

**SAN JOAQUIN REGIONAL RAIL COMMISSION**  
**Meeting of November 7, 2008**

**STAFF REPORT**

**Item 4.1: Minutes of October 3, 2008**

The regular meeting of the San Joaquin Regional Rail Commission was held at 8:04 a.m. October 3, 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 8:04 a.m. and Commissioner Sayles led the audience in the pledge of allegiance.

Commissioners Present: Sayles, Haggerty, Bestolarides, Harris, Blalock, Chairman Restuccia

Ex-Officio Members Present: Dumas (for Ajise)

**2. Public Comments**

None

**3. Presentations and Recognitions**

Mr. Don Johnston, Maintenance Supervisor, introduced a new employee Ronald Van Varden

**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 October 3, 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	Adopt a Categorical Exclusion under the National Policy Act (NEPA) for those Parcels within the Scope of the Cabral Station Neighborhood Revitalization Plan	ACTION

M/S/C (Bestolarides/Sayles) to approve the Consent Calendar. Passed and Adopted by the San Joaquin Regional Rail Commission on the 3rd day of October, 2008 by the following vote to wit:

Ayes: 6 Sayles, Bestolarides, Harris, Haggerty, Blalock, Chairman Restuccia

Noes: 0

Abstain: 0

**5. Public Hearing on Proposed ACE Fare Increase: Accept Report Summarizing Comments Received during the Public Comment Period, and Approve a Resolution for a Fare Increase of 3.2% for all fares and an Additional 3.0% for Stockton fares for the Re-establishment of an Independent Fare, Effective January 2, 2009 for the Altamont Commuter Express Service. (Action)**

Mr. Brian Schmidt Director of Planning and Programming summarized the proposed fare increase and noted the effective date to be January 2, 2009. During the comment period, 21 comments were received. The comments centered on concerns regarding the fare increase in light of the current economy, the additional increase for the Stockton Station and some even expressed understanding for the fare increase due to fuel and other inflation related costs. Mr. Schmidt reviewed other transportation agency fares for comparison and the proposed ACE fares fell slightly below the median.

Vice-Chair Harris asked about the prior year budget to actual for the cost of fuel. Mr. Schmidt responded that the Fuel Budget was \$1.3M and the expenses were slightly higher than \$1.3M. Vice-Chair Harris asked if VTA and ACCMA had approved the proposed ACE fare increase. Mr. Schmidt confirmed both VTA and ACCMA had voted to approve the fare increase.

Commissioner Sayles requested clarification on the process for honoring tickets purchased prior to January 2<sup>nd</sup>. Mr. Schmidt noted that the past fare increases included a 30-day exchange period where old tickets could be credited toward the purchase of new tickets.

Commissioner Blalock advised that BART has already increased their fares. Mr. Schmidt advised that all agencies have increased fares recently, with CalTrain increasing fares twice in the last 18 months.

The Boardmembers discussed various options for honoring tickets purchased prior to the effective date of the new fares. Consensus was reached to honor all tickets purchased under the old program until they were used in full.

M/S/C (**Sayles/Haggerty**) Public Hearing on Proposed ACE Fare Increase: Accept Report Summarizing Comments Received during the Public Comment Period, and Approve a Resolution for a Fare Increase of 3.2% for all fares and an Additional 3.0% for Stockton fares for the Re-establishment of an Independent Fare, Effective January 2, 2009 for the

Altamont Commuter Express Service. Passed and Adopted by the San Joaquin Regional Rail Commission on the 3rd day of October, 2008 by the following vote to wit:

Ayes: 6 Sayles, Bestolarides, Harris, Haggerty, Blalock, Chairman Restuccia

Noes: 0

Abstain: 0

**6. Adopt Resolution Authorizing the Purchase of Real Property at 929 East Channel Street, Stockton, from Lorena Bava including transaction cost in an Amount Not-to-Exceed \$225,000 and Authorizing the Executive Director to Execute all Necessary Documents.**

Mr. Thomas Reeves, Strategic Development and Communication Coordinator, presented the proposed purchase of the property on Channel Street directly next door to the Cabral Station.

Commissioner Bestolarides requested that for the ease of evaluating real estate transactions, he would like staff to include the HUD 1 Settlement Statement.

