



SAN JOAQUIN REGIONAL RAIL COMMISSION

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All proceedings before the Commission are conducted in English. The San Joaquin Regional Rail Commission does not furnish interpreters and, if one is needed, it shall be the responsibility of the person needing one. Any writings or documents provided to a majority of the Commission regarding any item on this agenda will be made available for public inspection at the Office of the Executive Director located at 949 East Channel Street, Stockton, California, 95202 during normal business hours or by calling (209) 944-6220. The Agenda is available on the San Joaquin Regional Rail Commission website: www.acerail.com.

AGENDA

May 6, 2016 – 8:00 am

Robert J. Cabral Station
South Hall Meeting Room
949 East Channel Street
Stockton, CA 95202

Heritage House
(Conference Call)
County of Alameda
4501 Pleasanton Avenue
Pleasanton, CA 94566

City of Fremont City Hall
(Conference Call)
Ardenwood Room
3300 Capitol Avenue, Bldg A
Fremont, CA 94537

1 Call to Order, Pledge of Allegiance, Roll Call Chair Johnson

Roll Call: Haggerty, Harrison, Dresser, Fugazi, Hernandez, Zapien,
Vice-Chair Maciel, Chair Johnson

Ex- Officios: Agar, Chesley, DeMartino

2 Public Comments

Persons wishing to address the Commission on any item of interest to the public regarding rail shall state their names and addresses and make their presentation. Please limit presentations to five minutes. The Commission cannot take action on matters not on the agenda unless the action is authorized by Section 54954.2 of the Government Code. Materials related to an item on the Agenda submitted to the Board of Directors after distribution of the agenda packet are available for the public inspection in the Commission Office at 949 E. Channel Street during normal business hours. These documents are also available on the San Joaquin Regional Rail Commission

website at www.acerail.com/about-ace/sjrrc-board.html subject to staff's ability to post the documents prior to the meeting.

3 Presentations and Recognitions

4 Consent Calendar

4.1	Minutes of April 1, 2016	ACTION	3
4.2	Rail Commission/ACE Monthly Expenditure	INFORMATION	8
4.3	ACE Monthly Fare Revenue	INFORMATION	10
4.4	ACE Ridership	INFORMATION	11
4.5	ACE On-Time Performance	INFORMATION	12
4.6	Washington Update	INFORMATION	13

- 5 **Conduct a Public Hearing on the Proposed ACE Fare Increase, Accept Report Summarizing Comments Received during the Public Comment Period, and Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Adopting a Fare Increase of 5.25 Percent for all Fares Rounded Up to the Nearest 25¢, Effective October 3, 2016 for the Altamont Corridor Express Service**
(Brian Schmidt) **ACTION**

- 6 **Conceptual Capital and Operating Budgets for Fiscal Year 2016/2017**
(Brian Schmidt) **INFORMATION**

- 7 **Update on Local Transportation Fund (LTF) Allocations For 2016/2017**
(Stacey Mortensen) **DISCUSSION/ACTION**

- 8 **April 7th, 2016 ACE #10 Debrief With Alameda County First Responders**
(Brian Schmidt) **INFORMATION**

- 9 **Commissioner Comments**

- 10 **Ex-Officio Comments**

- 11 **Executive Director Report**

- 12 **CLOSED SESSION: Conference with Legal Counsel – Anticipated Litigation Government Code Section 54956.9(b)(1): multiple potential cases** **DISCUSSION**

- 13 **Adjournment**
The next regular meeting is scheduled for **June 3, 2016 – 8:00 am**
Robert J. Cabral Station, 949 East Channel Street, Stockton, CA

SAN JOAQUIN REGIONAL RAIL COMMISSION

May 6, 2016

Item 4.1

ACTION

Minutes of April 1, 2016

The regular meeting of the San Joaquin Regional Rail Commission was held at 8:00 am, April 1, 2016 at the Robert J. Cabral Station, 949 East Channel Street Stockton, CA 95202.

1 Call to Order/Pledge of Allegiance/Roll Call

Chair Johnson called the meeting to order at 8:00 am and led the audience in the Pledge of Allegiance.

Commissioners Present: Haggerty, Harrison, Dresser, Fugazi, Hernandez, Zapien,
Vice-Chair Maciel, Chair Johnson
Ex-Officio Members Present: Knodt (SJRTD), Chesley (SJCOG)

2 Public Comments

None

3 Presentations and Recognitions

Chair Johnson Presented Certificates of Commendation to the Staff involved in the March 7, 2016 ACE #10 incident

4 Consent Calendar

- | | | |
|-----|---|-------------|
| 4.1 | Minutes of March 4, 2016 | ACTION |
| 4.2 | Rail Commission/ACE Monthly Expenditure Report | |
| | INFORMATION | |
| 4.3 | ACE Monthly Fare Revenue | |
| | INFORMATION | |
| 4.4 | ACE Ridership | INFORMATION |
| 4.5 | ACE On-Time Performance | |
| | INFORMATION | |
| 4.6 | Washington Update | INFORMATION |
| 4.7 | Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Authorizing the Executive Director to Submit and Execute Any and All Grant Applications, Agreements, Certifications and Assurances and Other Documents Necessary to Obtain Financial Assistance Provided by the State of California Under the FY 15-16 California Transit Security Grant Program (CTSGP) Not-to-Exceed \$1,167,148 | ACTION |
| 4.8 | Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission of Local Support for MTC Discretionary Funding Authorizing the Filing of an Application for Funding Assigned to MTC and Committing any Necessary Matching Funds and Stating the Assurance to Complete the Project | ACTION |

M/S/C (Maciel/Hernandez) Approve the Consent Calendar. Passed and Adopted

by the San Joaquin Regional Rail Commission on the 4th day of March 2016
by the following vote to wit:

AYES: 8 Haggerty, Harrison, Dresser, Fugazi, Hernandez, Zapien, Vice-Chair
Maciel, Chair Johnson

NOES: 0

ABSTAIN: 0

ABSENT: 0

- 5 Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Authorizing the Executive Director to Submit and Execute Any and All Grant Applications, Agreements, Certifications and Assurances and Any Other Documents Necessary to Obtain Financial Assistance Provided by the California State Transportation Agency (CalSTA) Under the Cap and Trade Program ACTION**

Dan Leavitt presented the shovel ready projects proposed for submission to the California State Transportation Agency (CalSTA) Under the Cap and Trade Program. Mr. Leavitt noted funding is estimated to be between \$400M and \$1.2B over the two-year funding cycle.

Commissioner Dresser inquired if there is a priority order for the projects. Mr. Leavitt stated they are prioritized to allow for projects that can be completed quickly are ranked higher than long term projects.

M/S/C (Maciel/Dresser) Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Authorizing the Executive Director to Submit and Execute Any and All Grant Applications, Agreements, Certifications and Assurances and Any Other Documents Necessary to Obtain Financial Assistance Provided by the California State Transportation Agency (CalSTA) Under the Cap and Trade Program. Passed and Adopted by the San Joaquin Regional Rail Commission on the 1st day of April 2016 by the following vote to wit:

AYES: 8 Harrison, Haggerty, Dresser, Fugazi, Hernandez, Zapien, Vice-Chair Maciel,
Chair Johnson

NOES: 0

ABSTAIN: 0

ABSENT: 0

- 6 Approve San Joaquin Regional Rail Commission Comment Letter on California High-Speed Rail Authority Draft 2016 Business Plan ACTION**

Mr. Leavitt presented a draft comment letter to the California High Speed Rail Authority's 2016 draft Business Plan noting the plan presents a significant change for where high speed

rail (HSR) service will be initiated. Mr. Leavitt explained the new plan focuses on delivering a HSR line connecting the Silicon Valley to the Central Valley (north of Bakersfield) in 2025 instead of between Merced and the San Fernando Valley in 2022. With the exception of the Burbank to Anaheim improvements, the CHSRA Draft 2016 Business Plan places much less emphasis on “blended” service improvements than CHSRA’s 2012 and 2014 Business Plans.

Mr. Leavitt noted the comment letter focuses on reintroducing near-term improvements for the ACE Service between Merced and San Jose to provide increased regional connectivity, and as a “feeder” service to HSR in the CHSRA Final 2016 Business Plan

Mr. Chesely noted the San Joaquin Council of Governments at their March Board meeting approved a similar letter.

