

SAN JOAQUIN REGIONAL RAIL COMMISSION
Meeting of October 3, 2008

STAFF REPORT

Item 4.1: Minutes of September 5, 2008

The regular meeting of the San Joaquin Regional Rail Commission was held at 8:01 a.m. September 5, 2008 at the Robert J. Cabral Station, 949 East Channel Street Stockton, CA 95202

1. Call to Order/Pledge of Allegiance/Roll Call

Chairman Restuccia called the meeting to order at 8:01 a.m. and led the audience in the pledge of allegiance.

Commissioners Present: Harris, Ruhstaller, Haggerty, Chairman Restuccia

Ex-Officio Members Present: Dumas (for Ajise)

2. Public Comments

None

3. Presentations and Recognitions

None

4. Consent Calendar:

All items listed immediately below will be acted upon under one vote unless specifically requested to be removed from the Consent Calendar by a member of the Commission, a member of the staff, or a member of the public.

4.1	Minutes of September 5, 2008	ACTION
4.2	Rail Commission/ACE Monthly Expenditure Report	INFORMATION
4.3	Monthly ACE Fare Revenue	INFORMATION
4.4	ACE Ridership	INFORMATION
4.5	ACE On-Time Performance	INFORMATION
4.6	Report on the San Jose Jazz Festival/Great America Special Train Survey, August 9, 2008	INFORMATION
4.7	Agreement with CBS Outdoor Inc. for a 12' x 40' Billboard in Tracy along I-205 for 12 Months, Not-to-Exceed \$62,400	INFORMATION
4.8	Approve Services Agreement with Pennino & Associates for Interagency and Project Management Support and Engineering Consulting Services, Not-to-exceed \$70,000.	ACTION

- 4.9 Accept Independent Financial Audit for Fiscal Year 2006/2007 ACTION
- 4.10 Approve Amended Resolution SJRRC-R-08/09-003-A to Increase the ACTION
Local Matching Funds for the Measure K Smart Growth Incentive Program
Application from \$25,000 to \$62,500 to comply with the 50 percent Local
Match Requirement and authorize the Executive Director to execute all
necessary documents.

Vice-Chair Harris requested that Consent Calendar items 4.7 and 4.9 be pulled for discussion.

M/S/C (Haggerty/Ruhstaller) to approve the remaining Consent Calendar. Passed and Adopted by the San Joaquin Regional Rail Commission on the 5th day of September, 2008 by the following vote to wit:

Ayes: 4 Ruhstaller, Harris, Haggerty, Chairman Restuccia
Noes: 0
Abstain: 0

Item 4.7 Vice-Chair Harris first asked for a brief description of the item and Executive Director Stacey Mortensen noted the desirable location of the billboard, the affordability of advertising at this time. Vice-Chair Harris commented on his preference to use funding of this nature to reward passengers for referrals by word of mouth. Chairman Restuccia inquired about tracking of new riders responding to the billboard advertisement. Ms. Mortensen responded that a tracking program is in place to determine the exposure and effectiveness. She further noted in response to Vice-Chair Harris that a new rewards program for passenger referrals was under development.

Vice-Chair Harris reiterated his objection to the funding of the billboard advertisement.

Item 4.9 Vice-Chair Harris noted that the 2006-2007 financial audit did not contain any recommendations or constructive comments. Chairman Restuccia reported that the lack of comments is a positive thing. Chairman Restuccia asked several clarification questions related to the valuation of assets at the end of the year.

M/S/C (Haggerty/Ruhstaller) to approve the remaining Consent Calendar. Passed and Adopted by the San Joaquin Regional Rail Commission on the 5th day of September, 2008 by the following vote to wit:

Ayes: 4 Ruhstaller, Harris, Haggerty, Chairman Restuccia
Noes: 0
Abstain: 0

Commissioner Haggerty questioned the minutes from the prior meeting which showed that he abstained on two items. Commissioner Haggerty stated he may have been out of the room or that the teleconference call may have cut out during his vote but that he does not generally abstain from voting.

5. Approve a Resolution Authorizing the Purchase of the Western Pacific Depot and Immediate Parcels from Victor Rosasco in an Amount Not to Exceed \$1,300,000 and Authorize Executive Director to Execute all Necessary Documents. (Action)

Mr. Thomas Reeves recapped the history of negotiations for the acquisition of the Western Pacific Depot and the recommendations of the subcommittee. Mr. Reeves also noted the urgent need for parking at the Stockton ACE station which could be accommodated by utilizing the property surrounding the Depot.

M/S/C (Haggerty/Ruhstaller) Approve a Resolution Authorizing the Purchase of the Western Pacific Depot and Immediate Parcels from Victor Rosasco in an Amount Not to Exceed \$1,300,000 and Authorize Executive Director to Execute all Necessary Documents. Passed and Adopted by the San Joaquin Regional Rail Commission on the 5th day of September 2008 by the following vote to wit:

Ayes: 4 Ruhstaller, Harris, Haggerty, Chairman Restuccia

Noes: 0

Abstain: 0

6. Approve the SJRRC/ACE Fiscal Year 2008/2009 Capital Budget Amendment #1 and the Associated Resolution increasing the Capital Budget by \$4,228,000 to \$25,130,438. (Action).

Mr. Brian Schmidt Director of Planning and Programming summarized the Capital Budget amendment to include a UPRR Improvement Project associated with the implementation of the 4th ACE roundtrip; The WP Depot, The Cabral Station Revitalization Project, and the purchase of a replacement van.

Commissioner Blalock arrived.

Chairman Restuccia had some questions regarding the definition of and process for Leverage Lease revenues. Counsel explained the history of the leverage lease transaction and how the revenues were received.