Commissioner Haggerty requested the date of the appraisal and the appraised value. Mr. Reeves noted that the appraisal was performed in April. Commissioner Haggerty expressed concerns that in the economic climate, the current property value may no longer be \$225,000.

Commissioner Sayles who serves on the property acquisition subcommittee commented that there were several months of negotiations with the property owner until they agreed to the appraisal price.

Commissioner Bestolarides requested that the process be evaluated to minimize delays in completing the purchase transactions. He also commented that if the building is going to be torn down, then its value should have been subtracted from the appraisal value. Mr. Schmidt clarified that the building would not be torn down because it is a Victorian-style dwelling and is within one of the City's Historical Districts. The home must either be rehabilitated or moved. Mr. Schmidt also clarified the purchase price included closing costs, any back taxes if any, sewer service costs, water service costs, etc.. Because the property was listed, there would be no relocation costs. The property will be used temporarily to house the ACE Security and Maintenance Personnel.

Commissioner Blalock requested clarification on whether SJRRC has the power to condemn and if the property has environmental clearance. Mr. Schmidt confirmed the power to condemn and that the property has cleared both NEPA and CEQA environmental reviews.

Chairman Restuccia requested the expiration date of the purchase agreement and the estimated rehab costs. Mr. Reeves advised that the purchase agreement would expire in two weeks. Mr. Schmidt noted that the rehab costs for the temporary occupancy had not been completed.

Commissioner Sayles requested that the item be tabled until the November 7, 2008 Commission meeting.

Chairman Restuccia summarized the Board request for a new appraisal, estimates for rehabilitation and a HUD 1 Settlement Statement to be included on the next meeting agenda.

This item has been continued until the November Board Meeting.

**7. Approve the SJRRC/ACE Fiscal Year 2008/2009 Capital Budget Amendment #2 and the Associated Resolution increasing the Capital Budget by \$225,000 to \$25,355,438.**

This item will be continued until the November Board Meeting.

**8. Approve a 2-Year Extension to the Rail Commission and ACE Insurance Brokerage and Consulting Agreement with Marsh (formerly J&H Marsh McLennan) for Insurance Brokerage and Consulting Services, Not-to-Exceed \$245,400 Annually, and Authorize the Executive Director to Bind Insurance Coverage within the Approved Budget Limits and Execute all Necessary Documents. (Action)**

Mr. Schmidt reviewed the contract history and the cost savings Marsh has offered in the rail premiums and insurance services.

Commissioner Haggerty has requested that an RFP be issued in 2010 and that companies from Santa Clara and Alameda Counties be included.

M/S/C (Haggerty/Harris) to Approve a 2-Year Extension to the Rail Commission and ACE Insurance Brokerage and Consulting Agreement with Marsh (formerly J&H Marsh McLennan) for Insurance Brokerage and Consulting Services, Not-to-Exceed \$245,400 Annually, and Authorize the Executive Director to Bind Insurance Coverage within the Approved Budget Limits and Execute all Necessary Documents. Passed and Adopted by the San Joaquin Regional Rail Commission on the 3rd day of October, 2008 by the following vote to wit:

Ayes: 6 Sayles, Bestolarides, Harris, Haggerty, Blalock, Chairman Restuccia

Noes: 0

Abstain: 0

**9. Adopt Resolution Authorizing the Executive Director to Execute a Cooperative Agreement with the San Joaquin Council of Government for Measure K Smart Growth Funds for the Robert J. Cabral Station Neighborhood Revitalization Plan. (Action)**

Mr. Reeves recapped the successful application for the SJCOG Measure K Smart Growth Incentive Program, which was previously approved by the Commission. The project was awarded \$62,500 and requires \$62,500 in matching funds. The Measure K Cooperative Agreement is the funding mechanism allowing SJCOG to allocate the Measure K revenues to the Commission.