M/S/C (Maciel/Hernandez) Approve San Joaquin Regional Rail Commission Comment Letter on California High-Speed Rail Authority Draft 2016 Business Plan. Passed and Adopted by the San Joaquin Regional Rail Commission on the 1st day of April 2016 by the following vote to wit:

AYES: 8 Harrison, Haggerty, Dresser, Fugazi, Hernandez, Zapien, Vice-Chair Maciel, Chair Johnson
NOES: 0
ABSTAIN: 0
ABSENT: 0

7. 2014/2015 Independent Financial Audit ACTION

Bob Schiffler presented the Rail Commission’s 2014/2015 Independent Financial Audit, noting this year’s audit had no issues.

M/S/C (Maciel/Johnson) Approve 2014/2015 Independent Financial Audit. Passed and Adopted by the San Joaquin Regional Rail Commission on the 4th day of March 2016 by the following vote to wit:

AYES: 8 Harrison, Haggerty, Dresser, Fugazi, Hernandez, Zapien, Vice-Chair Maciel, Chair Johnson
NOES: 0
ABSTAIN: 0
ABSENT: 0

**8. Update on Local Transportation Fund (LTF) Allocations For 2016/2017
DISCUSSION/ACTION**

Ms. Mortensen provided an update on the ongoing joint SJRRC/SJRTD efforts to find a solution for the FY16/17 LTF Allocation. The proposal was still under development, but included; having RRC and RTD further reduce costs by at least \$300,000 each, finding a way through COG discretion for RTD to claim off the top after RRC, agree on a split between bus and rail that can provide more certainty, potentially phase in the solution over a couple years, and assume the complete

restructuring or removal of the Measure K land loan for the rail equipment maintenance facility. The phase in concept lines up with the idea of a potential county sales tax in 2018. The proposal also assumes all claimants and categories should be considered in the potential solution, which was why RRC and RTD asked for a deferral of the LTF Allocation in March. Ms. Mortensen noted she and Ms. DeMartino were continuing meetings with cities, the county and the COG.

Chair Johnson asked about including the RTD allocation off the top and whether this could be accomplished administratively or would require legislation. Ms. Mortensen reported on the meeting with the relevant state agencies who suggested the regional governing body had a fair amount of discretion as long as there was no appeal.

Mr. Chesley noted there was some relief by the COG Board that RTD and RRC were working together on the issue. He cautioned the TDA statute had some firm rules that COG would have to follow and he was inclined to get further legal advice. While it is clear RRC can get an allocation off the top, an RTD allocation is not in the law and has to follow the area apportionment.

Commissioner Hernandez asked clarifying questions about whether the Board should be expecting legal opinions to resolve the issue and the timing. Ms. Mortensen expressed that she was hopeful to come up with a proposal that stays within the policy discretion of the COG Board and that, RRC, at least, would not be seeking a legal opinion.

9 CLOSED SESSION: DISCUSSION

Conference with Legal Counsel – Anticipated Litigation Government Code Section 54956.9(b)(1): multiple potential cases

Legal Counsel noted there was no reportable action taken by the Board in closed session.

10 Commissioner Comments

None

11 Ex-Officio Comments

None

12 Executive Director Comments

Ms. Mortensen informed the Board:

A debrief on the March 7th ACE #10 incident will be held on April 7th with Alameda County First Responders.

Next BART to ACE meeting is scheduled Next May 4th

The WP Depot was burned beyond repair and will be need to be demolished. She suggested a proposed celebration of life to honor the building's history.

13 Adjournment –

The meeting was adjourned at 9:29 am.

The next regular meeting is scheduled for:

May 6, 2016 – 8:00 am

Robert J. Cabral Station

949 E. Channel Street, Stockton CA

**San Joaquin Regional Rail Commission
Altamont Corridor Express
Operating and Capital Expense Report
March 2016
75 % of Budget Year Elapsed**

OPERATING EXPENSES	SJRR FY 15-16 ALLOCATION	EXPENSE TO DATE	% SPENT TO DATE	ACE FY 15-16 ALLOCATION	EXPENSE TO DATE	% SPENT TO DATE
Project Management, Services & Supplies Subtotal	644,852	340,129	53%	4,217,370	2,539,042	60%
Contracted Services Subtotal	399,739	183,456	46%	15,186,149	8,282,591	55%
Shuttle Services				1,203,190	568,104	47%
TOTAL OPERATING EXPENSES	1,044,591	523,585	50%	20,606,709	11,389,737	55%

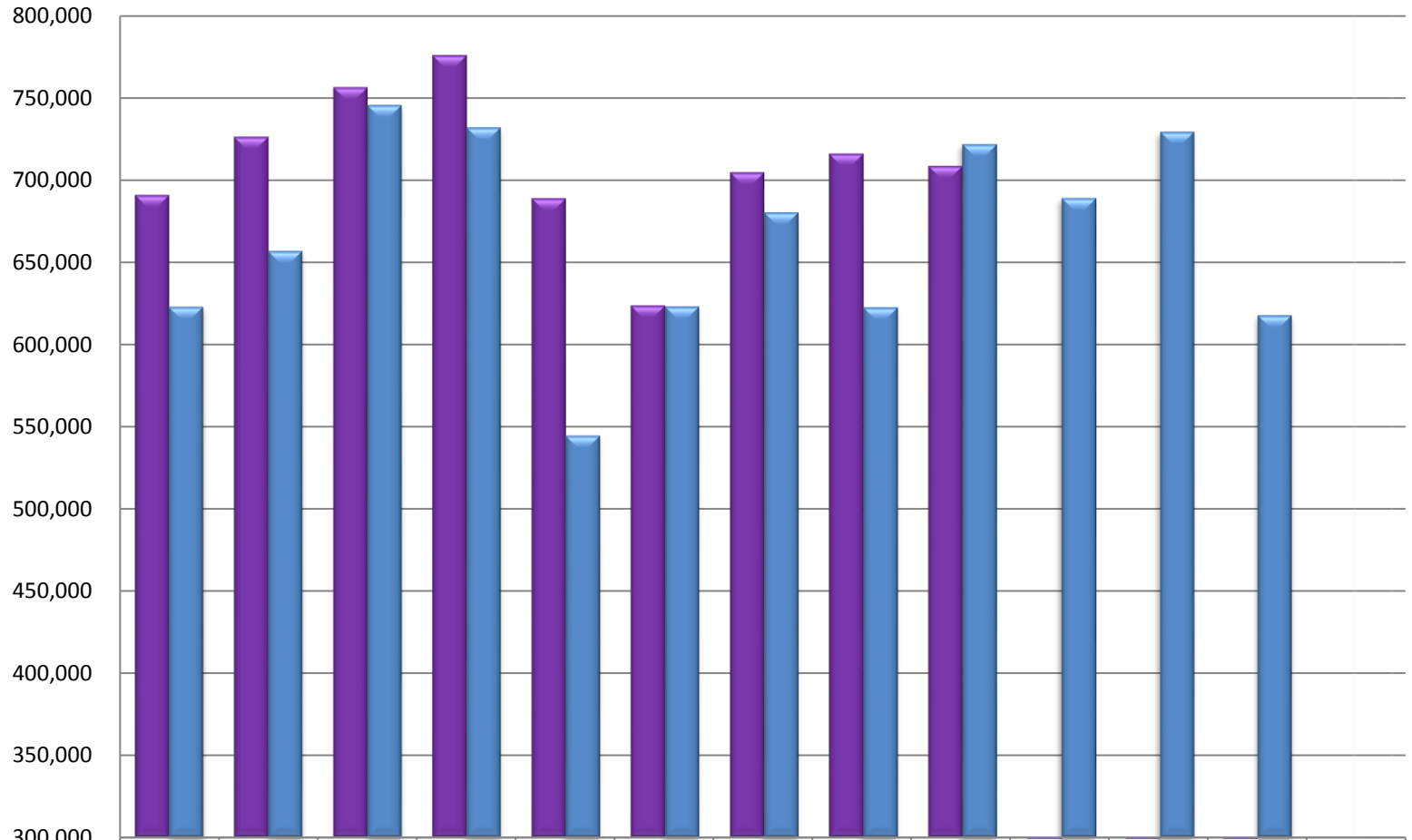
CAPITAL PROJECTS		CAPITAL FY 15-16 ALLOCATION	EXPENSE TO DATE	% SPENT TO DATE
1	Cabral Track Extension	1,946,720	38,210	2%
2	A1 & A2 Bond Repayment	3,038,013	3,038,013	100%
3	Altamont Corridor Rail Project HSR/Regional Rail EIR/EIS	10,200,000	329	0%
4	UPRR Capital Access Fee	3,242,516	1,080,838	33%
5	Positive Train Control	5,000,000	4,332,090	87%
6	Mid Life Overhaul of 1 Locomotive	1,400,000	-	0%
7	Capital Spares/Upgrades for Passenger Cars and Locomotives	850,000	388,988	46%
8	San Joaquin Intercity Minor Capital Project (Funded by State of California)	500,000		0%
9	eTicketing	1,000,000	1,548	0%
10	ACE Maintenance & Layover Facility	1,200,000	4,014	0%
11	Security Project (On Board Cameras)	1,000,000	10,034	1%
12	Sunol Wayside Horn Project	800,000	4,476	1%
TOTAL CAPITAL PROJECTS		30,177,249	8,898,541	29%

