

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

MINUTES OF NOVEMBER 3, 2011

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

MEMBERS ABSENT: C. Groom, D. Horsley, J. Vreeland

STAFF PRESENT: J. Cassman, G. Harrington, C. Harvey, R. Haskin, A. Hughes,
J. Hurley, M. Martinez, N. McKenna, D. Miller, M. Scanlon,
M. Simon

Chair Rosanne Foust called the meeting to order at 5:05 p.m. and Rosemary Lake led the Pledge of Allegiance.

CITIZENS ADVISORY COMMITTEE REPORT

Chair Barbara Arietta reported on the November 1, 2011 CAC meeting:

- Welcomed new member Bill Warhurst.
- Presented a Certificate of Appreciation to TA CAC Secretary Rosemary Lake.
- Executive Officer of Customer Service and Marketing Rita Haskin provided an update on the new TA website.
- Bill Osher of CSI Capital gave an update on the Quarterly Investment Report and Fixed Income Market Outlook.
- Director of Rail Operations Michelle Bouchard and Director of Engineering and Construction Liria Larano gave an update on Caltrain.
- Some members questioned the date of the July 5, 2012 Board meeting since it will fall on the day after the July 4 holiday.
- Route 1 public comment period closed on October 22.
- The ribbon cutting for the Belmont Bike/Pedestrian Overpass is November 19.

CONSENT CALENDAR

Director Terry Nagel asked that Approval of Minutes of October 6, 2011 and Approval of 2012 Board of Directors Meeting Calendar be pulled.

- Acceptance of Statement of Revenues and Expenditures for June 2011 (unaudited)
- Acceptance of Statement of Revenues and Expenditures for September 2011

A motion (Matsumoto/Nagel) to approve the Consent Calendar was unanimously approved.

- Approval of Minutes of October 6, 2011

Director Nagel said she would like clarification on page 2 of the Minutes on the reference to the amount of money for BART. She would like to know how much is out of pocket and for how many years. Executive Director Michael Scanlon said \$12.5 million is paid for debt service every year and the notes will be diffused in 2032. The other \$1.2 million is 2 percent of the net

proceeds and was included in the Transportation Expenditure Plan that was approved by the voters when Measure A was reauthorized. Deputy CEO Gigi Harrington said SamTrans has about \$23-\$24 million a year in debt service costs. Staff refinanced in 2005 and extended the life of the debt and reduced the payment by \$5 million per year and 50 percent of the debt service went into the BART system. This is SamTrans debt for investing in the BART system. The TA takes 2 percent off the top of Measure A and remits to BART as part of the agreement.

A motion (Nagel/Lee) to approve the minutes of October 6, 2011 was unanimously approved.

- Approval of 2012 Board of Directors Meeting Calendar

Director Nagel asked about the July 5 Board meeting date. Mr. Scanlon said staff decided to keep it on the schedule and traditionally the Board takes either July or August off or combine them.

A motion (Nagel/Matsumoto) to approve the 2012 Board of Directors meeting calendar was unanimously approved.

PUBLIC COMMENT

Pat Giorni, Burlingame, wished Ms. Lake the best of luck. Monday evening at the Burlingame City Council meeting the city will be naming the pedestrian/bike overpass after Rosalie O'Mahony. Ms. Giorni does not think the TA should front any money to any city that does not have a bicycle plan.

Greg Conlon, Atherton, said Deputy CEO Chuck Harvey will be sending a letter to the city of Atherton regarding the Watkins Avenue gates and he will be meeting with Mr. Harvey next week.

CHAIRPERSON'S REPORT – ROSANNE FOUST

Resolution of Appreciation to Outgoing Director John Lee

This item will be continued to the December meeting.

SAMTRANS LIAISON REPORT – KARYL MATSUMOTO

The September 26, 2011, and October 12, 2011, SamTrans report is included in the agenda packet.

JOINT POWERS BOARD (JPB) REPORT

Mr. Scanlon reported on the meeting of November 3, 2011:

- There were three public comments on High Speed Rail (HSR), the San Francisco bicycle parking facility and bikes on Bombardier cars.
- The consent calendar was approved.
- The CAC provided an update.
- Key Caltrain Performance Statistics
 - Monthly Performance Statistics – September 2011 compared to September 2010
 - Total Ridership was 1,190,227, an increase of 11 percent.

