr. Hartnett from the Peninsula on the CHSRA.

Director Nagel would appreciate any assistance from staff with Caltrans on the flooding issues in Burlingame.

Director Lee asked that a letter of congratulations from the TA Board be sent to Mr. Hartnett.

REPORT OF LEGAL COUNSEL

No report

DATE AND PLACE OF NEXT MEETING

The next meeting is scheduled for Thursday, May 5, 2011 at 5 p.m. in the San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd floor, 1250 San Carlos Avenue, San Carlos CA 94070.

Ms. Dixon gave special thanks to Mr. Hurley and Assistant District Secretary Rosemary Lake. She also thanked presenters at CAC meetings including Executive Officer, Planning and Development Marian Lee, Executive Officer, Customer Service and Marketing Rita Haskin, Public Information Specialist Tasha Bartholomew, TA Project Manager Jim McKim and Ms. Martinez.

Adjourned 6:32 p.m.