



BOARD OF DIRECTORS 2021  
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JEFF GEE  
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MONIQUE ZMUDA  
  
MICHELLE BOUCHARD  
ACTING EXECUTIVE DIRECTOR

# AGENDA

## PENINSULA CORRIDOR JOINT POWERS BOARD

### Finance Committee Meeting

Committee Members: Monique Zmuda (Chair), Jeff Gee, Glenn Hendricks

**Due to COVID-19, this meeting will be conducted via teleconference only (no physical location) pursuant to the [Governor's Executive Orders N-25-20 and N-29-20](#).**

**Directors, staff and the public may participate remotely via Zoom at**

**<https://zoom.us/j/93388927360?pwd=SFJranR4KzVURGIzVW5VUXJMZGlxQT09>** or by entering Webinar ID: # **933 8892 7360**, Passcode: **790810**, in the Zoom app for audio/visual capability or by calling 1-669-900-6833 (enter webinar ID and press # when prompted for participant ID) for audio only. The video live stream will be available after the meeting at <http://www.caltrain.com/about/bod/video.html>

**Public Comments:** Members of the public are encouraged to participate remotely. Public comments may be submitted to [publiccomment@caltrain.com](mailto:publiccomment@caltrain.com) prior to the meeting's call to order so that they can be sent to the Board as soon as possible, while those received after an agenda item is heard will be included into the Board's weekly correspondence and posted online at [http://www.caltrain.com/about/bod/Board\\_of\\_Directors\\_Meeting\\_Calendar.html](http://www.caltrain.com/about/bod/Board_of_Directors_Meeting_Calendar.html).

Oral public comments will also be accepted during the meeting through \*Zoom or via the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Use the Raise Hand feature to request to speak. For public participants calling in, dial \*67 if you do not want your telephone number to appear on the live broadcast. Callers may dial \*9 to use the Raise the Hand feature for public comment and press \*6 to accept being unmuted when recognized to speak for two minutes or less. Each commenter will be automatically notified when they are unmuted to speak for two minutes or less. The Board Chair shall have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

**April 26, 2021 - Monday**

**2:30 pm**

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

### 3. Public Comment on Items not on the Agenda

Comments by each individual speaker shall be limited to two (2) minutes. Items raised that require a response will be deferred for staff reply.

### 4. Consent Calendar

Members of the Board may request that an item under the Consent Calendar be considered separately

- |  |               |
|--|---------------|
| a. Approve Meeting Minutes of March 22, 2021   | MOTION        |
| b. Call for a Public Hearing on Proposed Fare Structure Changes  | MOTION        |
| c. Award of On-Call Contracts to Provide Printing Services   | MOTION        |
| d. Authorize the Application for and Receipt of Annual Cap and Trade Funding for the Procurement of Electric Multiple Unit Vehicles    | MOTION        |
| e. Authorize a Scope of Work to be Performed by Meteorcomm, LLC for Technical Support Services   | MOTION        |
| f. Fuel Hedging Update   | INFORMATIONAL |
| 5. Report of the Chief Financial Officer (CFO)   | INFORMATIONAL |
| a. Accept Statement of Revenues and Expenses for the Period Ending March 31, 2021  | MOTION        |
| 6. Award of Contract to Provide General Counsel Legal Services   | MOTION        |
| 7. Authorize an Eighteen-Month Lease Extension at 2121 South El Camino Real in San Mateo to Support the Caltrain Modernization Program | MOTION        |
| 8. Post COVID Business Strategy – Scenario Planning  | INFORMATIONAL |
| 9. Update on Fiscal Year 2022 Shuttle Program Funding and Services   | INFORMATIONAL |
| 10. Fiscal Year 2022 Preliminary Operating and Capital Budgets   | INFORMATIONAL |
| 11. Committee Member Requests  |               |
| 12. Date/Time of Next Regular Finance Committee Meeting: Monday, May 24, 2021 at 2:30 pm via Zoom                                      |               |
| 13. Adjourn  |               |

## **INFORMATION FOR THE PUBLIC**

All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board. If you have questions on the agenda, please contact the JPB Secretary at 650.508.6242. Agendas are available on the Caltrain website at [www.caltrain.com](http://www.caltrain.com). Communications to the Board of Directors can be e-mailed to [board@caltrain.com](mailto:board@caltrain.com). *Free translation is available; Para traducción llama al 1.800.660.4287; 如需翻译 请电1.800.660.4287*

### **Date and Time of Board and Committee Meetings**

JPB Board: First Thursday of the month, 9:00 am; JPB Finance Committee: Fourth Monday of the month, 2:30 pm. Date, time and location of meetings may be changed as necessary. Meeting schedules for the Board and committees are available on the website.

### **Location of Meeting**

**Due to COVID-19, the meeting will only be via teleconference as per the information provided at the top of the agenda.** The Public may not attend this meeting in person.

\*Should Zoom not be operational, please check online at

[http://www.caltrain.com/about/bod/Board of Directors Meeting Calendar.html](http://www.caltrain.com/about/bod/Board_of_Directors_Meeting_Calendar.html) for any updates or further instruction.

### **Public Comment\***

Members of the public are encouraged to participate remotely. Public comments may be submitted to [publiccomment@caltrain.com](mailto:publiccomment@caltrain.com) prior to the meeting's call to order so that they can be sent to the Board as soon as possible, while those received during or after an agenda item is heard will be included into the Board's weekly correspondence and posted online at [http://www.caltrain.com/about/bod/Board of Directors Meeting Calendar.html](http://www.caltrain.com/about/bod/Board_of_Directors_Meeting_Calendar.html). Oral public comments will also be accepted during the meeting through Zoom or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM and each commenter will be automatically notified when they are unmuted to speak for two minutes or less. The Board Chair shall have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

### **Accessible Public Meetings/Translation**

Upon request, the JPB will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least at least 72 hours in advance of the meeting or hearing. Please direct requests for disability-related modification and/or interpreter services to the Title VI Administrator at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or email [titlevi@samtrans.com](mailto:titlevi@samtrans.com); or request by phone at 650-622-7864 or TTY 650-508-6448.

### **Availability of Public Records**

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that the public records are distributed or made available to the legislative body.

**Peninsula Corridor Joint Powers Board**  
**Finance Committee Meeting**  
**1250 San Carlos Avenue, San Carlos CA 94070**

**MINUTES OF MARCH 22, 2021**

**MEMBERS PRESENT:** Monique Zmuda (Chair), Jeff Gee, Glenn Hendricks  
**MEMBERS ABSENT:** None  
**STAFF PRESENT:** D. Hansel, M. Bouchard, J. Cassman, S. van Hoften, C. Mau, H. Beckford, J. Sharma, T. Young, L. Leung, M. Reggiardo, D. Seamans, S. Wong

**1. CALL TO ORDER/PLEDGE OF ALLEGIANCE**

Chair Monique Zmuda called the meeting to order at 2:30 pm and led the Pledge of Allegiance.

**2. ROLL CALL**

District Secretary Dora Seamans confirmed the presence of all Board Committee members.

**3. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA**

Roland Lebrun, San Jose, commented on operating freight under electrified service and eliminating non-electrified tracks.

Adrian Brandt, San Mateo County, commented on having more fare products to target infrequent commuters and revising zone fare structure.

**4. APPROVE MEETING MINUTES OF FEBRUARY 22, 2021**

Motion/Second: Hendricks/Gee  
Ayes: Gee, Hendricks, Zmuda  
Noes: None  
Absent: None

**5. APPROVE REVISED FINANCE COMMITTEE MEETING CALENDAR 2021**

Public comment

Roland Lebrun, San Jose, commented on changing the meeting starting time to 3:00 pm.

Motion/Second: Hendricks/Gee  
Ayes: Gee, Hendricks, Zmuda  
Noes: None

Absent: None

**6. ACCEPT REPORT OF THE CHIEF FINANCIAL OFFICER (CFO)**  
**A. STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDING FEBRUARY 28, 2021**

Derek Hansel, Chief Financial Officer, noted that they were expecting a decision on distribution of Phase Two of the Federal funds later in the week and they had approval on the Phase One funds. Mr. Hansel noted there would be incremental costs associated with studying the various alternatives associated with governance changes. He stated that there would be consulting services items with no specific line item for the next fiscal year, and that he would provide a verbal update to the Board members for transparency.

Public comment

Roland Lebrun, San Jose, commented on expenditures and focusing on ridership recovery.

The Board members had a discussion and staff provided further clarification in response to the Board comments and questions regarding cash flow, the budget without CARES funding, rail operator services surplus, funding for security services in light of recent incidences, administrative overhead, governance costs, and pension and healthcare costs.

Motion/Second: Gee/Hendricks  
Ayes: Gee, Hendricks, Zmuda  
Noes: None  
Absent: None

**7. AUTHORIZE AN AMENDMENT TO THE AGREEMENT WITH RAIL SURVEYORS & ENGINEERS, INC. FOR ENGINEERING CONSULTANT DESIGN SERVICES TO INCREASE THE MAXIMUM AGGREGATE NOT-TO-EXCEED AMOUNT BY \$2,650,000 AND EXTEND THE CONTRACT TERM THROUGH MARCH 31, 2022**

Director Jeff Gee recused himself due to his connection with the City of South San Francisco.

Tomisha Young, Rails Contract Administrator, stated that South San Francisco was asking for \$2.2 million, while Marin and Napoleon was asking for \$450,000 for a total cost of \$2.65 million, while extending the contract terms for a March 21, 2022 completion date.

Public comment

Roland Lebrun, San Jose, commented on needing to remove existing tracks at Cesar Chavez and Gerald Ave due to overlap with the Pennsylvania Avenue extension.

The Board members had a discussion and staff provided further clarification in response to the Board comments and questions, which included the following: where the \$2.65

million funding is coming from, the cause for the increase, whether it is COVID related or due to a change in scope, potential future delays or cost increases, and other committees involved.

Motion/Second: Hendricks/Zmuda

Ayes: Hendricks, Zmuda

Noes: None

Recused (Absent): Gee

## **8. ON CALL PLANNING - CONTRACT REPORTING - QUARTERLY UPDATE**

Lawrence Leung, Manager of Rail Contracts and Budgets, provided an update on the new work directives issued to six vendors. He stated that page three and four indicated the new amounts, and he was available for questions.