M/S/C (Sayles/Blalock) to approve Resolution Authorizing the Executive Director to Execute a Cooperative Agreement with the San Joaquin Council of government for Measure K Smart Growth Funds for the Robert J. Cabral Station Neighborhood Revitalization Plan. the remaining Consent Calendar. Passed and Adopted by the San Joaquin Regional Rail Commission on the 3rd day of October, 2008 by the following vote to wit:

Ayes: 6 Sayles, Bestolarides, Harris, Haggerty, Blalock, Chairman Restuccia  
Noes: 0  
Abstain: 0

**10. Approve Task Order to Cabral Station Improvement Design and Engineering Contract with Opticos Design, Inc. for Pre-Bid, Bid, and Construction Services Not-to-Exceed \$175,910 and Authorize Executive Director to Execute all Necessary Documents. (Action)**

Mr. Reeves presented the background information and there were no questions or comments.

M/S/C (Sayles/Blalock) to Approve Task Order to Cabral Station Improvement Design and Engineering Contract with Opticos Design, Inc. for Pre-Bid, Bid, and Construction Services Not-to-Exceed \$175,910 and Authorize Executive Director to Execute all Necessary Documents. the remaining Consent Calendar. Passed and Adopted by the San Joaquin Regional Rail Commission on the 3rd day of October, 2008 by the following vote to wit:

Ayes: 6 Sayles, Bestolarides, Harris, Haggerty, Blalock, Chairman Restuccia  
Noes: 0  
Abstain: 0

**11. Commissioner Comments:** Vice Chairman Harris requested that the meeting be adjourned in honor of the victims of Metrolink Victims.

Chairman Haggerty requested information on the policy for ACE Engineers on usage of electronic devices while operating. Mr. Gregg Baxter, Director of Operations, clarified that ACE and Herzog immediately reviewed the policy and procedures for operating staff and participated in emergency industry discussions following the incident. Staff have also been participating in the effort to introduce new federal safety legislation. The ACE policies have been strengthened to prohibit any staff in the cab, even if they are not operating the train, from using any electronic devices or cell phones. Mr. Baxter further noted that Senator Feinstein has introduced a bill requiring any mixed freight and commuter operations to have some form of Positive Train Control (PTC). Staff will

bring additional information to the Board when the full scope and potential budget implications are better defined.

Commissioner Blalock had some questions regarding the communication between crew, cab, headquarters, engineer, conductor, and UP. Mr. Baxter clarified that communication is done by locomotive or cab car radio between engineer and control center. There are specific rules and regulations regarding communications.

Commissioner Haggerty requested information on Federal Government Regulations for how often crews are drug tested. Mr. Baxter advised that the FRA has the 219 program. SJRRC manages the drug and alcohol testing program which includes; pre employment testing, random testing and post incident/accident testing. The Federal Government puts out testing rates for drug and alcohol. SJRRC must comply or exceed these rates, and SJRRC is well in excess of these rates. Commissioner Sayles inquired about how the tests were done. Mr. Baxter advised that urine tests are done for drugs and breath tests are done for alcohol. Vice-Chair Harris was curious as to why hair samples were not used. Mr. Baxter advised FRA sets the nationally conformed testing standards.

**12. Ex-Officio Comments: Status** Ex Officio Dumas announced that Caltrans District 10 held an All-Hands planning staff meeting onboard the ACE midday train on September 9<sup>th</sup> and thanked staff for all their efforts that day.

**(LAST MONTH TOM ANNOUNCED CALTRANS WAS GOING ON THE TRAIN)**

**Executive Director Reports:** Mr. Baxter thanked Commissioner Haggerty for his efforts to obtain BAAQMD grant funds for the ACE 53 shuttle in Pleasanton.

Mr. Baxter thanked Commissioner Ruhstaller for attending a neighborhood meeting on September 27, 2008 for the Maintenance Facility.

Mr. Baxter requested that the Board consider changing the December meeting to December 1, 2008 to better facilitate a quorum. A follow-up email will be sent to the Boardmembers to confirm schedules and the change will be discussed at the November Rail Commission meeting.

Mr. Schmidt thanked Donna DeMartino and the San Joaquin Region Transit District (SJRTD) for allowing the City of Manteca to extend their bus route into the Lathrop/Manteca ACE Station. Vice-Chair Harris had asked for this issue to be explored.

**13. Adjournment:** The meeting was adjourned at 8:55 a.m. in honor of the Metrolink Passengers.

The next regular meeting is scheduled for: **Friday, November 7, 2008 @ 8:00 a.m.**  
Robert J. Cabral Station  
949 E. Channel Street  
Stockton, CA 95202.