

**SAN JOAQUIN REGIONAL RAIL COMMISSION**  
**Meeting of July 3, 2008**

**STAFF REPORT**

**Item 5.1: Minutes of June 6, 2008**

The regular meeting of the San Joaquin Regional Rail Commission was held at 8:00 a.m. June 6, 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 8:02 a.m. and Commissioner Harris led the audience in the pledge of allegiance.

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

Ex-Officio Members Present: Kelsay, Chesley, Dumas

**2. Public Comments**

Alan Purves of the Caledonians thanked the Board for allowing staff to jointly explore a Scottish Games Special Train. However, the response to the outreach and advertisement of the train has been minimal and may not be cost-effective. Mr. Purves noted that the Caledonians may come back to the Rail Commission for a special train in the future, depending upon the location of the games and the effectiveness of outreach possibilities.

**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 June 6, 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	Audit Report for Fiscal Year Ending June 30, 2006 and Response to Commissioner Inquires on the San Joaquin County Investment Pool	INFORMATION
4.7	House of Representatives Project Request to Speaker Nancy Pelosi	INFORMATION

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| 4.8 | Approve Resolution Authorizing and Directing the Executive Director to Sign the 2007/08 Rail Commission TDA/STA Claim | ACTION      |
| 4.9 | March ACE Passenger Advisory Council Minutes  | INFORMATION |

Mr. Chesley, SJCOG and Mr. Dumas, Caltrans arrived.

Executive Director Mortensen requested that Consent Calendar items 4.6 and 4.8 be pulled for discussion. M/S/C (Haggerty/Sayles) to approve the remaining Consent Calendar. Passed and Adopted by the San Joaquin Regional Rail Commission on the 3rd day of July, 2008 by the following vote to wit:

Ayes: 5 Bestolarides, Harris, Haggerty, Blalock, Chairman Restuccia,  
Noes: 0  
Abstain: 1 \*Commissioner Sayles abstained on item 4.1

Ms. Mortensen discussed item 4.6 related to the June 2006 audit and the County Investment Pool, and noted that Commission staff and SJCOG staff had agreed upon a procedural change that would allow for expedited payments and eliminates the need to retain an advance payment account. Commissioner Harris reported that staff had briefed him on the issue of the unsecured funds invested in the County Pool and he understood that the Commission funds were subject to the same risks as the overall County Pool.

M/S/C (Harris/Sayles) to approve Consent Calendar Item 4.6. Passed and Adopted by the San Joaquin Regional Rail Commission on the 3rd day of July, 2008 by the following vote to wit:

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

Brian Schmidt, Director of Planning and Programming explained the revisions necessary for the TDA and STA funding claim to match the latest SJCOG projections. The new TDA amount for the upcoming claim will be \$1,260,043 and the new STA amount will be \$79,296.

M/S/C (Sayles/Blalock) to approve Consent Calendar Item 4.8. Passed and Adopted by the San Joaquin Regional Rail Commission on the 3rd day of July, 2008 by the following vote to wit:

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

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Tom Shepherd, Counsel for the Commission, introduced the request to add an emergency item to the meeting agenda regarding safety and security item that arose after the distribution of the meeting agenda. The item relates to the need for immediate demolition of the former Bockmon and Woody property buildings.

M/S/C (Bestolarides/Sayles) to add an emergency item to be designated as agenda item 8.A. related to the demolition of the former Bockmon and Woody property buildings.

Passed and Adopted by the San Joaquin Regional Rail Commission on the 3rd day of July, 2008 by the following vote to wit:

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

Noes: 0

Abstain: 0

**5. Draft SJRRC/ACE 2008/2009 Work Program and Budget. (Information)**

Ms. Mortensen reviewed the Work Program and Budget process and asked the Commissioners to provide discussion and feedback on several critical areas. Staff provided an ACE Service Year in Review which focused on On-Time-Performance, Ridership, Fare Revenues and the Estimated Actual expenses for the end of the year. Aggressive cost controls and increasing fare revenues have balanced out the year on a positive note, even in light of the difficult economic environment.

Staff reviewed some of the challenges for the upcoming year, including; fuel prices, state budget shortfall and the contingency plans being implemented by other West Coast commuter rail agencies.

Ms. Mortensen noted that the proposed overall Operating Budget included a 4% increase over the prior year's budget and commented that the increase was very moderate given the expected rise in fuel prices and the contracts that are automatically escalated according to various indexes.

Ms. Mortensen asked for feedback on a potential ACE fare increase. In 2006, the Board authorized automatic annual fare increases consistent with the CPI used to index the operations and maintenance contract. However, last year, the Board and staff agreed to freeze the ticket prices based upon on-time performance issues of the prior year. Mr. Baxter commented on the improved train performance and several projects that will further improve the reliability and run times.

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Commissioners discussed the need for a fare increase and whether to institute it as a fuel surcharge or as regular annual fare increase. Staff was given direction to pursue the annual fare increase based upon the guidelines of the adopted Fare Program, including the incremental reinstatement of the Stockton fare zone.

The Commissioners discussed cost control options for utilities at stations and potential revenue generation opportunities.

Brian Schmidt, Director of Planning and Programming presented a new strategy for a Baseline Capital Budget with potential Quarterly amendments to better reflect the timing of major capital projects. Several mutli-year, multi-phase projects with external approvals have been carried over for a few years due to delays outside of the Rail Commission's control. Mr. Schmidt outlined the Baseline Capital Budget and the planned amendments based upon current project information.

Commissioner Haggerty requested staff to include funding for extending the station platforms in Alameda County, noting that Measure B funds were available for ACE capital projects. Commissioner Harris asked for a section on Homeland Security priorities to be included in the Work Program.