The Board members had a discussion and staff provided further clarification in response to the Board comments, which included the following: whether the dollar amount was drawn from a pool for the contracts, whether each item was budgeted, the number of contract days, the time it was expended, using all of the contractors in the pool, and contractor performance.

### Public comment

Roland Lebrun, San Jose, commented on a potential Capital Program Committee for projects prior to the Finance Committee review.

## **9. COMMITTEE MEMBER REQUESTS**

Director Gee requested either a report or graph on cash flow.

## **10. DATE/TIME OF NEXT REGULAR FINANCE COMMITTEE MEETING**

Monday, April 26, 2021 at 2:30 pm via Zoom

## **11. ADJOURN**

The meeting adjourned at 3:17 pm.

An audio/video recording of this meeting is available online at <https://www.caltrain.com/about/bod/video.html?> Questions may be referred to the Board Secretary's office by phone at 650.508.6279 or by email to [board@caltrain.com](mailto:board@caltrain.com).

**PENINSULA CORRIDOR JOINT POWERS BOARD**  
**STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **CALL FOR A PUBLIC HEARING ON PROPOSED FARE STRUCTURE CHANGE**

Finance Committee  
Recommendation

Work Program-Legislative-Planning  
Committee Recommendation

Staff Coordinating  
Council Reviewed

Staff Coordinating Council  
Recommendation

**ACTION**

Staff recommends the Board schedule a public hearing at the JPB Finance Committee on May 24, 2021 to consider extending the 20% discount on the Monthly Pass fare product through June 30, 2023.

**SIGNIFICANCE**

Setting the public hearing will allow staff to schedule a virtual public meeting to solicit input from customers and the general public on the proposed change to the Fare Structure, which is necessary to complete before the Board adopts the proposed change.

A Title VI Analysis is required to determine if the proposed fare change will result in any disparate impacts on minority populations or disproportionate burdens on low-income populations. The public hearing is an essential piece of public participation required for the analysis.

Though not part of the public hearing, through outreach conducted by staff, the public will also have an opportunity to provide feedback on postponing the following fare changes that were previously approved by the Board of Directors in 2019:

- Reducing the Adult One-way Clipper® discount from 55 cents to 25 cents, with corresponding changes to all Clipper products
- Three incremental fare increases occurring every other year that alternate between increasing the Base Fare by 50 cents and the Zone fare by 25 cents
- Two incremental fare increases to the Go Pass product by 5% every other year.

**BUDGET IMPACT**

Holding a public hearing will not impact the budget.

**BACKGROUND**

In response to decreased ridership from the COVID-19 pandemic, staff is working to increase ridership by extending the current temporary Monthly Pass discount until the end of Fiscal Year 2023. The goal of the discount is to incentivize riders to return to Caltrain and increase their frequency of use. The proposed discount is consistent with the Fare Policy which considers structuring fares to incentivize rider behavior in support of the agency's policy goals.

Prepared By: Ryan Hinchman, Manager Financial Planning & Analysis 650.508.7733



**PENINSULA CORRIDOR JOINT POWERS BOARD**  
**STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Derek Hansel Rona Rios  
Chief Financial Officer Acting Chief Communications Officer

SUBJECT: **AWARD OF ON-CALL CONTRACTS TO PROVIDE PRINTING SERVICES**

Finance Committee Recommendation     Work Program-Legislative-Planning Committee recommendation     Staff Coordinating Council Reviewed     Staff Coordinating Council Recommendation

**ACTION**

Staff Coordinating Council recommends the Board:

1. Award on-call contracts to each of the firms listed below for the provision of printing services for a not-to-exceed aggregate amount of \$441,300 for a five-year term:
  - Dakota Press, Inc., San Leandro, CA
  - Essence Printing Inc., South San Francisco, CA
  - The joint venture comprised of EyeKick Visual, LLC and Bay Central Printing, Inc., San Carlos, CA
  
2. Authorize the Executive Director, or designee, to execute contracts with the firms in full conformity with the terms and conditions of the solicitation documents and negotiated agreements, in a form approved by legal counsel.

**SIGNIFICANCE**

Approval of the above actions will provide the Peninsula Corridor Joint Powers Board (JPB) with the necessary printing services required to print a variety of materials such as letterheads, business cards, brochures, newsletters, route schedules, timetables, promotional posters and system maps. The award of three contracts will provide the JPB with a broad array of printing expertise, allowing for greater flexibility in awarding work.

**BUDGET IMPACT**

Funds for the services are available under the approved Fiscal Year 2021 Operating Budget, and will be included in future fiscal year operating budgets.

**BACKGROUND**

Staff determined and issued a joint Request for Proposals (RFP), 21-S-J-S-031, with the San Mateo County Transit District (District), as this was a cost-effective approach to procure the required printing services. The solicitation was advertised on the agency's e-procurement website, which includes small business enterprises (SBE) registered in the vendor database. Staff also sent over 200 email invitations directly to printing firms. Staff received proposals from five firms.

A Selection Committee (Committee) composed of qualified staff reviewed and scored the proposals in accordance with the following weighted criteria:

- Company and Staff Qualifications, Experience & References 0 - 25 points
- Quality of Work 0 - 25 points
- Timeliness, Delivery & Shipping 0 - 20 points
- Reasonableness of Cost 0 - 30 points
- Small Business Enterprise (SBE) Preference 0 - 5 points

After review, evaluation, and ranking of proposals, the Committee determined that the three firms listed above all have the requisite depth of experience and qualifications to successfully perform the services required as detailed in the RFP scope of services.

Essence Printing is a minority-owned firm (Disadvantaged Business Enterprise), and one of the incumbents from the current contract. Essence has performed satisfactorily. Dakota Press qualified for the Small Business Enterprise preference points in the evaluation.

Staff conducted a price analysis and determined the firms' submitted rates to be fair and reasonable. The rates compared favorably to those in the JPB's current printing services contracts. Therefore, staff recommends award of an on-call contract to each of the above three firms.

The JPB's previous on-call printing services contract was awarded to Fong Brothers, Essence Printing, and Pacific Standard Print for an aggregate amount of \$504,200 for a five-year term.

Prepared By: Timothy Willson, Procurement Administrator II 650.551.6115  
Project Manager: James Namba, Marketing Specialist 650.508.7924

**RESOLUTION NO. 2021 –**

**BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD  
STATE OF CALIFORNIA**

**\* \* \***

**AWARDING ON-CALL CONTRACTS TO DAKOTA PRESS, INC., ESSENCE PRINTING, INC.  
AND THE JOINT VENTURE OF EYEKICK VISUAL, LLC AND BAY CENTRAL PRINTING, INC.  
FOR PRINTING SERVICES FOR AN AGGREGATE, NOT-TO-EXCEED AMOUNT OF  
\$441,300 FOR A FIVE-YEAR TERM**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (JPB) issued Request for Proposals (RFP) 21-S-J-S-031 for on-call printing services (Services); and

**WHEREAS**, the Services primarily consist of, but are not limited to, providing printing services such as letterheads, business cards, brochures, newsletters, route schedules, timetables, promotional posters and system maps; and

**WHEREAS**, in response to the RFP, the JPB received five proposals; and

**WHEREAS**, a Selection Committee (Committee) composed of qualified JPB staff reviewed and evaluated the proposals in accordance with the evaluation criteria set forth in the RFP; and

**WHEREAS**, the Committee found the proposals submitted by Dakota Press, Inc. of San Leandro, California (Dakota Press); Essence Printing, Inc. of South San Francisco, California (Essence Printing); and the joint venture comprised of EyeKick Visual, LLC and Bay Central Printing, Inc. of San Carlos, California (EyeKick Visual) to be highest-ranked; and

**WHEREAS**, the Committee determined that Dakota Press, Essence Printing, and EyeKick Visual possess the necessary qualifications and requisite experience to successfully provide the Services to the JPB, and will perform such Services at fair and reasonable prices; and

**WHEREAS**, the award to these three proposers will provide the JPB with a broad array of printing expertise, allowing for greater flexibility in awarding work; and

**WHEREAS**, staff and legal counsel have reviewed the proposals and determined that they comply with the requirements of the solicitation documents; and

**WHEREAS**, Staff Coordinating Council recommends, and the Executive Director concurs, that a five-year on-call contract for the Services be awarded to Dakota Press, Essence Printing, and EyeKick Visual for an aggregate, not-to-exceed amount of \$441,300.

**NOW, THEREFORE, BE IT RESOLVED** that Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards these three on-call contracts for printing services to Dakota Press, Inc., Essence Printing, Inc., and the joint venture comprised of EyeKick Visual, LLC and Bay Central Printing, Inc. of San Carlos, California for a five-year term for an aggregate, not-to-exceed amount of \$441,300; and

**BE IT FURTHER RESOLVED** that the Board authorizes the Executive Director, or designee, to execute contracts on behalf of the JPB with each of these firms in full conformity with the terms and conditions of the solicitation documents and negotiated agreements, in a form approved by legal counsel.

Regularly passed and adopted this 6<sup>th</sup> day of May, 2021 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, Peninsula Corridor Joint Powers Board

ATTEST:

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JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: April Chan  
Chief Officer, Planning, Grants and Transportation Authority

SUBJECT: **AUTHORIZE THE APPLICATION FOR AND RECEIPT OF ANNUAL CAP AND  
TRADE FUNDING FOR THE PROCUREMENT OF ELECTRIC MULTIPLE UNIT  
VEHICLES**

Finance Committee Recommendation     Work Program-Legislative-Planning Committee Recommendation     Staff Coordinating Council Reviewed     Staff Coordinating Council Recommendation

**ACTION**

Staff Coordinating Council (SCC) recommends the Board authorize the Acting Executive Director, or her designee to:

1. Apply for and receive \$1,039,484 in Fiscal Year (FY) 2021 California Low Carbon Transportation Operations Program (LCTOP) funds from the State of California Department of Transportation (Caltrans) for the Peninsula Corridor Electrification Enhancement Project (PCEE); and
2. Take such actions as may be necessary to give effect to this resolution, including filing and executing annual cap-and-trade funding applications, certifications and assurances, authorized agent forms, related amendments and any other documentation required for the Peninsula Corridor Joint Powers Board (JPB) to apply for and receive LCTOP funds.