- Average Weekday Ridership was 49,374, an increase of 9.8 percent.
- Total Revenue was \$4,984,656, an increase of 24.6 percent.
- On-time Performance was 93.6 percent, an increase of 0.2 percent.
- Caltrain Shuttle Ridership was 6,700, an increase of 22.2 percent.
- Year-to-Date Performance Statistics – September 2011 compared to September 2010
 - Total Ridership was 3,609,095, an increase of 10.7 percent.
 - Average Weekday Ridership was 44,901, an increase of 9.6 percent.
 - Total Revenue was \$15,305,664, an increase of 26.9 percent.
 - On-time Performance was 92.6 percent, a decrease of 0.7 percent.
 - Caltrain Shuttle Ridership was 6,768, an increase of 27.6 percent.
- Director Liz Kniss was presented with the coveted hard hat award for taking her first head-end run.
- Rail operator transition continues.
- Ridership is up on all special service to the Sharks, Stanford and Cal football.
- Special service will be provided for the remaining Cal games at AT&T and the three Stanford games in November.
- Thanksgiving morning a special train will operate for the Turkey Trot in San Jose departing San Francisco at 6:07 a.m.
- A Sunday schedule will be operated on Thanksgiving Day and a Saturday schedule will operate the day after Thanksgiving.
- Staff will be participating in the Redwood City Hometown Holidays Event on Saturday, December 3 and there will also be a drop-off event in the lobby here at Central on Monday, November 28.
- The Bicycle Advisory Committee (BAC) recruitment closes November 21.
- The September Safety & Security Report is in the reading file.
- Acting Director Caltrain Modernization Program Marian Lee gave a report on HSR and the capacity analysis.
- Ms. Harrington updated the Board on WiFi on trains and staff expects to have a demonstration on one train in the near term.
- Mr. Harvey briefed the Board on the Jerrold Avenue Bridge replacement in San Francisco and the signal cutover in Santa Clara.
- Two students from Stanford University shared a concept with the Board about exploring businesses along the platforms.
- Board member requests included Director Tom Nolan speaking about bikes and the San Francisco Warm Planet Bike Station and the possibility of a subsidiary, of which staff is working on.
- Closed Session included discussion of an anticipated litigation that has been cleared up and a potential litigation. Neither of these items required action.
- The Board:
 - Received an update on the Quarterly Investment Report and Fixed Income Market Review and Outlook for the quarter ended September 30, 2011
 - Accepted the revenues and expenses for June and September.
 - Awarded a revenue sharing contract with All Vision for billboard optimization.
 - Authorized an Amendment to Clipper Memorandum of Understanding.
 - Received a legislative update.

Director Lee congratulated Mr. Scanlon for running a great organization and great railroad with the great staff he has working for him.

Chair Foust asked if staff tracks where the increase in shuttle ridership is. Mr. Scanlon said staff will follow-up and provide the numbers to the Board.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Scanlon said:

- The Route 1 Calera Parkway project received over 200 comments and the TA is assisting Caltrans and the city of Pacifica to answer the comments.
- The Belmont Pedestrian Overcrossing ribbon cutting is scheduled for November 19.
- The city of Pacifica reached a milestone with environmental clearance this week for the Route 1 San Pedro Creek Project.
- State bond sales from the California Transportation Commission had an allocation of \$3.8 million for the second phase of the Highway 101 Auxiliary Lane Project.
- Staff will be giving a presentation at the December TA meeting on the Dumbarton Rail Corridor Project. There are a number of public meetings taking place in Newark, Fremont, Union City, Redwood City and Menlo Park.

Certificate of Appreciation to Rosemary Lake

Mr. Scanlon presented Ms. Lake with a Certificate of Appreciation for her work as Assistant District Secretary for the TA Board. Ms. Lake thanked staff for the certificate.

The Board thanked Ms. Lake for her efforts and dedication to the TA.

FINANCE

Acceptance of Quarterly Investment Report and Fixed Income Market Review and Outlook for the Quarter Ended September 30, 2011

Mr. Osher said the investments are doing as good as they can be doing. They are safe with no surprises and the rates of return are low. The economy grew 2.5 percent in the previous quarter. It was a rough quarter for the markets but will get better. Europe was a big issue during the quarter with tremendous amounts of volatility in the stock market.

Director Lee said safe investments and no surprises are not boring. These are tough times so please keep the portfolio safe.

A motion (Nagel/Lee) to accept the report was approved unanimously.

PROGRAM

Program Report: Transit: Caltrain

Mr. Harvey reported:

- Caltrain serves San Francisco to San Jose with commute service to Gilroy and is host to Union Pacific Railroad, Amtrak's Coast Starlight, Capitol Corridor and ACE.
- Caltrain controls and dispatches 52 miles of the right of way and Union Pacific owns and dispatches the 25 miles south of Tamien.

- Service highlights include weekday commuter service, weekend service including Baby Bullet service, special event service, a bike program with recent expansion of onboard bike capacity.
- Last month the Board awarded a new rail operations contract to TransitAmerica.
- The Fiscal Year (FY) 2012 adopted budget was \$103.8 million.
- Nearly 50 percent of costs are recovered through fare revenue.
- The TA contributes \$4.9 million to San Mateo County's share.