Status on Capital Projects

- 1 Cabral Track Extension Phases 1-3 - Cabral Track Extension is currently ongoing and is scheduled to be completed in a future fiscal year.
- 2 Bond Repayments - Bond repayments are made bi-annually. The first payment for the fiscal year was made on October 9, 2015. The second payment is scheduled for April 15, 2016.
- 3 Altamont Corridor Rail Project HSR/Regional Rail EIR/EIS - Project is currently ongoing.
- 4 UPRR Capital Access Fee - Payment due May 2016
- 5 Positive Train Control - Expected completion is 16-17. Project is currently ongoing
- 6 Mid Life Overhaul of 1 Locomotive - No activity to date.
- 7 Capital Spares/Upgrades for Passenger Cars and Locomotives - No activity to date.
- 8 San Joaquin Intercity Minor Capital Project (Funded by State of California) - No activity to date.
- 9 eTicketing Project - is currently ongoing.
- 10 ACE Maintenance & Layover Facility - Final processing of change orders, final payments applications and other paperwork are underway, this will allow the project to be formally "closed-out."
- 11 Security Project (On Board Cameras) - In final phase of testing.
- 12 Sunol Wayside Horn Project - is currently ongoing.

Fare Revenue

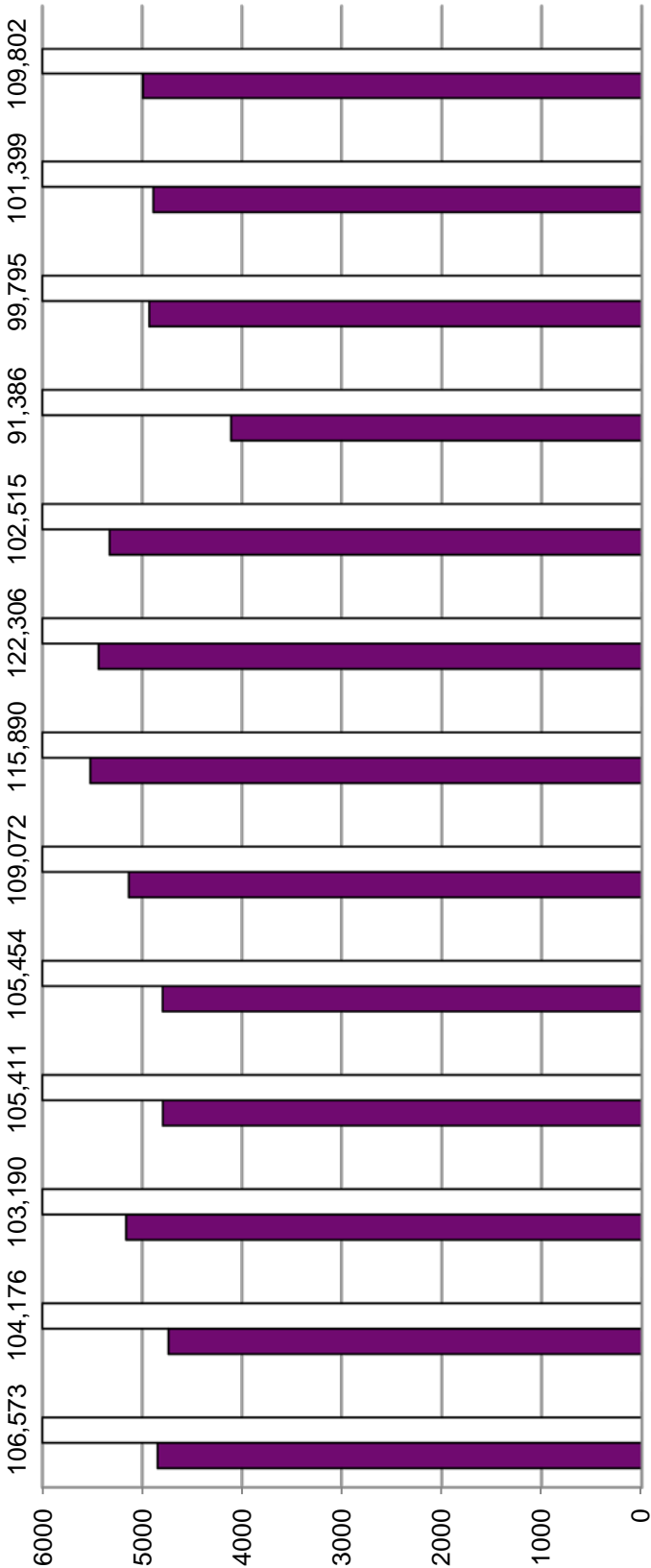
Item 4.3



FY 15-16 Fare Revenue	691,120	726,320	756,505	775,946	689,118	624,172	704,914	716,176	708,739	-	-	-	6,393,009
FY 14-15 Fare Revenue	622,997	656,896	745,617	732,067	544,828	623,202	680,375	622,604	721,746	689,067	729,375	617,884	7,986,657

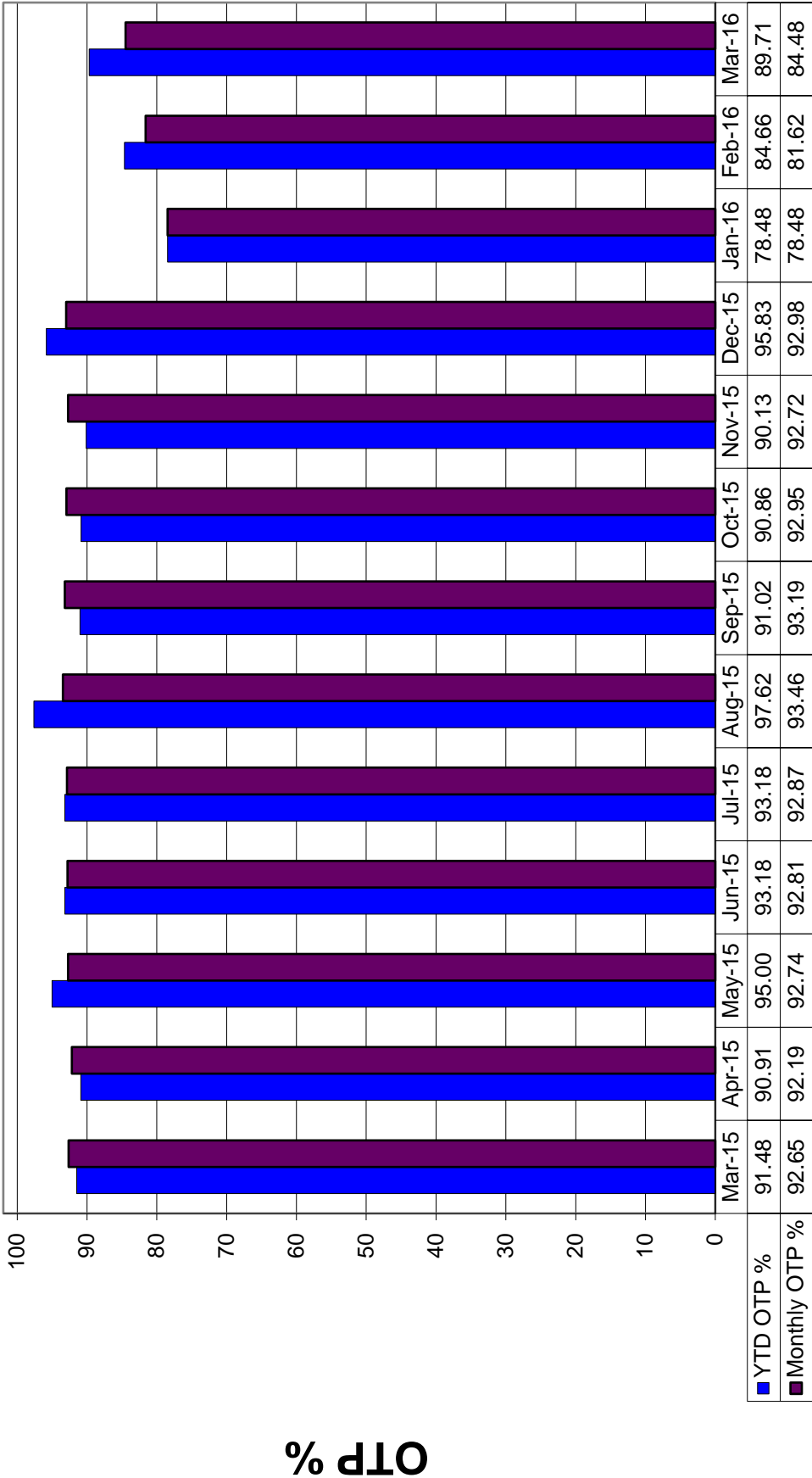
% of Budget Year Elapsed: 75%
 FY 15-16 % of Budgeted Fare Revenue Received to Date: 79.9%
 Projected Annual Fare Revenue: \$8,000,000