**SIGNIFICANCE**

The LCTOP is one of several funding programs that are part of a broad-based State effort to invest cap-and-trade auction proceeds to reduce greenhouse gas emissions as required under California's climate action law, A.B. 32. These funds are distributed annually on a formula basis to transit agencies and Metropolitan Planning Organizations, including the Metropolitan Transportation Commission (MTC). Similar to the State Transit Assistance program, transit agencies receive a portion of the funds via a formula that is based on operating revenues. Caltrans is the administering agency for the funds and requires eligible funding recipients to submit annual resolutions authorizing agency officer(s) to execute and process the application materials associated with LCTOP funds. Caltrans also requires applicants to specify the projects to receive the funds within the resolution.

For FY2021, JPB's formula allocation of LCTOP funding is \$1,039,484. The LCTOP program allows agencies to bank up to four years' worth of funding for multi-year projects, such as PCEE, which is procuring 37 additional Electric Multiple Unit (EMU) rail cars to increase capacity of the electrified Caltrain system. In 2018, PCEE received a \$164 million award from the State's Transit Intercity Rail Capital Program (TIRCP) toward a total project cost of \$203 million, requiring JPB to provide \$39 million in matching funds over the life of the EMU procurement. To date, \$13 million has been identified and, given the need for additional matching funds, LCTOP funding is an ideal complement to the PCEE project funding plan.

### **BUDGET IMPACT**

There is no budget impact associated with this action. Budget authority for the \$1.04 million is included as part of the FY2019 Capital Budget under the PCEE project. A total of \$4.6 million in LCTOP funds, including these proposed FY2021 funds, are estimated to be part of the overall funding plan for PCEE.

### **BACKGROUND**

The LCTOP provides capital funding as well as operational assistance for expanded transit service to reduce greenhouse gas emissions and improve mobility. The LCTOP program is funded annually with 5 percent of the auction proceeds from the State's cap-and-trade program.

The JPB has received \$7.21 million in LCTOP funds during the last four years, all of which are being used for the Peninsula Corridor Electrification Project (PCEP). The funding plan for PCEP initially included \$9 million in LCTOP funding, but the program guidelines only allow agencies to apply four years of funding to a single project. As a result, PCEP will have a small funding gap of \$1.79 million, which will be closed with American Rescue Plan Act funding specifically earmarked for PCEP.

Prepared by: Leslie Fong, Senior Grants Analyst

650.508.6332

**RESOLUTION NO. 2021 –**

**BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD  
STATE OF CALIFORNIA**

**\* \* \***

**AUTHORIZING THE APPLICATION FOR AND RECEIPT OF ANNUAL CAP AND TRADE FUNDING  
FOR THE PROCUREMENT OF ELECTRIC MULTIPLE UNIT VEHICLES**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (JPB) is an eligible project sponsor and may receive State cap and trade funding from the Low Carbon Transit Operations Program (LCTOP) now or sometime in the future for transit projects; and

**WHEREAS**, the statutes related to State-funded transit projects require a local or regional implementing agency to abide by various regulations; and

**WHEREAS**, Senate Bill 862 (2014) named the California Department of Transportation (Caltrans) as the administrative agency for the LCTOP; and

**WHEREAS**, Caltrans has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors, including the JPB; and

**WHEREAS**, the JPB wishes to use Fiscal Year (FY) 2021 LCTOP funds allocated to the JPB for the Peninsula Corridor Electrification Enhancement Project (PCEE); and

**WHEREAS**, the PCEE will help fund the purchase of up to 37 additional Electric Multiple Unit (EMU) rail cars to increase capacity of the electrified Caltrain system; and

**WHEREAS**, the Staff Coordinating Council recommends that the JPB Board of Directors authorize the Acting Executive Director, or her designee, to:

1. Apply for and receive \$1,039,484 in FY2021 LCTOP funds for the PCEE; and
2. File and execute annual cap-and-trade funding applications, certifications and assurances, authorized agent forms, agreements, related amendments,



and any other documents required for the JPB to apply for and receive LCTOP funding.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Peninsula Corridor Joint Powers Board, hereby:

1. Agrees to comply with all conditions and requirements set forth in the annual certifications and assurances, authorized agent forms and any applicable statutes, regulations and guidelines for all Low Carbon Transit Operations Program-funded transit projects; and
2. Authorizes the Acting Executive Director, or her designee, to apply for and receive from the California Department of Transportation \$1,039,484 in FY2021 LCTOP funds for the Peninsula Corridor Electrification Enhancement Project, which will help fund the purchase of up to 37 additional Electric Multiple Unit vehicles; and
3. Authorizes the Acting Executive Director, or her designee, to take such actions as may be necessary to give effect to this resolution, including filing and executing annual cap-and-trade funding applications, certifications and assurances, authorized agent forms, agreements, related amendments, and any other documentation that may be required for the JPB to apply for and receive LCTOP funds.

Regularly passed and adopted this 6<sup>th</sup> day of May, 2021 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, Peninsula Corridor Joint Powers Board

ATTEST:

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JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD**  
**STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **AUTHORIZING A SCOPE OF WORK TO BE PERFORMED BY METEORCOMM, LLC FOR TECHNICAL SUPPORT SERVICES**

Finance Committee Recommendation     Work Program-Legislative-Planning Committee Recommendation     Staff Coordinating Council Reviewed     Staff Coordinating Council Recommendation

**ACTION**

The Staff Coordinating Council recommends the Board authorizes the Acting Executive Director, or designee, to issue a "Scope of Work" under the existing Master Product Purchase & License Agreement with Meteorcomm, LLC (MCC) of Renton, Washington for a not-to-exceed amount of \$802,000 in order to provide technical support services for MCC products and software for a three-year base term.

**SIGNIFICANCE**

The Caltrain Positive Train Control (PTC) System relies on radios manufactured by MCC. These radios, including the software on which the radios rely, are proprietary to MCC and are a critical component of the PTC System. The Peninsula Corridor Joint Powers Board (JPB) originally purchased the radios through its contract with its original PTC provider, Parsons Transportation Group. It was always contemplated that the JPB would contract directly with MCC for ongoing support once the radios were installed.

Pursuant to IT Resolution 2020-24, the JPB authorized an agreement between the JPB and MCC called a Master Product Purchase and License Agreement (MPPLA). Under the MPPLA, the JPB receives necessary maintenance and operation support for the MCC-provided highly-specialized radios, as well as the associated technology and software, that are a crucial component of the Caltrain PTC System. The MPPLA contemplates additional work as necessary so that the JPB may receive technical support from MCC, which is the only vendor authorized and able to support MCC radios under the MPPLA.

**BUDGET IMPACT**

Funding for the proposed Scope of Work will be included in the Fiscal Year 2022 and future year Operating Budgets.

**BACKGROUND**

The MPPLA with MCC provides for perpetual licenses, as well as the periodic support and updates necessary to keep the MCC radios operational. The MPPLA contemplates that the JPB will require additional support and troubleshooting to keep the Caltrain PTC System running. The proposed Scope of Work will provide the JPB access to MCC support through a structured help desk system. In addition, the JPB will have a bank of support hours for additional services including training, design, and technical support in the area of PTC Infrastructure.

The contemplated Scope of Work is for a three-year period at the fixed price of \$258,000 per year. Additionally, the Scope of Work includes 100 hours (over the three-year term) of on-call technical services on a time-and-materials basis. MCC's proposal was reviewed by qualified staff from the Railroad Systems Engineering department and subject matter experts who have been managing the delivery of PTC 220 Radios as part of PTC system for Caltrain. They determined that MCC's proposal met all of the JPB's requirements and the firm possesses the requisite depth of experience and required qualifications to successfully perform the scope of all services. The base price proposal was evaluated against the JPB's independent cost estimate and compared with similar tiered production technical services that are related to the PTC system. Accordingly, staff finds the price to be fair and reasonable.

Procurement Administrator II: Mary Garcia  
Director of Rail Program Integration: Sherry Bullock

650.508.7767  
650.622.7688

**RESOLUTION NO. 2021-  
BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD  
STATE OF CALIFORNIA**

\* \* \*

**AUTHORIZING A SCOPE OF WORK TO BE PERFORMED BY METEORCOMM, LLC FOR  
TECHNICAL SUPPORT SERVICES FOR A NOT-TO-EXCEED AMOUNT OF \$802,000**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (JPB) has entered into a Master Product Purchase and License Agreement (MPPLA) with Meteorcomm, LLC (MCC) for proprietary radios and associated software critical to operation of the Caltrain Positive Train Control System; and

**WHEREAS**, the MPPLA contemplates that the JPB will require additional technical support services, and includes a contractual framework by which the JPB may authorize a Scope of Work for additional services subject to the MPPLA's terms and conditions; and

**WHEREAS**, MCC has submitted a proposal for additional technical support services, which proposal has been reviewed by the JPB's staff who found it to be acceptable and at a price deemed fair and reasonable; and

**WHEREAS**, Staff Coordinating Council recommends, and the Acting Executive Director concurs, that the Board of Directors authorizes issuance of a Scope of Work to MCC for ongoing Technical Support Services for the total not-to-exceed amount of \$802,000 for a three-year base term.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorizes the Acting Executive Director, or

designee, to issue a Scope of Work under the MPPLA with Meteorcomm, LLC, of Renton, Washington, for a not-to-exceed amount of \$802,000 for a three-year base term.

Regularly passed and adopted this 6<sup>th</sup> day of May, 2021 by the following vote:

AYES:

Noes:

ABSENT:

---

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

---

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD**  
**STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **FUEL HEDGING UPDATE**

Finance Committee Recommendation     Work Program-Legislative-Planning Committee Recommendation     Staff Coordinating Council Reviewed     Staff Coordinating Council Recommendation

**ACTION**

Staff proposes the Board to review, accept, and enter into the record the presentation providing an update on the implementation of a fuel hedging strategy for Caltrain.