Director Nagel asked about San Francisco's contribution. Mr. Harvey said the current split was derived from a morning boarding formula and evolved to a percentage increase. As part of budget deliberations staff has been in discussions to look at the formula for the FY2014 budget.

- Fare revenue is currently about \$5 million per month.
- Average weekday ridership is over 45,000.
- Recent capital projects include:
 - The South Terminal Project is at the San Jose Diridon Station and is the construction of two 1,200-foot platforms, stair and ramp access to existing underpass, additional tracks and new signal system. The project budget is \$35 million.
 - The San Mateo Bridge Project is the seismic retrofit of bridges at Poplar, Santa Inez, Monte Diablo and Tilton avenues. The project budget is \$11.6 million.
 - The Jerrold Avenue Bridge Replacement Project in San Francisco was a \$13.6 million project.

Director Karyl Matsumoto asked about the status of electrification. Mr. Harvey said there isn't enough money between the JPB partners and there is a need for a partner, such as California High Speed Rail Authority (CHSRA), who needs to share the tracks to get to San Francisco. Staff has completed an initial Environmental Impact Report (EIR) with the existing track configuration. As the blended system concept is further explored then staff will decide what to do with the EIR. Mr. Scanlon said it was very significant when HSR released their Business Plan that they embraced the concept of a blended service. Staff has called a time out along the Peninsula and Ms. Lee is leading a planning process to work with cities and stakeholders to come up with what the blended system will look like. The goals for the blended service were to stay within the existing Caltrain right a way and avoid overhead structures unless the local cities wanted them. The best hope for financing electrification is through the CHSRA. If CHSRA goes away then we will have to come up with Plan B for electrification.

Director Nagel asked what the most popular trains are. Mr. Harvey said the Baby Bullets between San Francisco and Palo Alto and Train 324 has standing room only with bike bumps. He said limited stop trains in many cases are just as full.

Director Lee said with increase traffic on Caltrain is there a future pending problem with capacity. Mr. Harvey said the peak trains are full now and may have to see if it is possible to add a car to the consists, but that would slow down run time and platforms are too short.

Chair Foust said she wished the media would see the projects that are being done by Caltrain showing how the public's taxpayer's money is being used.

Executive Officer of Public Affairs Mark Simon said staff's goal is to have a mailing list to get the stories out and get the correct story out.

Legislative Update

Mr. Simon reported:

State Update

The California Air Resources Board approved a cap and trade program to reduce emissions in accordance with AB 32. The program covers 360 businesses in 600 facilities. The emissions are to be reduced by 20 percent beginning next year or purchase emissions allowances at regularly scheduled auctions. AB 32 implementation affects public transit and transportation agencies which are embodied in SB 375 which requires metropolitan planning organizations, like the Metropolitan Transportation Commission, to adopt Sustainable Communities Strategies that focus on concentrating housing near transit and job centers to reduce vehicle miles traveled. Expanding transit services to accommodate these plans will require additional revenues, none of which have been identified yet. Senator Darryl Steinberg has proposed legislation that would allow these organizations to put a gas tax before voters. Staff thinks the gas tax is the most appropriate way to do this, but also the least popular.

Federal Update

On Tuesday, November 1, the Senate approved an appropriations minibus covering transportation. It maintains existing Federal level investments in transportation programs. The House version would cut the program by 30-40 percent. Because the bill has passed in both houses they are now able to have conference to see if common ground can be found.

The Senate is expected to consider the second part of President Obama's jobs legislation now that it is divided into separate bills. The proposal they will consider calls for \$50 billion in transportation formula funding and \$10 billion for a National Infrastructure Bank. The Republicans have pledged to offer a counter proposal that would focus on the Senate's Transportation Reauthorization Bill and would propose to fund that with offshore oil and gas drilling revenues. Senator Barbara Boxer has proposed a two-year reauthorization program that preserves most of the existing transportation investment. Her bill is scheduled for markup in the Senate on November 9.

REQUESTS FROM THE AUTHORITY

Director Nagel invited the Board, staff and public to come help honor Ms. O'Mahony where she will receive the Community Recognition Award at the Burlingame City Council meeting on November 8 at 7 p.m.

Chair Foust received a message from a person with a Clipper concern and asked if staff could follow-up. Ms. Haskin responded that she will handle.

WRITTEN COMMUNICATIONS TO THE AUTHORITY

None

REPORT OF LEGAL COUNSEL

No report

DATE AND PLACE OF NEXT MEETING

December 1, 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.

The meeting adjourned at 6:29 p.m.