ACE DAILY AVERAGE RIDERSHIP



	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
■ DAILY AVERAGE	4844	4735	5160	4791	4793	5133	5519	5436	5325	4107	4928	4887	4991
□ MONTHLY RIDERSHIP	106,573	104,176	103,190	105,411	105,454	109,072	115,890	122,306	102,515	91,386	99,795	101,399	109,802
□ % CHANGE	11%	4%	-2%	7%	5%	7%	6%	4%	15%	9%	4%	8%	3%

ACE ON TIME PERFORMANCE



**San Joaquin Regional Rail
 Commission
 Monthly Report – April 2016**

SJRRC and MHGS Items

- MHGS participated in numerous phone calls in late March and early April with SJRRC regarding Brian Schmidt’s “One Voice” trip to Washington.
- MHGS arranged for Brian Schmidt to meet with Shayne Gill (American Association of State and Highway Transportation Officials). MHGS joined Brian for this meeting.
- MHGS arranged for Brian Schmidt to have lunch with Ray Chambers (Association of Independent Passenger Rail Operators). MHGS joined Brian for this lunch.
- MHGS met with Brian Schmidt to discuss his “One Voice” trip, update him on the latest Congressional news, and talk about SJRRC’s TIGER application.
- MHGS provided SJRRC with information regarding passenger rail funding in the Senate’s THUD bill.
- MHGS participated in a phone call on 04/26 to discuss SJRRC’s TIGER application.

Congressional Appropriations and Budget Process

FY17 Administration Budget:

- The Administration released its FY 2017 budget on February 9th.
- The Budget provides a total of \$98.1 billion in discretionary and mandatory budgetary resources for the Department of Transportation in 2017.
- Over the next decade, the Budget reflects an average increase of about \$30 billion per year in investments associated with the 21st Century Clean Transportation Plan to reduce traffic and carbon intensity of the transportation sector and adapt to emerging technologies in developing sustainable systems of the future. This investment package includes:
 - An average of about \$10 billion a year over 10-years for new, multi-modal programs awarded at the state and local level to promote innovations that lead to smarter, cleaner regional transportation systems;
 - On average, \$10.5 billion annually over 10 years to improve our Nation’s transit systems, including \$3.6 billion per year to expand the development, access and use of public transit;
 - Nearly \$7 billion annually on average over 10 years to support current operations, improve rail safety and invest in high-performance rail initiatives;
 - \$2 billion in FY 2017 to expand investment in the future of our freight system, in addition to nearly \$2 billion in baseline resources;
 - \$1.25 billion annually to expand the successful, multi-modal Transportation Investment Generating Economic Recovery (TIGER) program.

- The Budget also fully supports FAST-authorized funding levels for the surface transportation program, which are aimed at keeping the system safe and in a state of good repair. For 2017, this includes:
 - \$44 billion to invest in the critical infrastructure of the nation’s highway and bridge systems;
 - Nearly \$10 billion to support operations of public transit systems across the Nation;
 - Roughly \$730 million for the National Highway Traffic Safety Administration (NHTSA) to research and develop new, life-saving technologies and to support vehicle safety programs;
 - Around \$640 million to support nationwide motor carrier safety and consumer enforcement efforts through the Federal Motor Carrier Safety Administration (FMCSA).
- The Budget also provides discretionary resources to fund air, maritime and pipeline and hazardous materials transportation activities, including:
 - \$15.9 billion for the Federal Aviation Administration (FAA) to invest in the safest, most efficient aerospace system in the world.
 - \$295 million for the Pipeline and Hazardous Materials Safety Administration (PHMSA) to facilitate the safe transportation of hazardous materials through pipelines, rail, roadway, air, and waterways.
 - \$428 million for the Maritime Administration to implement programs that promote the economic competitiveness, efficiency, and productivity of U.S. maritime transportation.
 - \$36 million for the Saint Lawrence Seaway Development Corporation (SLSDC), to operate and maintain the U.S. portion of the binational St. Lawrence Seaway, and promote environmental management and regional economic development.

FY17 Congressional Budget:

- On 10/27/15 House Republican Leadership released a draft 2-year budget framework that was negotiated with the support of the White House. The legislation would raise the debt ceiling through March 2017 and establish defense and non-defense spending caps for FY16 and FY17 which would increase spending by \$80 billion over those two fiscal years. The increase in spending is offset by tapping the Strategic Petroleum Reserve, auctioning spectrum and other revenues and cuts.
- The House passed the measure on 10/28, and on 10/30, the Senate cleared the two-year budget and debt ceiling deal, just 72 hours after it was unveiled by congressional leaders and the White House.
- Less than 4 months after the 2-year deal was signed into law, members of the Freedom Caucus and other conservative lawmakers are demanding additional spending cuts for FY17.
- House Budget Committee Chairman Price has acknowledged that he will have to cut an estimated \$30 billion from the October 2015 deal for FY17 in order to get a budget agreement passed in the House. These cuts are likely to come from

mandatory programs, but the legislative process for advancing these cuts is not yet determined. Appropriators are resistant to including these cuts within their annual bills, but other options (like advancing the cuts as a stand-alone measure) have drawbacks as well.

- The House THUD Appropriations Subcommittee held a hearing on 02/24. DOT Secretary Foxx testified, and MHGS provided SJRRC with a memo regarding the hearing.
- The House has remained stalled on putting out a FY17 budget and 302(b) allocations. Conservative House members have pushed back against the agreement from last year because they don't like the spending levels.
- 302(b) allocations give appropriators topline numbers of how much money is available for them to work with in writing their bills. Without these 302(b) allocations, it makes it difficult for appropriators to put together spending bills. Nevertheless, the House has started the appropriations process using "interim" spending levels.
- The Senate moved forward with putting out its own 302(b) allocations that adhere to last year's agreement and has started with their appropriations process.

FY17 THUD Appropriations:

- The House has yet to hold hearings on its THUD bill.
- The Senate marked up their THUD bill on 04/21. It passed through committee by a 30-0 vote.
- The bill contains the following provisions regarding rail and transit:

Rail – \$1.7 billion for the Federal Railroad Administration, \$76 million above the FY2016 enacted level. This includes \$1.4 billion for Amtrak for the Northeast Corridor and National Network, continuing service for all current routes. The bill provides \$334 million for rail safety and research programs, \$46 million above the FY2016 enacted level. This will fund inspectors and provide training to help ensure the safety of passengers and local communities. The bill also provides \$50 million for rail safety activities in the Consolidated Rail Infrastructure and Improvement grants program, \$20 million for Federal-State Partnership for State of Good Repair grants, and \$15 million for Restoration and Enhancement grants. These programs will help implement Positive Train Control (PTC), enhance passenger rail safety, reduce highway-rail grade crossings incidents, and address the state of good repair backlog on shared use passenger and local commuter rail infrastructure.

Transit – \$12.3 billion for the Federal Transit Administration, \$575 million above FY2016 enacted level. The bill provides \$9.7 billion for transit formula grants, consistent with the FAST Act. The bill provides \$2.3 billion for Capital Investment Grants (New Starts), fully funding all current Full Funding Grant Agreement transit projects. Within this amount, \$333 million is provided for core capacity projects, \$241 million for small starts projects, and \$20 million

for the expedited delivery pilot program. These programs provide competitive grant funding for major transit capital investments planned and operated by local communities, including rapid rail, light rail, bus rapid transit, and commuter rail.

- At the time that this memo was being prepared, the Senate was working through the Energy & Water appropriations bill on the floor. It is expected that the Senate THUD bill will be the next bill to hit the Senate floor. This could happen as early as the week of May 9th.