**SIGNIFICANCE**

The purpose of this presentation is to provide an update on the implementation and performance status of the Fuel Hedging Program (Program) established for Caltrain.

Under this program, the staff will continue to work with Linwood Capital, LLC in order to:

- Accumulate new fuel hedge contracts for the upcoming fiscal year as market conditions allow
- Maintain the size of the hedge in order to protect Caltrain's fuels budget against volatile price movements in the diesel fuel market.

**BUDGET IMPACT**

There is no impact on the budget.

**BACKGROUND**

The Program implemented for Caltrain is designed to minimize large budget variances resulting from the volatility of diesel fuel prices. An effective hedging strategy can increase budget certainty and facilitate more effective utilization of budgetary

resources. The purpose of the Program is not to speculate on the price of fuel but to manage risk, particularly as that relates to Caltrain's annual budget.

- As of March 31<sup>st</sup>, the hedge program realized net gains of \$261,632.30 for the time period July, 2020 through March, 2021.
- Additionally, the hedge currently reflects unrealized gains of \$451,458.00 (+0.08/gallon on all gallons through December 2022). This assumes projected consumption of 266,666 gallons per month through December 2022.
- Approximately 70.5% (64.55% after tax) of the anticipated fuel usage through December 2022 is hedged at an average price of \$1.71/gallon, excluding taxes and fees (\$2.30 with tax and fees) (versus a currently planned budget estimate of \$2.45/gallon, excluding taxes and fees) based on a 70 train/day schedule.
- The remaining un-hedged gallons through December 2022 have a projected cost of \$1.83/gallon as of 03/31/2021 excluding taxes and fees (\$2.42 with tax and fees).
- Weighted average projected cost of all gallons through December 2022 net of hedging excluding taxes and fees is \$1.75/gallon and including taxes and fees is \$2.34/gallon as of 03/31/2021.

Prepared by: Jayden Sangha, Treasury Manager

650-508-6405



**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

DATE: April 22, 2021

TO: JPB Finance Committee

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: April 26, 2021 Finance Committee Report of the Chief Financial Officer

**HIGHLIGHTS**

- \$6.9 million from the CRRSAA phase 1 allocation has been received.
- The Phase 2 allocation of CRRSAA funds was approved by the MTC Board at its March 24, 2021 meeting. These funds have now been approved by the FTA and we are proceeding with the draw down process.
- The adopted FY2021 budget contemplated a draw of \$15.3 million on the operating line of credit, and a draw down of approximately \$7 million in reserves. While we have drawn down the line of credit, and we may yet make a modest draw down on reserves to address cash flow issues, we anticipate the combination of expense control and receipt of Federal funding through the Phase 2 CRRSAA allocation will allow us to replenish the reserves and reduce the outstanding balance of the line of credit.

- The Budgets Department is working to prepare the preliminary Fiscal Year 2022 Operating and Capital Budgets, which will be presented to the Finance Committee at its April 26, 2021 meeting, and to the Board at its May 6, 2021 meeting.
- The Treasury Department is working diligently on implementation of a comprehensive financing plan which would address replacement of our existing lines of credit.
- The Staff Report on the Statement of Revenues and Expenses for the Period Ending February 28, 2021 follows.

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Derek Hansel  
Chief Financial Officer

**SUBJECT: STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDING  
MARCH 31, 2021**

Finance Committee Recommendation     Work Program-Legislative-Planning Committee Recommendation     Staff Coordinating Council Reviewed     Staff Coordinating Council Recommendation

**ACTION**

Staff proposes that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) accept and enter into the record the Statement of Revenues and Expenses for the month of March 2021.

This staff report provides a brief discussion of significant items and trends on the attached Statement of Revenues and Expenses through March 31, 2021. The statement has been designed to follow the Agency-wide line item rollup as included in the approved budget. The columns have been designed to provide easy comparison of year-to-date current actuals to the budget including dollar and percentage variances.

**SIGNIFICANCE**

**Annual Forecast:** The annual forecast was updated based on actual revenue and expense trends through March 2021. The forecast was derived by analyzing trends and reviewing details with cost center managers.

**Forecast Revenues:** Total revenue (page 1, line 18) is forecast \$5.3 million higher than budget. This is driven primarily by \$6.9M phase one allocation from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). The phase two allocation is currently not reflected in the FY21 forecast due to uncertainty around whether funds would be distributed in fiscal year 2021. The revenue increase is partially offset by lower Farebox Revenue (page 1, line 1) which is \$1.4M lower than budget due to a 50% discount on the Go Pass program and lower than anticipated Go Pass renewals as companies continue to assess their return to work plans and by Shuttles Revenue (page 1, line 3) which is \$0.3 million lower than budget due to lower shuttle service as routes have been reduced or suspended due to low ridership.

**Forecast Expenses:** Total Expense (page 1, line 49) is \$4.0 million lower than budget. The variance is primarily due to lower expense trends. Rail Operator Service (page 1, line 24) is \$1.0 million lower than budget due to under-runs in services. Shuttles Services

(page 1, line 26) is \$0.5 million lower than budget due to reduction or suspended service as result of low ridership. Facilities & Equipment Maintenance (page 1, line 31) is lower than budget by \$0.9 million due to lower Clipper Operator Charges as a result of lower ridership and under-runs in other contract services. Managing Agency OH (page 1, line 39) is lower than budget by \$1.6 million due to the change in the cost allocation methodology effective January 1, 2021. This included an update to the basis for the cost allocations. As a result, the managing agency overhead costs allocated to the JPB Operating Budget is expected to decrease. Professional Services (page 1, line 41) is lower than budget by \$0.4 million as a result of under-runs in various planning studies and less consultant services. This is partially offset by Fuel & Lubricants (page 1, line 27) which is \$0.4 million higher than budget due to rising diesel prices.

**Year to Date Revenues:** As of March year-to-date actual, the Grand Total Revenue (page 1, line 18) is \$5.3 million higher than the approved budget. This is primarily driven by CRRSAA fund draw which is partially offset by decrease of contributions from JPB Member Agencies (page 1, line 12).

**Year to Date Expenses:** As of March year-to-date actual, the Grand Total Expense (page 1, line 49) is \$9.7 million lower than the approved budget. This is primarily driven by Rail Operator Service (page 1, line 24), Facilities and Equipment Maintenance (page 1, line 31), Wages and Benefits (page 1, line 38), Managing Agency Admin OH Cost (page 1, line 39), Professional Services (page 1, line 41), and Other Office Expenses and Services (page 1, line 43).

**Other Information:** The Agency accounts for revenue and expenditures on a modified cash basis (only material revenues and expenses are accrued) in the monthly financial statements. Due to the impact of Covid-19 pandemic, the variance between the current year actual and the budget shows noticeable variances due to the timing of expenditures.

#### **BUDGET IMPACT**

There are no budget amendments for the month of March 2021.

#### **STRATEGIC INITIATIVE**

This item does not achieve a strategic initiative.