Ms. Mortensen summarized the overall Budget changes and noted that the suggestions from the meeting would be incorporated into a Final 2008/2009 Budget to be submitted for Board consideration and approval at the July Rail Commission meeting.

**6. Approve Agreement with Project Management Applications, Inc. for Construction Management Services on the Cabral Station Revitalization Project Not-to-Exceed \$360,908. (Action)**

Thomas Reeves, Strategic Development and Communications Coordinator gave a short history of the Cabral Station project, outlined the competitive bid process for the construction management services and reported on the selection committee recommendation of Project Management Applications, Inc. (PMI).

Commissioner Bestolarides suggested that staff ensure the PMI contract had a specific scope and would not be escalated according to the ultimate construction bids.

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M/S/C (Bestolarides/Sayles) to approve Agreement with Project Management Applications, Inc. for Construction Management Services on the Cabral Station Revitalization Project Not-to-Exceed \$360,908. Passed and Adopted by the San Joaquin Regional Rail Commission on the 3rd day of July, 2008 by the following vote to wit:

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

**7. Authorize and Direct the SJRRC Chairman to Sign a Letter of Support for AB 3034 Amending the Language in the CA High Speed Rail Initiative to Include the Altamont Pass. (Action)**

Mr. Schmidt discussed the efforts of the High Speed Rail (HSR) Authority and the newly created Altamont Pass Partnership to support the development of High Speed Trains through the Altamont Corridor. Mr. Schmidt summarized the efforts of Assembly member Galgiani to amend the HSR Bond to make the Altamont Corridor eligible for the \$9Billion in Bond proceeds, and to provide equitable consideration for a Central Valley component of the system. Additional amendments were requested by the Tri-Valley Regional Rail Policy Committee to 1) increase the Bond by \$2 billion to fund connectivity between the high speed train system and existing rail systems, and 2) to allow regional transportation agencies to define “connectivity”. These amendments were not included in AB 3034.

Commissioner Haggerty gave background on the Tri-Valley Policy Committee position and noted that the Alameda County Congestion Management Agency had voted to oppose AB 3034 without the other two amendments. Andy Chesley, SJCOG, summarized the efforts of the Valley COGs in working with the HSR Authority and Assembly member Galgiani. Ms. Mortensen summarized the process of the Altamont Pass Partnership efforts in response to the testimony at the HSR Authority hearings. Based upon the absence of two Rail Commissioners at this meeting, the Chairman directed staff to carry the item over to the next Rail Commission meeting.

**8A. Emergency Item to Approve Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Authorizing the Demolition of the Bockmon and Woody Buildings so as to Avoid the Danger of Fire, Theft, and Graffiti to the Buildings by Local Transients and to Protect the Health, Safety and Welfare of Area Residents. (Action)**

Mr. Reeves explained the recent break-in and vandalism and noted that he had been working with the City of Stockton and FTA to resolve this potential liability. All parties

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are supportive of an immediate demolition, with the stipulation that the new construction project will have to be deferred until SHPO concurrence on the overall project is secured. Commissioner Haggerty suggested that staff contact the local fire department to offer them an opportunity to use the buildings for a training exercise before they were demolished.

M/S/C (Bestolarides/Sayles) to Approve Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Authorizing the Demolition of the Bockmon and Woody Buildings so as to Avoid the Danger of Fire, Theft, and Graffiti to the Buildings by Local Transients and to Protect the Health, Safety and Welfare of Area Residents. Passed and Adopted by the San Joaquin Regional Rail Commission on the 3rd day of July, 2008 by the following vote to wit:

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

**8. Report on Central Valley Commuter Rail Policy Advisory Committee Meeting**  
(Information)

In light of the time constraints, Ms. Mortensen gave a very brief overview of the last Central Valley Rail Advisory Committee meeting and noted that the staff and consulting team were directed to follow-up with Caltrans on several promising service collaborations. All participants maintain a positive attitude towards the new service concept and have committed to detailing out the next steps following the feasibility study.

**9. Commissioners Comments**

Commissioners Haggerty requested that his agenda package be sent to him on a flash drive. Commissioner Harris reiterated his Priority for ensuring the safety and security of the ACE service and stations.

**10. Ex-Officio Comments**

None.

**11. Executive Director Reports**

Ms. Mortensen polled the Commissioners on the next meeting date since the regular meeting falls on the 4<sup>th</sup> of July. Commissioners agreed on Thursday July 3<sup>rd</sup>, 2008.

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Commissioners Haggerty and Blalock noted that they would be joining in via teleconference and would be posting the agenda materials at their location accordingly.

Mr. Shephard, Counsel for the Commission, adjourned the meeting into Closed Session at 10:00a.m. The Commission returned to open session at 10:34 a.m. and Mr. Shephard noted that the Board gave staff direction, but there are no reportable actions.

**12. Closed Session**

Right of Way Negotiations – Government Code 54956.8  
Property Railroad Right of Way  
Negotiating Parties: San Joaquin Regional Rail Commission  
Under Negotiations: Price and Terms of Payment

**13. Closed Session**

Real Property Negotiations – Government Code 54956.8  
Property: Parcel # 15120102                      1025 E Main St.  
                  Parcel # 15120103                      1001 E Main St  
                  Parcel # 15120106                      25 Union St.

Negotiating Parties: San Joaquin Regional Rail Commission  
                                  Mr. Victor Rosasco  
Under Negotiations: Price and Terms of Payment

**14. Adjournment**

A Special Meeting is scheduled for:                      **Thursday July 3, 2008 @ 8:00 a.m.**  
Robert J. Cabral Station  
949 E. Channel Street  
Stockton, CA 95202