M/S/C (Haggerty/Ruhstaller) Passed and Adopted by the San Joaquin Regional Rail Commission on the 5th day of September, 2008 by the following vote to wit:

Ayes: 5 Ruhstaller, Harris, Haggerty, Blalock, Chairman Restuccia

Noes: 0

Abstain: 0

7. Approve Amendment to Measure K Project Cooperative Agreement for Capital Projects for the San Joaquin Regional Rail Commission's Improvements for the Altamont Commuter Express (ACE) Project. Increasing the Measure K funding and increasing the Cooperative Agreement by \$4,200,000 to \$11,831,069. (Action)

Mr. Schmidt reviewed the breakdown of the amendment which primarily matches the previously discussed budget amendment. The Cooperative Agreement is the funding vehicle for Measure K funds identified in the budget.

Mr. Schmidt noted that the agreement is currently being reviewed by SJCOG staff and their comments will be incorporated into the Agreement, which will be presented to the SJCOG Board for approval at their September 2008 Board meeting.

M/S/C (Haggerty/Ruhstaller) Passed and Adopted by the San Joaquin Regional Rail Commission on the 5th day of September, 2008 by the following vote to wit:

Ayes: 5 Ruhstaller, Harris, Haggerty, Blalock, Chairman Restuccia

Noes: 0

Abstain: 0

8. Approve an ACE Fare Increase of 3.2% for all tickets and an Additional 3% for the Re-Establishment of a Stockton Fare in Concept, Release for Fare Increase for Public Comment until the Next Commission Meeting, and Set Public Hearing for Adoption of the ACE Fare Increase at the October 3, 2008 Rail Commission Board Meeting

Chairman Restuccia commented that the fare increase seems appropriate, given the external economic factors that have driven up the ACE Service costs.

Commissioner Blalock raised questions regarding discounted fares and eligible recipients. Mr. Schmidt explained that discounted fares are 50% of regular ACE fares and that seniors, disabled, students, Medi-Cal and Medi-Care card holders are eligible for the discounted fares. Commissioner Blalock also inquired about the percentage of discount tickets sold. Ms. Leila Menor of the Fiscal Department advised that the sales for discounted fares are approximately 2-5%.

M/S/C (Blalock/Harris) Passed and Adopted by the San Joaquin Regional Rail Commission on the 5th day of September, 2008 by the following vote to wit:

Ayes: 5 Ruhstaller, Harris, Haggerty, Blalock, Chairman Restuccia

Noes: 0

Abstain: 0

9. Approve Ad Hoc committee of the Board of Commissioners to ACTION Initiate the Performance Review of the Executive Director (Mike Restuccia)

Chairman Restuccia commented that he had asked for this item to be placed on the agenda, noting that it had been a couple years since the last review. He suggested the he and Vice-Chair Harris initiate the performance review unless there were any objections.

10. Commissioners Comments Vice-Chair Harris thanked the Staff and Mr. Tom Shephard for hosting the Staff and Commissioners at his residence.

Commissioner Haggerty announced the ground breaking of East Bound 580 and encouraged staff to work closely with Caltrans regarding the potential increase in ridership during the construction period. Commissioner Haggerty also announced the ground breaking of the Vasco Road Project and encouraged staff to be in contact with Tri Delta Transit to re-establish an Express Bus Service to the Vasco Road Station. The Vasco project completion date is late 2009.

Commissioner Blalock announced the ground breaking of the Ed Roberts Campus that took place on September 4, 2008. The Campus is located next to the Ashby Bart Station which is a hub to 7 different transit agencies. Commissioner Blalock urged continued coordination with the Bay Area transit providers to accommodate the disabled community utilizing the new facility.

Vice-Chair Harris asked the staff to work with San Joaquin Region Transit District (SJRTD) on allowing Manteca to extend their bus route to include the Lathrop/Manteca ACE Station.

11. Ex-Officio Comments Ex Officio Dumas announced that Caltrans District 10 will be having an All-Hands staff meeting onboard the ACE midday train. He will be taking this opportunity to showcase the fruits of the Caltrans investment in the ACE Service and encourage future partnerships.

12. Executive Director Reports

Ms. Mortensen reported on efforts for an ongoing passenger appreciation effort. She noted the importance of making an effort to retain passengers once they have tried the ACE Service. Old transportation habits and patterns are easy to fall back into. Staff working with ACEPAC and other passengers have come up with some very creative ways and ideas to give away monthly passes.

Ms. Mortensen talked about the ACE 10th anniversary which will take place in October. The celebrations will have a passenger focus and take place at the stations and on the trains.

Mr. Shephard, Counsel of the Commission, adjourned the meeting into Closed Session at 8:35 a.m.

13. Closed Session

Real Property Negotiations – Government Code 54956.8

Property:	Parcel # 11709001	2801 West Lane.
	Parcel # 11709013	1240 Klinger Road
	Parcel # 11709014	2000 North Marshall Ave
	Parcel # 12536004	1811 Marshall Ave. – City of Stockton
	Parcel # 12721215	1811 Marshall Ave. – County of San Joaquin

Negotiating Parties: San Joaquin Regional Rail Commission
Mill Creek Development

Under Negotiations: Price and Terms of Payment

The Commission returned to open session at 9:07 a.m. and Mr. Shephard noted

The Commission took action at the closed session and agreed to purchase the five parcels listed above in item 13. It was a unanimous vote with Commissioners Ruhstaller, Harris, Haggerty, Blalock and Chairman Restuccia voting in the affirmative. Terms of the purchase are available in a contract which was approved and a resolution that was also approved and both are on file and available to the public at the Rail Commission Offices.

14. Adjournment

The next regular meeting is scheduled for: **Friday, October 3, 2008 @ 8:00 a.m.**

Robert J. Cabral Station
949 E. Channel Street
Stockton, CA 95202