Prepared By : Thwe Han, Accountant II

650-508-7912

Jennifer Ye, Manager, General Ledger

650-622-7890

**PENINSULA CORRIDOR JOINT POWERS BOARD**  
**STATEMENT OF REVENUE AND EXPENSE**  
**Fiscal Year 2021**  
**March 2021**

	% OF YEAR ELAPSED							75.0%
	JULY - MARCH				ANNUAL			
	CURRENT ACTUAL	APPROVED BUDGET	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	FORECAST	\$ VARIANCE	
<b>REVENUE</b>								
OPERATIONS:								
1 Farebox Revenue	26,717,258	26,724,249	(6,991)	(.0%)	32,029,149	30,630,341	(1,398,808)	
2 Parking Revenue	245,432	295,318	(49,887)	(16.9%)	372,718	372,718	-	
3 Shuttles	1,178,709	1,476,830	(298,121)	(20.2%)	2,031,246	1,773,647	(257,599)	
4 Rental Income	819,938	837,628	(17,690)	(2.1%)	1,111,804	1,111,804	-	
5 Other Income	1,000,819	1,288,383	(287,564)	(22.3%)	1,764,000	1,764,000	-	
6								
7 <b>TOTAL OPERATING REVENUE</b>	<b>29,962,155</b>	<b>30,622,408</b>	<b>(660,253)</b>	<b>(2.2%)</b>	<b>37,308,917</b>	<b>35,652,510</b>	<b>(1,656,407)</b>	
8								
9 CONTRIBUTIONS:								
10 AB434 Peninsula & TA Shuttle Funding	1,375,036	1,302,401	72,635	5.6%	1,737,950	1,737,950	-	
11 Operating Grants	3,549,831	3,538,479	11,352	.3%	12,808,500	12,808,500	-	
12 JPB Member Agencies	22,145,288	23,213,000	(1,067,712)	(4.6%)	28,809,434	28,809,434	-	
13 CARES ACT Fund	41,509,536	41,507,983	1,553	.0%	41,507,983	41,507,983	-	
14 CRRSAA Fund	6,936,627	-	6,936,627	.0%	-	6,936,627	6,936,627	
15								
16 <b>TOTAL CONTRIBUTED REVENUE</b>	<b>75,516,318</b>	<b>69,561,863</b>	<b>5,954,455</b>	<b>8.6%</b>	<b>84,863,867</b>	<b>91,800,494</b>	<b>6,936,627</b>	
17								
18 <b>GRAND TOTAL REVENUE</b>	<b>105,478,473</b>	<b>100,184,271</b>	<b>5,294,202</b>	<b>5.3%</b>	<b>122,172,784</b>	<b>127,453,004</b>	<b>5,280,220</b>	
19								
20								
21 <b>EXPENSE</b>								
22								
23 OPERATING EXPENSE:								
24 Rail Operator Service	63,642,017	65,372,984	(1,730,967)	(2.6%)	85,109,942	84,109,942	(1,000,000)	
25 Security Services	4,728,441	5,066,434	(337,993)	(6.7%)	6,746,908	6,746,908	-	
26 Shuttle Services	2,402,650	2,936,164	(533,514)	(18.2%)	4,057,249	3,542,715	(514,534)	
27 Fuel and Lubricants	4,607,597	4,503,771	103,826	2.3%	5,930,523	6,330,523	400,000	
28 Timetables and Tickets	-	80,832	(80,832)	(100.0%)	110,000	110,000	-	
29 Insurance	5,290,291	5,306,665	(16,374)	(.3%)	5,410,000	5,410,000	-	
30 Claims, Payments, and Reserves	346,861	719,316	(372,455)	(51.8%)	960,000	960,000	-	
31 Facilities and Equipment Maintenance	1,872,857	3,931,314	(2,058,457)	(52.4%)	6,174,428	5,324,428	(850,000)	
32 Utilities	1,381,916	1,871,286	(489,370)	(26.2%)	2,100,400	2,100,400	-	
33 Maint & Services-Bldg & Other	938,233	1,191,375	(253,142)	(21.2%)	1,548,433	1,548,433	-	
34								
35 <b>TOTAL OPERATING EXPENSE</b>	<b>85,210,863</b>	<b>90,980,141</b>	<b>(5,769,278)</b>	<b>(6.3%)</b>	<b>118,147,883</b>	<b>116,183,349</b>	<b>(1,964,534)</b>	
36								
37 ADMINISTRATIVE EXPENSE								
38 Wages and Benefits	7,397,282	8,085,541	(688,259)	(8.5%)	9,836,681	9,836,681	-	
39 Managing Agency Admin OH Cost	2,641,101	3,854,513	(1,213,412)	(31.5%)	5,139,352	3,526,945	(1,612,407)	
40 Board of Directors	12,104	12,768	(664)	(5.2%)	18,000	18,000	-	
41 Professional Services	2,692,125	3,900,412	(1,208,287)	(31.0%)	5,592,524	5,147,524	(445,000)	
42 Communications and Marketing	90,984	115,794	(24,810)	(21.4%)	136,000	136,000	-	
43 Other Office Expenses and Services	727,413	2,001,631	(1,274,218)	(63.7%)	2,716,079	2,716,079	-	
44								
45 <b>TOTAL ADMINISTRATIVE EXPENSE</b>	<b>13,561,009</b>	<b>17,970,659</b>	<b>(4,409,650)</b>	<b>(24.5%)</b>	<b>23,438,636</b>	<b>21,381,229</b>	<b>(2,057,407)</b>	
46								
47 Debt Service Expense	2,648,880	2,176,314	472,566	21.7%	2,901,752	2,901,752	-	
48								
49 <b>GRAND TOTAL EXPENSE</b>	<b>101,420,753</b>	<b>111,127,114</b>	<b>(9,706,361)</b>	<b>(8.7%)</b>	<b>144,488,271</b>	<b>140,466,331</b>	<b>(4,021,940)</b>	
50								
51 <b>NET SURPLUS / (DEFICIT)</b>	<b>4,057,720</b>	<b>(10,942,843)</b>	<b>15,000,563</b>	<b>(137.1%)</b>	<b>(22,315,487)</b>	<b>(13,013,327)</b>	<b>9,302,160</b>	
52								
53 <b>FUNDING OF SURPLUS / (DEFICIT):</b>								
54 <b>Draw from Reserves</b>					7,015,487	-		
55 <b>Short-term Borrowings</b>					15,300,000	13,013,327		
56 <b>FUNDED SURPLUS / (DEFICIT):</b>					-	-		



BOARD OF DIRECTORS 2021

DEVORA "DEV" DAVIS, CHAIR  
 STEVE HEMINGER, VICE CHAIR  
 CINDY CHAVEZ  
 JEFF GEE  
 GLENN HENDRICKS  
 DAVE PINE  
 CHARLES STONE  
 SHAMANN WALTON  
 MONIQUE ZMUDA

PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF MARCH 31, 2021

JIM HARTNETT  
 EXECUTIVE DIRECTOR

TYPE OF SECURITY		MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (Unrestricted)	*	Liquid Cash	0.357%	35,039,230	35,039,230
County Pool (Unrestricted)		Liquid Cash	1.017%	554,964	554,964
Other (Unrestricted)		Liquid Cash	0.050%	67,032,857	67,032,857
Other (Restricted)	**	Liquid Cash	0.050%	14,251,241	14,251,241
				\$ 116,878,292	\$ 116,878,292

Interest Earnings for March 2021 \$ 1,278.41  
 Cumulative Earnings FY2021 \$ 25,762.28

\* The market value of Local Agency Investment Fund (LAIF) is calculated annually and is derived from the fair value factor as reported by LAIF for quarter ending June 30th each year.

\*\* Prepaid Grant funds for Homeland Security, PTMISEA and LCTOP projects, and funds reserved for debt repayment. The Portfolio and this Investment Report comply with the Investment Policy and the provisions of SB 564 (1995). The Joint Powers Board has the ability to meet its expenditure requirements for the next six months.

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **AWARD OF CONTRACT TO PROVIDE GENERAL COUNSEL LEGAL SERVICES**

Finance Committee  
Recommendation

Work Program-Legislative-Planning  
Committee Recommendation

Staff Coordinating  
Council Reviewed

Staff Coordinating Council  
Recommendation

**ACTION**

Staff Coordinating Council recommends the Board:

1. Award a contract to Olson Remcho, LLP of Oakland, CA to provide general counsel and other legal services (Services) to the Peninsula Corridor Joint Powers Board (JPB) for a not-to-exceed amount of \$6,000,000 for a three-year base term.
2. Authorize the Executive Director, or designee, to execute a contract with Olson Remcho in full conformity with the terms and conditions of the solicitation documents and negotiated agreement.
3. Authorize the Executive Director, or designee, to exercise up to two additional one-year option terms, at a not-to-exceed amount of \$2,000,000 per option term for continued provision of the Services, if it is in the best interest of the JPB to do so and with prior Board approval.

**SIGNIFICANCE**

Approval of the above actions will provide the Peninsula Corridor Joint Powers Board (JPB) a legal firm with the requisite depth of experience and qualifications to successfully deliver general counsel and other legal services as required and detailed in the RFP scope of services.

**BUDGET IMPACT**

Funds for the Services are available under the approved JPB Fiscal Year 2021 Operating Budget and current and previous capital budgets, and will be included in future fiscal year operating and capital budgets.

**BACKGROUND**

On August 6th, 2020, the JPB adopted Resolution 2020-42, which provides, in part:

“That the JPB Board shall appoint an independent counsel (and shall not have the same counsel as any member agency) by January 31, 2021, to represent the JPB ...”

In March 2020, the JPB retained Olson Remcho for special counsel services, and to prepare the July 2020 Report on Member Agencies' Rights and Obligations under JPB Governing Documents. As pointed out in that report, the 1996 Joint Powers Agreement at Section 10 provides that the JPB shall designate its legal counsel.

Hansen Bridgett, LLP (HB) serves as the current general counsel and in that capacity advises the Board and manages the legal services provided to JPB/Caltrain. The majority of specialized services are provided by HB with special counsel brought in during instances of conflict or when special expertise is required. HB has represented the JPB since its inception and has provided the JPB an exemplary level of service and expertise. However, HB is also general counsel for the San Mateo County Transit District, a JPB member and its managing agency, and is not an independent counsel as required by Resolution 2020-42.

After adoption of Resolution 2020-42, the JPB Governance Process Ad Hoc Committee on General Counsel Selection (Ad Hoc Committee) undertook to study how best to accomplish the appointment of an independent counsel. In September 2020, the JPB retained legal consultant Renee Marler to support this effort. The Ad Hoc Committee objectives were threefold: first, to comply with the language and intent of Resolution 2020-42 for appointment of independent counsel; second, to ensure the integrity, quality, and continuity of legal support for the JPB's programs and operations; and third, to develop a recommendation for appointment of an independent counsel for the Board's consideration at the November 2020 meeting.

The process to develop recommendations for Board consideration included: 1) a review of the current scope, structure and budget of legal services provided to the JPB by HB and other firms; 2) a survey of general counsel services at peer transportation agencies; and 3) the identification and evaluation of options for appointment of an independent counsel for the JPB.

In evaluating the options for an independent counsel, the Ad Hoc Committee's objectives were to: 1) maintain the high quality of legal services supporting Caltrain programs and projects; 2) provide continuity for ongoing litigation and other critical projects and activities, as well as; 3) prioritize the retention of Caltrain-specific expertise and experience.

At its November 2020 meeting, the Board received a presentation on the recommendations of the Ad Hoc Committee. After consideration and discussion, the Board supported the recommendation for the procurement of a law firm to provide a general counsel firm to advise the Board, and to manage the provision of legal services to the JPB, including legal services provided by HB and other firms.

The recommendation included a proposed scope for the procurement, described below, and a schedule for award in May or June 2021.



Scope of Contract: Advise and represent the JPB as general counsel, with responsibilities including:

- Serve as counsel at JPB Board and committee meetings; provide practical advice to assist the Board in achieving its policy goals and objectives.
- Advise the Board on good governance practices, including but not limited to JPB governing documents and rules of the Board, ethics laws, open meeting laws, conflicts of interest and gifts, as well as public records disclosure and retention requirements.
- Furnish day-to-day legal advice as needed; attend staff and other meetings such as management team meetings as requested.
- Coordinate with staff, consultants and other counsel in order to be familiar with matters arising before the Board.
- Oversee and manage the provision of other legal services provided to the JPB under contract or through the managing agency in areas including federal and state laws and regulations related to commuter rail, public transit/transportation law, construction law, federal and state grant requirements, environmental law, intellectual property, and public and private finance, litigation, and labor law.

On December 18, 2020, staff issued Request for Proposals (RFP) 21-J-P-020 for provision of general legal counsel services (Services). Staff advertised the RFP on the JPB e-procurement website, and as part of its outreach effort, staff published a notice of upcoming solicitation and reached out to local and regional law firms. Staff received proposals from three firms.

Proposals and firms were evaluated via a two-step process: 1) a Selection Committee composed of qualified JPB staff and a qualified subject matter expert (Committee 1) evaluated and scored the firms and proposals and found two firms to be in the competitive range. Those firms were invited to an oral interview; 2) a second Selection Committee (Committee 2) composed of qualified JPB staff and JPB Board members interviewed the two firms that were found to be in competitive range. Committee 2 reevaluated and rescored the firms in accordance with a new set of criteria, and found Olson Remcho, LLP (OR) to be the highest-ranked, qualified proposer.