FY16 Omnibus:

- On December 18th the House (316-113) and Senate (65-33) passed the FY16 Omnibus Appropriations bill. The omnibus combines all 12 annual appropriations bills to fund the government at \$1.149 trillion (consistent with the 2-year budget deal passed in October) through the end of FY16.
- The bill includes \$18.65 billion in FY2016 discretionary appropriations for the Department of Transportation, \$847 million above the FY2015 enacted level and \$2.7 billion below the President's request (disregarding the Administration's request to shift more funding in certain programs from discretionary to mandatory spending.) Within this amount, funding is prioritized on programs to make the transportation systems safe, efficient, and reliable.
- TIGER Grants are funded at \$500 million, equal to the FY2015 enacted level, for TIGER grants, which are also known as National Infrastructure Investments.
- The Federal Railroad Administration (FRA) is funded at \$1.68 billion, an increase of \$52 million above the FY2015 enacted level. This includes \$289 million for Amtrak operations and continued service for all current routes, and \$1.1 billion for capital grants. The bill also promotes necessary reforms to Amtrak, and repurposes \$19 million in old, unobligated rail funding to support the Northeast Corridor.
- The bill includes \$288 million to support rail safety and research programs, including inspectors and safety personnel to help ensure the safety of passengers and local communities. This funding also includes \$50 million for rail safety grants, to support the implementation of Positive Train Control (PTC) and improve rail infrastructure, such as track, tunnels and bridges.
- The Federal Transit Administration (FTA) is funded at \$11.76 billion, consistent with the recently-passed authorization in the FAST Act. The bill provides a total of \$2.177 billion for Capital Investment Grants ("New Starts"), fully funding all current "Full Funding Grant Agreement" (FFGA) transit projects, as well as supports new projects anticipated to receive FFGA awards. Also \$50 million is provided for core capacity projects, and \$353 million for Small Starts projects.
- In total, Congress passed three CRs before passing a final omnibus bill for FY16.

FAST Act/Surface Transportation/Passenger Rail

- On December 4th, President Obama signed into law the FAST Act, a 5-year authorization of surface transportation programs. Amtrak and passenger rail programs were reauthorized as part of the FAST Act.

- The House passed the bill on December 3rd (359-65) and the Senate passed the bill on the same day (83-16).
- The FAST Act is the result of intense conference negotiations between the House and Senate to resolve differences between their two different surface transportation bills.
- With regard to Hazardous Materials, the bill:
 - Grants states more power to decide how to spend training and planning funds for first responders
 - Requires Class I railroads to provide crude oil movement information to emergency responders
 - Reforms an underutilized grant program for state and Indian tribe emergency response efforts
 - Better leverages training funding for hazmat employees and those enforcing hazmat regulations
 - Requires real-world testing and a data-driven approach to braking technology
 - Enhances safety for both new tank cars and legacy tank cars
 - Speeds up administrative processes for hazmat special permits and approvals
 - Cuts red tape to allow a more nimble federal response during national emergencies
- The rail title of the bill:
 - Provides robust reforms for Amtrak, including reorganizing the way Amtrak operates into business lines
 - Gives states greater control over their routes, by creating a State-Supported Route Committee
 - Speeds up the environmental review process for rail projects, without sacrificing environmental protections
 - Creates opportunities for the private sector through station and right-of-way development
 - Consolidates rail grant programs for passenger, freight, and other rail activities
 - Establishes a Federal-State Partnership for State of Good Repair grant program
 - Strengthens Northeast Corridor planning to make Amtrak more accountable and states equal partners
 - Allows competitors to operate up to three Amtrak long-distance lines, if at less cost to the taxpayer
 - Strengthens passenger and commuter rail safety, and track and bridge safety
 - Preserves historic sites for rail while ensuring that safety improvements can move forward
 - Unlocks and reforms the Railroad Rehabilitation and Improvement Financing (RRIF) loan program
 - Includes reforms to get RRIF loans approved more quickly with enhanced transparency

- Provides commuter railroads with competitive grants and loans to spur timely Positive Train Control implementation
- Provides competitive opportunities for the enhancement and restoration of rail service
- Increases the rail liability cap

Surface Transportation Board Reauthorization Bill

- On December 18th the President signed the Surface Transportation Board Reauthorization, S. 808, into law. The bill was passed by the House on December 10th by voice vote.
- On June 18th, the Surface Transportation Board Reauthorization bill passed the Senate by Unanimous Consent. The bill was then sent to the House.
- The bill was introduced on March 19, 2015 by Senators Thune and Nelson.
- Specifically, the bill: 1) Sets timelines for rate reviews and expands voluntary arbitration procedures, 2) Grants STB new authority to proactively investigate rail delay issues and enhances transparency, and 3) Enacts structural reforms on the board (increases to 5 members) to allow for direct discussion to improve efficiency
- The bill was passed out of the Commerce Committee on March 25th. MHGS covered the mark up and provided a separate memo.

Tax extenders/Tax Reform

- On December 17, 2015, the House passed tax extenders legislation by a vote of 318-109, and the Senate followed suit the very next day by a 65-33 vote.
- The extenders package included \$680B in in permanent and short term extensions of tax breaks for businesses and individuals.
- The recently passed legislation includes a number of items specific to transportation. The 45G short line tax credit was extended for two years, through January 1, 2017. It also allows short lines created after 2005 to claim the credit.
- The tax extender legislation also increases and permanently extends the commuter transit tax benefit (from \$130 per month to \$255 per month).
- With the 2016 election now coming into full swing, the prospect for tax reform in the 114th Congress remains dim.
- However, some believe that the recently passed tax extenders bill increases the chances for tax reform to be accomplished in 2017.
- The thinking is that the extenders package altered the budget baseline in such a way that it will be easier to lower the 35% corporate tax rate.
- Additionally, now that the former W&M Chairman Paul Ryan is the House Speaker, he may work to leverage his new power to attain his goal of tax reform.

Short Line Tax Credit

- The Short Line Tax Credit was extended as part of the tax extenders package passed in December 2015 (along with the omnibus).

- Senators Crapo, Wyden, Moran, Schumer, Isakson, Casey, Boozman and Blumenthal introduced the Short Line Tax Credit bill, S. 637, on March 3, 2015. The bill has been referred to the Finance Committee. There are currently 54 co-sponsors.
- This legislation would extend the Short Line Railroad tax credit until January 1, 2017.
- A similar bill has been introduced in the House (H.R. 721) by Representative Jenkins. The bill was referred to the Ways and Means Committee and currently has 261 co-sponsors.

Railroad Safety and Positive Train Control Extension Act

- Congress included a PTC extension in the short term transportation bill extension that they passed in late October.
- The bill would extend the deadline to install PTC to Dec. 31, 2018, from Dec. 31, 2015.
- In addition to the PTC extension that was passed, Sen. Blunt is offering an amendment to the FCC reauthorization bill that would direct the FCC to issue a rule to exempt modest size PTC projects from having to go through the environmental and historical review process. At the time this memo was being prepared, the FCC reauthorization was being considered in the Senate Commerce Committee, and the situation is developing.
- On March 4, 2015, Senators Blunt, Thune, and McCaskill introduced a PTC extension bill, S. 650. There are ten additional co-sponsors: Johnson, Fischer, Inhofe, Sullivan, Murkowski, Moran, Heller, Rubio, Ayotte, and Portman. The bill was referred to the Senate Commerce Committee.
- The purpose of the bill is to extend from December 31, 2015, to December 31, 2020, the deadline for Class 1 Railroads to implement PTC. The bill authorizes the Secretary of DOT to extend the implementation deadline, upon application, in one-year increments. The Secretary is directed to revise federal regulations requiring a Class II or Class III railroad to equip its locomotives with an onboard PTC system to operate in PTC territory.
- The bill was passed out of the Commerce Committee in March. MHGS covered the mark up and provided a memo.
- Prior to the recent Amtrak derailment, MHGS heard that Sen. Blunt's strategy was to seek inclusion of this legislation in the THUD appropriations package that will pass later this year. However, the derailment changed the political landscape for a PTC delay.
- A PTC extension was included in the House's version of the Surface Transportation Reauthorization bill, as well as the recently announced short term extension.

SAN JOAQUIN REGIONAL RAIL COMMISSION

Meeting of May 6, 2016

STAFF REPORT

Item 5

ACTION

Conduct a Public Hearing on the Proposed ACE Fare Increase, Accept Report Summarizing Comments Received during the Public Comment Period, and Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Adopting a Fare Increase of 5.25 Percent for all Fares Rounded Up to the Nearest 25¢, Effective October 3, 2016, for the Altamont Corridor Express Service

Background:

On March 4, 2016, The San Joaquin Regional Rail Commission (SJRRRC) presented a draft fare increase and opened a public comment period until May 6, 2016. Staff engaged passengers and the public through reader board announcements, station and on board announcements, posters placed in message boards at the stations, ACERail website and extensive use of social media (Facebook, Twitter, & Official Blog). The proposed fare increase was also noticed in the Stockton Record, Tri-Valley Herald, and the San Jose Mercury News.