Selection Committee 1 evaluated and scored the proposals in accordance with the following weighted criteria:

- |  |               |
|--|---------------|
| • Approach to Providing Services                 | 0 - 20 points |
| • Qualifications and Experience of Key Personnel | 0 - 30 points |
| • Relevant Experience of Key Personnel           | 0 - 25 points |
| • References                                     | 0 - 10 points |
| • Fee Proposal                                   | 0 - 15 points |

After preliminary review, evaluation, and ranking of proposals, Committee 1 determined the two firms listed below to be in the competitive range, and invited the firms to interview:

- Meyers Nave, Inc. of Oakland, CA
- Olson Remcho, LLP of Oakland, CA

Selection Committee 2 interviewed the above-listed firms, and reevaluated and rescored the firms in accordance with the following weighted criteria:

- Qualifications & Relevant Experience of General Counsel & Key Personnel 0 - 35 points
- Approach to Providing General Counsel Services 0 - 30 points
- Approach to Managing Legal Services 0 - 15 points
- Plan for General Counsel Transition 0 - 10 points
- Fee Proposal 0 - 10 points

After oral interviews, and after its reevaluation and rescoring of firms, Committee 2 found Olson Remcho to be the highest-ranked proposer, and further determined the firm possesses the requisite depth of experience and qualifications to successfully perform the Services as required and detailed in the RFP scope of services.

Both Meyers Nave and Olson Remcho are highly qualified. While not the highest ranked proposer, Meyers Nave presented credentials that the Selection Committees determined could be of value to the JPB in another context.

Staff completed a value and price analysis of the Olson Remcho proposed fees, and determined the fees are within market rates for similar services, compare favorably with the fees charged by the JPB incumbent general counsel, and the fees Olson Remcho charges agencies similar to the JPB. Therefore staff deems the fees to be fair and reasonable, and recommends award of a contract to Olson Remcho.

Transition of new General Counsel: as special counsel to the JPB on governance issues Olsen Remcho is familiar with the JPB's foundational documents and history and has worked with members of the Board and staff. Further, the attorneys proposed to provide general counsel services are the same attorneys who have served as special counsel: James Harrison, Robin Johansen, and Thomas Willis.

James Harrison is the primary contact at Olson Remcho and will represent and advise the JPB as General Counsel in most situations, including Board Meetings.

Olson Remcho will participate in transition activities to support assumption of responsibility of general counsel duties at the June 2021 Board meeting. During this time, Olson Remcho will meet with executive staff and Hansen Bridgett to be briefed, receive files and begin managing legal services.

Olson Remcho has agreed that transition activities are non-compensable. Services provided on governance matters under the scope of Olson Remcho's special counsel contract remain compensable and may continue without interruption under the new general counsel contract.

Prepared By: Luis F. Velasquez, Procurement Administrator III  
Project Manager: Renee Marler, Consultant

650.622.8099  
415.722.8648

**RESOLUTION NO. 2021-  
BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD  
STATE OF CALIFORNIA**

\* \* \*

**AWARDING A CONTRACT TO OLSON REMCHO, LLP FOR  
GENERAL COUNSEL LEGAL SERVICES FOR  
A NOT-TO-EXCEED TOTAL AMOUNT OF \$6,000,000 FOR A THREE-YEAR TERM**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (JPB) issued Request for Proposals (RFP) 21-J-P-020 for general counsel and other legal services (Services); and

**WHEREAS**, the Services primarily consist of, but are not limited to: (1) advising JPB executive staff on governance practices, (2) furnishing day-to-day legal advice to JPB staff, (3) attending and serving as counsel at JPB Board meetings, (4) providing practical advice to the JPB Board in achieving its policy goals and objectives, (5) overseeing provision of legal services provided to the JPB by other firms under contract; and (6) providing other legal services in specialty areas such as federal and state grant requirements, railroad industry, real property, intellectual property, et al.; and

**WHEREAS**, in response to the RFP, the JPB received three proposals; and

**WHEREAS**, none of the proposers are from Small Business Enterprise and/or Disadvantaged Business Enterprise firms; and

**WHEREAS**, a Selection Committee (Committee 1) composed of qualified JPB staff and a qualified subject matter expert evaluated and ranked the written proposals according to the evaluation criteria set forth in the RFP, and determined two of the three firms and proposals were in the competitive range for interviews; and

**WHEREAS**, after interviews, the Interview Selection Committee (Committee 2) determined Olson Remcho, LLP of Oakland, California to be the highest-ranking firm; and

**WHEREAS**, Committee 2 completed its evaluation process and determined that Olson Remcho possesses the necessary qualifications and requisite experience to

successfully perform the Services, and has agreed to perform the Services at fair and reasonable prices; and

**WHEREAS**, staff has reviewed the Olson Remcho proposal and determined the proposal complies with the requirements of the solicitation documents; and

**WHEREAS**, Staff Coordinating Council recommends, and the Executive Director concurs, that the Board of Directors (Board) (1) award a contract to Olson Remcho for provision of general counsel and other legal services for a three-year term; and (2) authorize the Executive Director, or designee, to exercise up to two, additional one-year option terms, if it is in the best interest of the JPB and with prior Board approval.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract for general counsel and other legal services to Olson Remcho for a three-year term for a not-to-exceed total of \$6,000,000; and

**BE IT FURTHER RESOLVED** that the Executive Director, or designee, is authorized to execute a contract on behalf of the JPB with Olson Remcho in full conformity with the terms and conditions of the solicitation documents and negotiated agreement; and

**BE IT FURTHER RESOLVED** that the Board authorizes the Executive Director, or designee, to exercise up to two additional one-year option terms for provision of additional Services at a not-to-exceed total of \$2,000,000 per option term, if deemed in the best interest of the JPB and approved by the Board.

Regularly passed and adopted this 6<sup>th</sup> day of May, 2021 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, Peninsula Corridor Joint Powers Board

ATTEST:

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JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: John Funghi  
Chief Officer, Caltrain  
Modernization Program

April Chan  
Chief Officer, Planning, Grants &  
Transportation Authority

SUBJECT: **AUTHORIZE AN EIGHTEEN-MONTH LEASE EXTENSION AT 2121 SOUTH EL CAMINO REAL IN SAN MATEO TO SUPPORT THE CALTRAIN MODERNIZATION PROGRAM**

Finance Committee  
Recommendation

Work Program-Legislative-Planning  
Committee Recommendation

Staff Coordinating  
Council Reviewed

Staff Coordinating Council  
Recommendation

**ACTION**

Authorize the Executive Director to enter into an 18-month lease extension for the Peninsula Corridor Joint Power Board's (JPB) rental of office space located on the third floor of the office building, covering a total of 12,181 square feet, at 2121 South El Camino Real in San Mateo, CA. The lease extension runs from November 1, 2021 until April 30, 2023 at a total cost of \$1,130,000.

**SIGNIFICANCE**

The Peninsula Corridor Electrification Project (PCEP) infrastructure contract with Balfour Beatty Infrastructure, Inc. (BBII) requires PCEP to provide BBII 35 parking spaces and 12,000 square feet of office until they reach substantial completion. A 12-month extension of the lease is the minimum required at this time, but because BBII's substantial completion date is continually evolving, staff recommends that JPB secure control of the space for six additional months to account for potential changes in the BBII schedule.

**BUDGET IMPACT**

The total cost associated for the 18-month extension will be \$1,130,000. This covers inflation-based lease increases and Common Maintenance Area costs for which JPB is responsible. The lease extension costs are covered in the PCEP budget.

## **BACKGROUND**

Prior to October 2014, the PCEP team was located in multiple locations throughout the Peninsula, making it difficult to efficiently deliver the program. In 2014, pursuant to Resolution 2014-47, the JPB entered into a six-year lease for office space at 2121 South El Camino Real in San Mateo with an additional single-year option to support Caltrain Modernization for an amount not to exceed \$4.8 million.

The existing lease is comprised of 12,181 square feet located on the 3rd Floor of the building at 2121 El Camino Real, along with 13,839 square feet on the ground floor, which has been occupied by BBII. The Board of Directors authorized the Executive Director to exercise the one-year lease option in April 2020, covering November 2020 through October 2021. Lease extension beyond October 2021 is only needed for the 3<sup>rd</sup> floor of the building at 2121 El Camino Real, and will not cover the ground floor space.

Prepared by: Gary Cardona, Manager,  
Real Estate & Property Development

650.295.6882



**RESOLUTION NO.**

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STATE OF CALIFORNIA**

\* \* \*

**AUTHORIZATION TO EXECUTE A LEASE AT 2121 EL CAMINO REAL IN SAN MATEO FOR A  
TERM OF EIGHTEEN MONTHS TO SUPPORT  
THE CALTRAIN MODERNIZATION PROGRAM**

**WHEREAS**, Resolution 2014-47 authorized the Peninsula Corridor Joint Powers Board (JPB) to enter into a six-year lease, with a single one-year option, to support the Caltrain Modernization Program; and

**WHEREAS**, Resolution 2020-15 authorized the First Amendment to the lease and it was executed on April 27, 2020 to exercise the one-year option; and

**WHEREAS**, the Caltrain Modernization Program requires an additional lease extension for a portion of the current leasehold area for eighteen months; and

**WHEREAS**, staff recommends that the Board of Directors authorize the Acting Executive Director to execute an eighteen-month extension to lease a portion of the property, which covers a total of 12,181 square feet, at 2121 El Camino Real in San Mateo, CA, for an amount not to exceed \$1.130 million.

**NOW, THEREFORE, BE IT RESOLVED** that the Peninsula Corridor Joint Powers Board hereby authorizes the Acting Executive Director to execute a Second Amendment to the lease for property at 2121 El Camino Real in San Mateo, CA, for eighteen months at an amount not to exceed \$1.130 million.

**BE IT FURTHER RESOLVED** that the Board of Directors authorizes the Acting Executive Director, or her designee, to take any other actions necessary to give effect to this resolution.

Regularly passed and adopted this 6th day of May, 2021 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, Peninsula Corridor Joint Powers Board

ATTEST:

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Board Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard  
Executive Director, Caltrain

FROM: Sebastian Petty  
Deputy Chief of Planning, Caltrain

SUBJECT: **POST COVID BUSINESS STRATEGY – SCENARIO PLANNING**

Finance Committee Recommendation     Work Program-Legislative-Planning Committee Recommendation     Staff Coordinating Council Reviewed     Staff Coordinating Council Recommendation

**ACTION**

Staff Coordinating Council recommends the Board of Directors (Board) receive the attached informational ppt describing staff's continued post-COVID scenario planning work.

**SIGNIFICANCE**

At the June 2020 Board Meeting, Peninsula Corridor Joint Powers Board (JPB) staff announced that activity on the Caltrain Business Plan would pause and pivot toward COVID recovery efforts. Over the course of subsequent months staff returned to the Board with a series of updates focused on how the railroad would respond and adapt to the extraordinary social, financial and operational challenges created by the pandemic. Key work products have included:

- The railroad's "Equity, Connectivity, Recovery and Growth" Framework (adopted by the Board in September of 2020)
- The implementation of a revised 68 train service (presented to the Board in November of 2020 and implemented in December)
- Ongoing analysis and work related to understanding the railroad's costs and financial resources during a highly dynamic period

Throughout this time, staff has also been working to develop a body of longer range scenario planning that considers the different realities the railroad may confront as we move through and beyond the pandemic. Now, with the passage of Measure RR and with the rollout of vaccines commencing staff has worked to complete this scenario planning work through a series of financial projections and analyses that explore the financial impacts of different potential futures to the railroad's business. An initial presentation of this work was presented to the Board and various stakeholder groups in

February and March of 2021 and the attached presentation builds on the work previously presented. A final presentation with a staff recommended Business Strategy is anticipated in June of 2021.

### **BUDGET IMPACT**

There is no budget impact associated receiving this presentation.

### **BACKGROUND**

In 2017, the JPB secured full funding for the Peninsula Corridor Electrification Project and issued notices to proceed to its contractors for corridor electrification and purchase of Electric Multiple Unit railcars.

Now that construction on this long-awaited project is underway, the agency has the opportunity to articulate a long-term business strategy for the future of the system. The initial concept for a Caltrain "Business Plan" was brought to the Board in April of 2017. The Board reviewed a draft scope of work for the Business Plan in December of 2017 and adopted a final Business Strategy and Scope of Work in February of 2018. Technical work on the Plan commenced in the summer of 2018. The Business Plan has been scoped to include long-range demand modeling, and service and infrastructure planning, as well as organizational analysis and an assessment of Caltrain's interface with the communities it traverses. In October of 2019, the JPB marked a major milestone in the Business Plan process with its adoption of a "2040 Service Vision" for the Caltrain system. This action set long-range policy guidance for the future of the Caltrain service and allowed staff to advance toward the completion of the overall plan by summer of 2020.

Starting in March of 2020, however, the emergence of the COVID-19 Pandemic resulted in a rapid and severe crisis for the railroad, with ridership plummeting by as much as 98% and the implementation of significant service cuts. Based on this unprecedented circumstance, staff informed the Board of their decision to temporarily pivot Business Plan efforts toward recovery planning in June of 2020.

Prepared by: Sebastian Petty, Deputy Chief, Caltrain Planning

650.622.7831

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard  
Executive Director, Caltrain

FROM: Sebastian Petty  
Deputy Chief of Planning, Caltrain

SUBJECT: **UPDATE ON FISCAL YEAR 2022 SHUTTLE PROGRAM FUNDING AND SERVICES**

Finance Committee Recommendation     Work Program-Legislative-Planning Committee Recommendation     Staff Coordinating Council Reviewed     Staff Coordinating Council Recommendation

**ACTION**

Staff recommends the Board receive the following information regarding proposed changes to the allocation of JPB discretionary funds to first/last-mile shuttle and bus service in FY2022.

**SIGNIFICANCE**

Through the Caltrain Shuttle Program, the JPB has historically partially subsidized a handful of bus and first/last-mile shuttle routes in San Francisco, San Mateo and Santa Clara counties. JPB funding for these services generally takes the form of pass-through grants as well as a smaller amount of discretionary funds. The majority of shuttle routes which receive a JPB subsidy also receive substantial funding through employer, city, and other outside grant sources. In San Francisco, the JPB provides operating subsidies to three MUNI routes connecting to the 4<sup>th</sup> & King Station.

Due to pandemic-related ridership losses, many of the first/last-mile shuttle and bus routes that the JPB has historically subsidized have been canceled over the last year. Falling ridership has also made the remaining shuttle routes ineligible for a key grant funding source; Transportation Fund for Clean Air Regional Fund (TFCA). In the past, the JPB has applied to this source on behalf of shuttle programs. If the JPB were to continue subsidizing these shuttle and bus services in a manner that backfilled for the loss of TFCA funding, its required contribution of discretionary funding would increase substantially in FY22.

Given the agency's current and anticipated financial constraints, staff conducted a review of the existing first/last-mile service to determine how JPB funding contributions could be optimized. Staff determined that the JPB contributions to first/last-mile shuttles and buses could be significantly reduced *with little or no impact to overall service levels as they exist today.*

## **BUDGET IMPACT**

The proposed changes would reduce the JPB contribution of discretionary funds and pass-through grants to first/last-mile shuttle service from \$739,000 (pre-pandemic) to \$127,000 for FY2022.

## **BACKGROUND**

Prior to the COVID-19 pandemic, the Caltrain Shuttle Program included 17 routes in San Mateo County and 8 routes in Santa Clara County. These shuttles represented only a portion of the corridor's first/last mile services, with shuttle programs under SamTrans, the San Mateo County Transportation Authority, and several private employers also operating routes to and from Caltrain stations.

The degree to which the JPB was involved in its own first/last-mile shuttles varied from route to route. For many routes, Caltrain sponsored grant applications for operating funding. When the available grant funding and contributions from external partners (i.e. employers and cities) fell short, funds from the JPB Operating Budget were used to supplement the operating budgets of certain routes. In 2019, the JPB contributed \$75,000 to routes in San Mateo County and \$411,000 to routes in Santa Clara County. While not included in the official Caltrain Shuttle Program, the JPB contributed an additional \$253,000 to first/last-mile SFMTA bus service in San Francisco County.

The Caltrain Shuttle Program suffers from several structural inefficiencies. The program does not currently have an operationalized method for determining which routes qualify for funding. This has allowed JPB contributions to effectively supplant funding which would otherwise be provided by other external entities (like employers and cities). The JPB also lacks the dedicated staff necessary to actively monitor and manage the program's many routes. Relative to shuttles under the corridor's other providers, routes in the Caltrain Shuttle Program have underperformed in recent years.

Since the beginning of the COVID-19 pandemic, ridership across the shuttle program has fallen by approximately 90%. This caused many routes to be canceled or temporarily suspended. Ridership losses have also effectively disqualified Caltrain shuttles from TFCA funds. In 2019, TFCA provided about \$235,000 for San Mateo County routes and \$380,000 for Santa Clara County routes.

In January 2020, Caltrain and SamTrans kicked off the Peninsula Shuttle Study. This study has examined options for restructuring the Caltrain Shuttle Program in order to make better use of agency resources and improve service to riders. Pending further staff review, the preliminary recommendations from the Peninsula Shuttle Study would likely be implemented in FY23/24.

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard  
Executive Director

Derek Hansel  
Chief Financial Officer

SUBJECT: **FISCAL YEAR 2022 PRELIMINARY OPERATING AND CAPITAL BUDGETS**

Finance Committee Recommendation     Work Program-Legislative-Planning Committee Recommendation     Staff Coordinating Council Reviewed     Staff Coordinating Council Recommendation

**ACTION**

This report is submitted for informational purposes only. A presentation will be made during the Finance Committee and Board of Directors (Board) meetings on April 26 and May 6, respectively. Based on Board feedback, final discussions with funding partners and member agencies, and further refinements, the Peninsula Corridor Joint Powers Board (JPB) staff will present a final budget proposal for Board consideration and adoption at the June 2021 Board meeting.

**SIGNIFICANCE**

Over the past two decades, Caltrain has experienced rapid ridership growth and many of its peak-hour trains operated near, at, or above their seated capacity. The launch of the Baby Bullet in 2004 helped spur this growth. Meeting growing customer demand while maintaining a high standard of safe, reliable, and comfortable service was the preeminent operational challenge faced by Caltrain.

The arrival of the COVID-19 pandemic has had profound consequences for Caltrain. Average weekday ridership of 65,000 dipped by as much as 95% . For an agency historically dependent on farebox revenue to fund operations, this has been financially devastating. Caltrain is not alone - the financial, social, and economic impacts brought about by the pandemic have led to what may be one of the most challenging times for public transit in the history of our country.

The Peninsula Corridor Joint Powers Board (JPB) has responded to the challenges and focused on fulfilling its core mission in the first year of the pandemic through Board-approved measures to support Caltrain's riding public, including essential workers and low-income riders, by:

- Suspending increases to Clipper® fare products for Single Adult rides and adult

monthly passes.

- Increasing discounts from 20% to 50% off of single-ride Clipper fares for riders who qualified for the regional means-based fare pilot program;
- Postponing previously approved fare increases until after June 2021.
- Extending the validity of the 2020 GoPass by three months, through March 2021.
- Selling the 2021 GoPass at a 25% discount and at a pro-rated cost to account for the shorter duration of the 2021 GoPass (April-December 2021).
- Adopting a Framework for Equity, Connectivity Recovery and Growth to ensure that Caltrain services are available to all.
- Providing free train rides to transport the riding public to their vaccination destinations.