Passenger Response:

The passengers' responses to the proposed fare increase are included in Attachment A. Nine responses were documented with eight opposed, and one asking for information. Statistically, that translates to less than 1% of passengers responded.

Coordination:

SJRRRC's Cooperative Services Agreement with the Alameda County Transportation Commission (ACTC) and the Santa Clara Valley Transportation Authority (VTA) states the Commission must seek and receive approval from both entities prior to approving a fare increase. Staff has approached both agencies. The item is set to go before VTA's Board and the ACTC Board's for approval.

Proposed Fare Increase:

The adopted ACE Fare Program utilizes the annual Consumer Price Index (CPI) for Urban Wage Earner and Clerical Workers, San Francisco-Oakland-San Jose Area as a basis for fare increases, adjusted by any significant regional or industry factors. The cumulative CPI for December 2013-December 2015 is 5.31%.

Based on the CPI data, staff is proposing a 5.25% ACE increase to all fares, with all increases rounded up to the nearest \$0.25 increment.

A copy of the proposed Fare chart is included for your review.

Schedule:

Should the Commission approve the fare increase, the following schedule summarizes next steps.

- 1) Staff will redesign the fare media to create a distinctly new identity allowing the Passenger Service Agents (PSAs) to quickly determine valid fares;
- 2) Notice of new fares will be circulated to all active passengers, our public and private partners, and posted;
- 3) New fares will take effect October 3, 2016;
- 4) Passengers will be allowed to ride out older ticket stock for up to 90 days;
- 5) After January 1, 2017, passengers may submit current ticket stock as credit toward an upgrade at the new fare.

Recommendation:

Public Hearing on Proposed ACE Fare Increase: Accept Report Summarizing Comments Received during the Public Comment Period, and Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Adopting a Fare Increase of 5.25 Percent for all Fares Rounded Up to the Nearest \$0.25, Effective October 3, 2016 for the Altamont Corridor Express Service.

RESOLUTION RRC-R-16/___-___

APPROVE A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE SAN JOAQUIN REGIONAL RAIL COMMISSION APPROVING A FARE INCREASE OF 5.25% FOR ALL FARES ROUNDED UP TO THE NEAREST \$0.25, EFFECTIVE OCTOBER 3, 2016 FOR THE ALTAMONT CORRIDOR EXPRESS SERVICE

WHEREAS, the Adopted ACE Fare Program allows for fare increases to be implemented bi-annually based upon the Consumer Price Index (CPI) for Urban Wage Earner and Clerical Workers, San Francisco-Oakland-San Jose Area; and

WHEREAS, the Board of Commissioners of the San Joaquin Regional Rail Commission at their March 4, 2016 meeting approved in concept the proposed fare increase and opened the public comment period to solicit passenger comments; and

WHEREAS, the San Joaquin Regional Rail Commission has provided for a Public Comment Period to provide the maximum opportunity to review and comment on the Altamont Corridor Express Service proposed fare increase; and

WHEREAS, the ACE fares were last increased in October 2014 by 4.75%; and

WHEREAS, the CPI for Urban Wage Earner and Clerical Workers, San Francisco-Oakland-San Jose Area increases over the last two years have totaled 5.31%; and

WHEREAS, staff recommends a fare increase of 5.25% for all fares, rounded up to the nearest \$0.25, and

WHEREAS, on May 6, 2016 a Public Hearing was held at the San Joaquin Regional Rail Commission meeting on the proposed Altamont Commuter Express proposed fare increase and staff presented the results of the comments received during the comment period; and

NOW THEREFORE, the Commission hereby resolves as follows:

Board of Commissioners of the San Joaquin Regional Rail Commission Hereby Approves a Fare Increase of 5.25% for all fares rounded up to the nearest \$0.25, effective October 3, 2016.

PASSED AND ADOPTED, by the Board of Commissioners this 6th day of May, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

SAN JOAQUIN REGIONAL
RAIL COMMISSION

STACEY MORTENSEN, Secretary

BOB JOHNSON, Chair

Public Comments Received April 29th, 2016.

From: Rose Amily [<mailto:amilyrose4@gmail.com>]
Sent: Thursday, April 14, 2016 12:58 PM
To: Marketing <Marketing@acerail.com>
Subject: Earn swag bag

Hi Marketing team, my message below as your request to earn swag bag:
I ride train everyday from ACE Tracy station to ACE Fremont station at 7:09 AM and evening time at 5:05 PM. I have been riding train for five years already and love to take train rather than any other public means. I have to drive my car from home to the AM station; this driving increases cost for me beside my monthly train pass purchase. Unfortunately, the transportation cost keeps going up as train pass price keeps going up and never going down. Train has so many problems, and sometimes I can't ride the train and receive no compensation for days that train didn't run.
It sounds like a joke but I am not joking any.
Rgds,
Anh

From: Casey Matthews [<mailto:kase0082@yahoo.com>]
Sent: Friday, April 08, 2016 10:47 AM
To: Customer Service <customerservice@acerail.com>
Subject: AskACE

Hello,

We heard an announcement yesterday that we were supposed to share our questions and concerns about the new fare increase on the website, I'm hoping this is the right spot.

I wouldn't say that I'm surprised that ACE is raising rates again, but the question of most passengers that get on in Manteca is why is there such a huge difference in the fare price from Tracy to Manteca? The difference is pretty significant and we can't seem to figure out why.

For a passenger riding from Stockton to the Tri-Valley their monthly pass is \$216.50 (Stockton to Manteca is a 19 minute ride)

For a passenger riding from Manteca to the Tri-Valley their monthly pass is \$207.00 (Manteca to Tracy is a 12 minute ride)

For a passenger riding from Tracy to the Tri-Valley their monthly pass is \$144.25 (Tracy to Vasco is a 29 minute ride)

\$9.50 difference riding from Stockton to Manteca for 19 minutes and a \$62.75 difference riding from Manteca to Tracy for 12 minutes?

How is it fair that the Manteca passengers pay so much more?

A response would be greatly appreciate.

Thanks
Casey Matthews



Facebook

Erika Becerra commented on her post.

Erika Becerra

March 24 at 2:00pm

5.25%? The hearing is on May 6th at 8am when the affected individuals are in the bay area at work. The trains are late everyday. People who need to transfer to a city bus have to wait 30 minutes to 1 hour for the next bus. Perhaps you should find ways to cut costs before increasing the fares. Additionally your parking lots are not safe. How can it be possible for criminals to break into multiple cars during the day in stockton when you are right there? You also need to help your passengers. Some of the stations in the Bay Area do not have enough parking for those who have a car on that side. Some parking lots have areas designated for train users but they are being used by everybody.

 Like

 Comment



Facebook

Kelly Serich commented on Erika Becerra's post.

Kelly Serich

March 24 at 1:08pm

Another fare increase? So we can pay more for consistently late and crowded trains.

 Like

 Comment

Gene Ottesen gene.ottesen@FireEye.com

What are you basing your fare increases on? Certainly not the cost of oil which is at an all-time low. Improved service? I think not, based on what I've seen with late arrivals, mechanical problems, poor customer service, alcohol consumption on board. An overall attitude of train attendants to turn the other cheek and not deal with legitimate issues on board. An abundantly high turnover of ACE staff, aging rail cars and wasn't there just an increase in fares about a year ago? The fares go up and the service gets worse? Where is the justification? Why should I continue my patronage with ACE?

Gene

Good day,

Mine are more questions than comments:

1. Why would the agency hold public comments on a workday when a large number of your riders – your core customers – will be at work and unavailable to attend and/or comment ?
2. What is the justification for the rate increase ?

Best

Kurt Kleist
kurt-kleist@comcast.net

I travel from Tracy to the Livermore Vasco station 2-3 times a week. If there is a rate increase to this station I will no longer ride the train. I love that my walk is only a few blocks but the cost will no longer be worth the effort to save from driving.

Now if you decreased the fare to Livermore instead of paying the same price as going to Pleasanton I may reconsider.

Thank You

Pat Jones

pat@westcoironworks.com
925-271-3500 Fax 925-271-3520

ContactACEID: 9490

Form inserted: 3/24/2016 10:53:25 AM

Form updated: 3/24/2016 10:53:25 AM

Name: ROBERT EVANS

Subject: Complaint

Phone: 2093511694

E-mail: bigtimeraidersfan@yahoo.com

Train:

Date:

Message: YOU ARE GETTING ANOTHER FARE INCREASE OK!!!!!! NOW CAN YOU BE ON TIME CAN WE GET A DISCOUNT WHEN THERE IS A PROBLEM LIKE THE OLD DAYS. WHEN YOU PAY FOR A MONTHLY AND HAVE TO DRIVE IT IS COSTLY.

PROPOSED ALTAMONT CORRIDOR EXPRESS REGULAR TRAIN FARES

ORIGIN STATION		DESTINATION STATION	LATHROP	TRACY	VASCO	LIVERMORE	PLEASANTON	FREMONT	G. AMERICA	SANTA CLARA	SAN JOSE
		LATHROP	TRACY	VASCO	LIVERMORE	PLEASANTON	FREMONT	G. AMERICA	SANTA CLARA	SAN JOSE	
SKT	ONE WAY		4.50	5.50	9.50	9.50	9.50	10.75	13.75	13.75	13.75
	ROUND TRIP		5.50	10.75	14.75	14.75	14.75	19.50	24.25	24.25	24.25
	20 RIDE		46.75	83.25	117.75	117.75	117.75	152.50	188.25	188.25	188.25
	MONTHLY		87.00	151.00	216.50	216.50	216.50	280.25	345.75	345.75	345.75
LAT	ONE WAY			5.25	9.00	9.00	9.00	10.25	12.75	12.75	12.75
	ROUND TRIP			10.25	14.25	14.25	14.25	18.00	23.25	23.25	23.25
	20 RIDE			79.00	112.50	112.50	112.50	146.00	180.00	180.00	180.00
	MONTHLY			144.25	207.00	207.00	207.00	268.50	331.50	331.50	331.50
TRC	ONE WAY				5.25	5.25	5.25	9.00	10.25	10.25	10.25
	ROUND TRIP				10.25	10.25	10.25	14.25	18.00	18.00	18.00
	20 RIDE				79.00	79.00	79.00	112.50	146.00	146.00	146.00
	MONTHLY				144.25	144.25	144.25	207.00	268.50	268.50	268.50
TRI-VALLEY	ONE WAY					4.00	4.00	5.25	9.00	9.00	9.00
	ROUND TRIP					5.25	5.25	10.25	14.25	14.25	14.25
	20 RIDE					45.00	45.00	79.00	112.50	112.50	112.50
	MONTHLY					83.50	83.50	144.25	207.00	207.00	207.00
TRI-VALLEY	ONE WAY						4.00	5.25	9.00	9.00	9.00
	ROUND TRIP						5.25	10.25	14.25	14.25	14.25
	20 RIDE						45.00	79.00	112.50	112.50	112.50
	MONTHLY						83.50	144.25	207.00	207.00	207.00
TRI-VALLEY	ONE WAY							5.25	9.00	9.00	9.00
	ROUND TRIP							10.25	14.25	14.25	14.25
	20 RIDE							79.00	112.50	112.50	112.50
	MONTHLY							144.25	207.00	207.00	207.00
FMT	ONE WAY								5.25	5.25	5.25
	ROUND TRIP								10.25	10.25	10.25
	20 RIDE								79.00	79.00	79.00
	MONTHLY								144.25	144.25	144.25
GAC	ONE WAY									4.00	4.00
	ROUND TRIP									5.25	5.25
	20 RIDE									45.00	45.00
	MONTHLY									83.50	83.50
SCC	ONE WAY										4.00
	ROUND TRIP										5.25
	20 RIDE										45.00
	MONTHLY										83.50

SAN JOAQUIN REGIONAL RAIL COMMISSION

Meeting of May 6, 2016

STAFF REPORT

Item 6

INFORMATION

Conceptual Capital and Operating Budgets for Fiscal Year 2016/2017

Background:

The conceptual fiscal year 2016/2017 Capital Budget attached identifies projects in which funding has been secured or are required as part of the trackage rights agreement with the Union Pacific Railroad for the ACE Service and the SJCOG loan consolidation.

The Conceptual Operating Budget is broken into two components:

- 1) San Joaquin Regional Rail Commission & Altamont Corridor Express Activities
- 2) San Joaquin Joint Powers Authority Activities

The SJRRC/ACE fiscal year 2016/2017 conceptual budget is 4% higher than the approved 2015/2016 fiscal year budget. The major increases are in five areas of the Contracted Service section of the budget:

- 1) Insurance - Increase in Premiums due to increased ACE ridership - 19%
- 2) Safety Services/Safety Programs – Increase in Security costs at the Cabral Station, Rail Maintenance Facility and San Jose Layover facility as a result in the increase of the Minimum Wage – 44%
- 3) Ticketing Services – Increase is due to cost of purchasing new ticket stock for the fare increase and increase in ridership – 13%
- 4) Professional Services Operations – Increase is due to the hosting of agency information in the “Cloud” – 15%
- 5) Communications Operations – Increase is due to increase in operational staff communication expenses – 23%

The SJJPA fiscal year 2016/2017 conceptual budget is 5% higher than the approved 2015/2016 fiscal year budget. There are three areas in the Project Management Services and Supplies and Contracted Services Budgets that account for the changes:

- 1) Communications – Increase is due to actual experience this past fiscal year – 269%
- 2) Insurance – Decrease is due to a change in how the railroad liability insurance is being paid. The SJJPA is not responsible for payment to Amtrak, Caltrans will be paying the cost directly – (99%)
- 3) San Joaquin Intercity Operations – Increase in the budget is due to the addition of a full year of the 7th daily roundtrip expenses up from 6 months in FY 2015/2016.

The SJJPA Budget is fully paid for by the State of California. No costs for the SJJPA are attributable to the SJRRC or ACE.

Fiscal Year 2016/2017 Conceptual Capital Budget

Capital Projects	Funding Total	Measure K	MTC STA	CMAQ	PROP 1A	State Intercity Capital Funds	FEMA	FTA Section 5307 Funds	FTA Section 5309 Funds	FTA Section 5337 Funds	State Prop 1B - PTIMESA Funds	Bond Rebate Funds	ACTC Measure B	SJJPA Prop. 1B Sate Funds	State Prop 1B Security Funds
SJCOG Consolidated Loan	\$ 1,868,023	373,605	-		-					-	-				
A1 & A2 Bond Repayments	3,034,762	-								2,144,790		889,972			
UPRR Capital Access Fee	3,242,516	648,503						2,130,776		463,237					
UPRR Track Improvements	4,000,000	2,000,000											2,000,000		
Cabral Station Track Extension	\$ 4,762,078	-	-	234,298	2,381,039			222,985	138,736	-	-				
Positive Train Control On-Board Equipment UPRR Wayside and Back Office Project	1,733,750	346,750								1,387,000					
E-Ticketing	1,000,000										374,283				298,719
Security Advertising	435,122						435,122								
Wayside Horn Project	500,000														
SJ Intercity Minor Capital Projects	1,800,000					1,000,000								800,000	
Mid-Life Overhaul of 1 Locomotive	1,500,000		-	1,500,000											
Capital Spares/Upgrades for Passenger Cars and Locomotives Preventative Maintenance	69,996	-	61,000							8,996					
TOTAL	\$ 15,184,169	3,368,858	61,000	1,734,298	2,381,039	1,000,000	435,122	2,353,761	1,923,756	5,498,441	623,629	889,972	2,000,000	800,000	376,371

Fiscal Year 2016/17 SJRRRC ACE Conceptual Operating Budget

	PRIOR YEAR SJRRRC/ACE COMBINED OPERATING BUDGET	2016/2017 SJRRRC OPERATING BUDGET	2016/2017 ACE SERVICE OPERATING BUDGET	2016/2017 COMBINED SJRRRC ACE OPERATING BUDGETS	% CHANGE FROM PY TO CY
Project Management Services and Supplies					
Salaries/Benefits/Contract Help	3,939,633	419,464	3,638,359	4,057,823	3%
Office Expenses/Postage	62,825	27,440	38,285	65,725	5%
Subscriptions/Periodicals/Memberships	15,000	6,325	8,825	15,150	1%
Office Equipment Leases / Supplies / Maintenance / Furniture	71,255	17,923	55,470	73,393	3%
Computer Systems	42,150	6,915	35,235	42,150	0%
Communications	88,329	11,000	80,000	91,000	3%
Motor Pool	75,370	19,660	56,610	76,270	1%
Transportation/Travel	32,750	6,200	26,550	32,750	0%
Training	17,900	3,815	14,085	17,900	0%
Training (Security Grant Funded)	30,000	-	30,000	30,000	0%
Audits/Regulatory Reporting	83,000	4,173	84,287	88,460	7%
Professional Services Legislative	100,000	25,000	75,000	100,000	0%
Professional Services Legal	90,000	40,000	50,000	90,000	0%
Professional Services General	173,985	42,192	134,793	176,985	2%
Publications/Legal Notices	17,000	7,000	10,000	17,000	0%
Taxes/Assessments	23,025	23,025	-	23,025	0%
Project Management, Services & Supplies Subtotal	4,862,222	660,132	4,337,499	4,997,631	3%
Contracted Services					
Maintenance of San Joaquin County Facilities	75,800	76,500	-	76,500	1%
Maintenance & Improvements System Wide ACE Stations	51,900	-	51,900	51,900	0%
Maintenance of Headquarters Structures/Grounds	200,380	50,570	153,210	203,780	2%
ACE Operations & Maintenance	5,508,543	-	5,748,550	5,748,550	4%
Consumables/Repair Parts	1,000,000	-	1,000,000	1,000,000	0%
Operating Leases	98,700	29,500	72,200	101,700	3%
Fuel	1,834,500	-	1,612,500	1,612,500	-12%
Railroad Maintenance, Oversight/Dispatching	1,698,000	-	1,698,000	1,698,000	0%
Insurance	2,182,723	151,417	2,437,999	2,589,416	19%
Insurance Management Fees	175,000	31,500	143,500	175,000	0%
Security Services/Safety Programs	188,885	42,785	228,865	271,650	44%
FRA/FTA Drug Testing Program	4,600	-	6,200	6,200	35%
Community Engagement & Marketing	365,472	25,000	340,472	365,472	0%
Special Trains	297,970	-	317,970	317,970	7%
Passenger Services	14,500	-	14,500	14,500	0%
Ticketing Services	416,900	-	472,950	472,950	13%
Professional Services Operations	294,125	41,725	295,300	337,025	15%
Communications Operations	111,620	-	137,226	137,226	23%
Communications WiFi	129,856	-	129,856	129,856	0%
Emergency Ride Home/Emergency Bus Bridges	36,000	-	37,500	37,500	4%
Rail Maintenance Facility	900,414	-	913,414	913,414	1%
San Joaquin Intercity Rail Operations				-	0%
Contracted Services - Sub-Total	15,585,888	448,997	15,812,112	16,261,109	4%
Shuttle Services	1,228,949	-	\$1,228,949	1,228,949	0%
Total Operating Expenses	21,677,059	1,109,129	21,378,560	22,487,689	4%

Fiscal Year 2016/17 SJJPA Conceptual Operating Budget

	2015/2016 SJJPA OPERATING BUDGET	2016/2017 SJJPA OPERATING BUDGET	% CHANGE FROM PY TO CY
<u>Project Management Services and Supplies</u>			
Salaries/Benefits/Contract Help	1,278,549	1,384,380	8%
Office Expenses/Postage	5,125	5,125	0%
Subscriptions/Periodicals/Memberships	-	-	0%
Office Equipment Leases / Supplies / Maintenance / Furniture	13,885	13,885	0%
Computer Systems	10,000	10,000	0%
Communications	6,379	23,515	269%
Motor Pool	9,611	10,000	4%
Transportation/Travel	30,000	30,000	0%
Training	2,500	2,500	0%
Training (Security Grant Funded)	-	-	0%
Audits/Regulatory Reporting	15,000	15,000	0%
Professional Services Legislative	15,000	15,000	0%
Professional Services Legal	50,000	50,000	0%
Professional Services General	77,255	29,797	-61%
Publications/Legal Notices	5,258	5,258	0%
Taxes/Assessments	-	-	0%
Project Management, Services & Supplies Subtotal	1,515,252	1,594,460	5%
<u>Contracted Services</u>			
Maintenance of San Joaquin County Facilities	-	-	0%
Maintenance & Improvements System Wide ACE Stations	-	-	0%
Maintenance of Headquarters Structures/Grounds	15,699	15,700	0%
ACE Operations & Maintenance	-	-	0%
Consumables/Repair Parts	-	-	0%
Operating Leases	-	-	0%
Fuel	-	-	0%
Railroad Maintenance, Oversight/Dispatching	-	-	0%
Insurance	2,700,000	20,000	-99%
Insurance Management Fees	5,000	5,000	0%
Security Services/Safety Programs	25,000	25,000	0%
FRA/FTA Drug Testing Program	-	-	0%
Community Engagement & Marketing	1,000,000	1,000,000	0%
Special Trains	-	-	0%
Passenger Services	-	-	0%
Ticketing Services	-	-	0%
Professional Services Operations	50,000	50,000	0%
Communications Operations	20,000	20,000	0%
Communications WiFi	-	-	0%
Emergency Ride Home/Emergency Bus Bridges	-	-	0%
Rail Maintenance Facility	-	-	0%
San Joaquin Intercity Rail Operations	40,897,063	46,000,000	12%
Contracted Services - Sub-Total	44,716,072	47,135,700	5%
Shuttle Services	\$0	\$0	0%
Total Operating Expenses	46,231,324	48,730,160	5%

SAN JOAQUIN REGIONAL RAIL COMMISSION
Meeting of May 6, 2016

STAFF REPORT

Item 7

DISCUSSION/ACTION

Update on Local Transportation Fund (LTF) Allocations For 2016/2017

Background:

Based upon the support of the SJCOG Board, the San Joaquin Regional Transit District (RTD) and the Rail Commission have been working together on a proposal for future Local Transportation Fund (LTF) allocations beginning in FY16/17.

Prior to the April SJCOG Board meeting last week, meetings on the draft proposal were held with all jurisdictions and SJCOG, except the cities of Escalon and Ripon. Adjustments to the proposal have been made based upon feedback where the agencies were willing to negotiate. The proposal is structured as follows:

1. RTD and Rail Commission further reduce their allocation requests by at least \$300,000
2. Rail Commission and RTD agree to a percentage split and RTD also claims off the top
3. Rail Commission is granted forgiveness of the MK land loan for the rail equipment maintenance facility (further reduces request by \$700,000)
4. All claimants, including SJCOG, take a reduction
5. Clean solution using only LTF and MK loan. No 5307, CMAQ or STP

The proposal and its' impacts on each jurisdiction is attached.

At last Thursday's SJCOG Board meeting, SJCOG staff presented a new proposal which Rail Commission staff will review and be prepared to comment at the Rail Commission meeting.

One area of concern expressed by SJCOG staff is the February 5th action by the Rail Commission to appeal to the state if it does not receive the full \$4M requested allocation. COG staff note, even the joint Rail Commission/RTD proposal is a variation of the \$4M request. While it was mentioned informally at the April Rail Commission meeting that the Board was favorable to allowing more time for a joint solution, more formal direction related to the prior Board action may be appropriate.

FY 17 LTF Estimate Allocation (In Dollars)

Estimated Revenues	27,689,000
Less: Administrative Allocations	
County Auditor	2,000
TDA Administration	225,000
Planning (1%)	276,890
Net	27,185,110
Less: 2% Bike and Ped	543,702
Net Available After Administrative Allocations and Bike and Ped	26,641,408
Less: SJRRC Allocation (11.5%)	3,063,762
Net After Rail Allocation	23,577,646
Less: RTD Allocation (63% of Net After Rail Allocation, Under Article 4 Claim)	14,853,917
Net Available for Area Apportionments	8,723,729

**RTD/SJRRC LTF Funding Proposal
Impact Using FY17 LTF Estimate as a Baseline (In Dollars)
-11.5% to SJRRC
-63% of Net After Rail Allocation, Under Article 4 Claim
-Including Bike and Ped
-100% County Allocation**

Agency	Baseline (Includes Bike and Ped)	Proposed Redistribution (100% of County)	Impacts
SJRRC	670,385	3,063,762	2,393,377
RTD	15,179,108	14,853,917	(325,191)
Lathrop	733,233	629,021	(104,212)
Lodi	2,295,527	1,969,272	(326,254)
Manteca	2,658,235	2,280,430	(377,805)
Tracy	3,072,855	2,636,122	(436,733)
Ripon	537,577	461,173	(76,404)
Escalon	267,059	229,103	(37,956)
County	950,434	830,324	(120,109)
Stockton	226,918	231,985	5,067
Totals	26,591,330	27,185,110	593,780

Notes

Entire RTD/SJRRC solution based on LTF revenues only:

- No loss to STP eligibility
- No loss to CMAQ eligibility
- No loss of 5307 funds

SAN JOAQUIN REGIONAL RAIL COMMISSION

May 6, 2016
STAFF REPORT

Item 8

INFORMATION

April 7th, 2016 ACE #10 Debrief With Alameda County

A staff presentation will be made at the meeting.