On the financial side, Caltrain benefitted significantly from the support of its Go Pass customers, who overwhelmingly maintained their participation in the program despite the plummet in ridership. Most importantly, and like transit properties across the country, we depended heavily on unprecedented federal support of our operations, including large allocations of funding from the CARES act and the CRRSAA act (\$64.6 million and \$33.9 million respectively), and judiciously utilized funds to support the above measures, ensuring transport for the riding public, such as by:

- Implementing staff cost reduction measures including no increase to full-time equivalent (FTE) positions, a hiring freeze and no universal wage increases.
- Working diligently with the contract rail operator, TransitAmerica Services, Inc. (TASI), to maintain a viable schedule to serve ridership during the pandemic, while minimizing overtime, and appropriately reallocating operating staff to support capital projects

In an effort that materially addresses Caltrain's long-term financial sustainability, the JPB successfully sought voter approval of the Measure RR 1/8-cent sales tax in November 2020. Measure RR will provide Caltrain's first-ever source of dedicated non-fare revenues. Though significant Measure RR revenues will not flow to the JPB until the second quarter of FY2022, staff is currently taking steps to ensure cash flow availability to meet Caltrain needs. Additionally, the Metropolitan Transportation Commission will soon begin its process for allocating funds from the latest federal pandemic stimulus package, the ARP. While staff has not included any funding or cash flow from that package in this analysis, we expect that those funds will be a critical element in the funding of Caltrain in Fiscal Year 2022.

#### *FY2022 Preliminary Operating Budget Overview:*

- The FY2022 Preliminary Operating Budget includes Measure RR revenues for the first time, presenting new opportunities to consider various levels of operation.
- The budget assumes a tentative restoration of service to 92 trains per weekday.
- The farebox forecast takes into consideration that a lasting shift to working-from-home for many workers may dampen growth going forward.
- Revenues from federal relief operating support for FY2022 is projected to be



available but at a significantly lower level than in FY2021 (this does not yet include funding from the American Rescue Plan Act (ARPA), discussed above).

- For the first time in the JPB's history, the FY2022 Preliminary Operating Budget assumes no operating contributions from the JPB's three member agencies (the San Mateo County Transit District, Santa Clara Valley Transportation Authority and City and County of San Francisco). The Joint Exercise of Powers Agreement provides for sharing of operating support among the agencies to the extent that there is an expected operating deficit. Given the availability of Measure RR revenue, the anticipation of additional federal funding through ARPA, the ability to address cash flow through borrowing, and the recognition of the challenges facing the member agencies given the pandemic, Staff proposes that the JPB forego pursuing operating contributions for FY2022. Staff is also recognizing that a resumption in operating contributions in future years may be necessary in order to achieve the goals of the Board for Caltrain operations.

#### *FY2022 Preliminary Capital Budget Overview:*

- Projects in the FY2022 Preliminary Capital Budget will support the forthcoming shift to rail electrification.
- The FY2022 Preliminary Capital Budget is a constrained budget and full funding sources will be identified for all projects included in the Proposed Capital Budget presented to the Board in June. The FY2022 Preliminary Capital Budget assumes zero member contributions to the capital budget. This represents a cut of \$18.0 million in aggregate from the three member agencies (\$6.0 million each). As above, the Joint Exercise of Powers Agreement specifies a process for allocating funding of capital requirements among the agencies. In FY2022, the funding requirements (and available sources) of the operating and capital budgets are such that Staff is not proposing a capital request from the member agencies. As the future funding needs of Caltrain develop (in response to policy direction from the Board), Staff anticipates that a restoration of member agency capital funding will be required.

#### **FY2022 PRELIMINARY OPERATING BUDGET**

*Please refer to Attachment A – FY2022 Preliminary JPB Financial Statement-Comparative Budgets for a comparative schedule of the FY2022 Preliminary Operating Budget which shows the FY2020 Actual, FY2021 Adopted Budget, FY2021 Forecast and the FY2022 Preliminary Operating Budget. The line numbers for each revenue and expense item detailed below refer to the corresponding line numbers on Attachment A.*

## Revenue Projections

Total revenues for FY2022 are projected at \$157.7 million, an increase of \$30.3 million or 23.8% over the FY2021 Forecast:

- Revenue from Operations for FY2022 is projected at \$40.7 million, an increase of \$5.0 million or 14.1% over the FY2021 Forecast.
- Revenue from Contributions for FY2022 projected at \$117.1 million, an increase of \$25.3 million or 27.5% higher than the FY2021 Forecast.

## Operating Revenue

Line 1 **Farebox Revenue:** \$34.6 million, an increase of \$4.0 million or 13.1% higher than the FY2021 forecast.

Farebox revenue includes fare receipts collected directly from rail passengers or through pass sales. Generally, the GoPass has been sold on a calendar year basis. For calendar year 2021, sales were for passes effective April 1, 2021 (coinciding with the extended expiration of the 2020 passes).

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
Caltrain Fares	56,389,061	5,575,500	5,465,481	25,039,000	19,573,519	358.1%
GoPass	19,705,372	26,453,649	25,164,860	9,600,000	(15,564,860)	-61.9%
Farebox Revenue	76,094,433	32,029,149	30,630,341	34,639,000	4,008,659	13.1%

The farebox revenue forecast attempts to take into consideration the variety of factors that are likely to impact ridership. These include the general economic activity, the return of more typical "work from office" situations, the degree to which employees have the freedom to and choose to work from home more frequently, and the degree to which potential riders are comfortable choosing public transit alternatives.

Line 2 **Parking Revenue:** \$1.5 million, an increase of \$1.2 million or 312.1% higher than the FY2021 forecast.

Parking revenue includes fees at parking lots at various passenger stations to and from a parking lot located at the SAP Center adjacent to the San Jose Diridon station.

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
Parking Revenue	3,659,013	372,718	372,718	1,536,000	1,163,282	312.1%

Parking revenue estimates follow Farebox revenue trend projections.

Line 3 **Shuttle Revenue:** \$1.6 million, a decrease of \$0.2 million or 9.6% lower than the FY2021 forecast.

Shuttle Program funding comes from participating employers, the San Mateo County Transportation Authority (TA), Bay Area Air Quality Management District (BAAQMD). This line item refers only to the revenue generated from participating local employers who provide rail passengers the last-mile connections between Caltrain stations and work sites. In recent years, the traditional funding sources for the shuttle program have continued to decline.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Employer Share - SamTrans / JPB Shuttle Programs	1,783,942	2,031,246	1,773,647	1,603,900	(169,747)	-9.6%

Line 4 **Rental Income:** \$1.2 million, an increase of \$80.7 thousand or 7.3% higher than the FY2021 forecast.

Rental income is generated from third-party use of properties owned by the JPB along the Caltrain right of way (ROW).

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Rental Revenue	533,563	1,111,804	1,111,804	1,192,466	80,662	7.3%

Line 5 **Other Income:** \$1.7 million, a decrease of \$70.4 thousand or 4.0% lower than the FY2021 forecast

Other Income consists of interest on invested funds, shared track usage maintenance fees, advertising income, parking citation fees, and permit fees. Advertising income includes income from train wraps, stations, ad cards, and digital displays.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Parking Citation Program Revenue	601,657	-	-	-	-	0.0%
Misc. Operating Revenue	(939,688)	-	-	156,000	156,000	100.0%
Shared Track Maintenance Revenue	473,513	409,000	409,000	409,000	-	0.0%
Other Non-Transit Revenues	351,006	-	-	409,000	409,000	100.0%
Insurance Reimbursements	12,226	-	-	-	-	0.0%
Advertising Income	1,468,979	970,000	970,000	509,608	(460,392)	-47.5%
Other Interest Income	108,818	250,000	250,000	100,000	(150,000)	-60.0%
Interest Income - LAIF	(84,351)	126,000	126,000	110,000	(16,000)	-12.7%
Interest Income - County Pool	(5,860)	9,000	9,000	-	(9,000)	-100.0%
Other Income	1,986,300	1,764,000	1,764,000	1,693,608	(70,392)	-4.0%

Shared track maintenance revenue is generated from the annual contract with United Pacific Railroad (UPRR). Other non-transit revenue is generated from construction permits from 3<sup>rd</sup> party contractors. Advertising income assumes that at least 40-50% ridership will return by January 2022. Interest income is lower due to declining interest

rates on fixed income products.

## CONTRIBUTIONS

Line 9 **AB434 & TA Shuttle Funding**: \$1.1 million, a decrease of \$0.6 million or 35.6% lower than the FY2021 forecast.

Contributions for the service come from State and local sources. In 1991, through Assembly Bill (AB) 434, the State Legislature authorized a \$4.00 surcharge on cars and trucks to fund projects that reduce on-road motor vehicle emissions. AB434 revenues provide partial funding for the JPB shuttle program through a competitive grant process managed by BAAQMD. The TA also funds shuttle services with revenues of the Measure A San Mateo County-wide sales tax.

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
AB434 - California Clean Air A	607,933	565,050	565,050	80,000	(485,050)	-85.8%
TA Contr-SM Cnty Caltrain Shut	725,238	1,172,900	1,172,900	1,039,300	(133,600)	-11.4%
AB434 & TA Shuttle Funding	1,333,171	1,737,950	1,737,950	1,119,300	(618,650)	-35.6%

After calendar year 2020, AB434 funds are no longer be available. Shuttles are not yet expected to generate the necessary net emission savings until ridership approaches pre-COVID levels. A new Transportation Fund for Clean Air (TFCA) Regional Fund managed by BAAQMD is pending application approval.

Line 10 **Operating Grants**: \$6.4 million, a decrease of \$6.4 million or 49.8% lower than the FY2021 forecast

State Transit Assistance (STA) revenue generated from the statewide sales tax on diesel fuel is allocated to the region's transit operators by formula. The formula allocates funds based on population, the amount of passenger fares, and local support revenues collected by transit operators. The State sends out projections assuming a growth rate and adjusts these throughout the year.

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
Operating Grants	2,786,819	12,608,500	12,808,500	6,425,471	(6,383,029)	-49.8%

This estimate includes preliminary allocations for STA. The balancing measures used in FY2021 budget will not carry over to FY2022. The FY2021 balancing measures included use of State Rail Assistance funds and de-allocated capital federal funds.

Line 11 **JPB Member Agencies**: Zero, a decrease of \$28.8 million or 100% lower than the FY2021 forecast.

JPB has three member agencies: the City and County of San Francisco, the San Mateo County Transit District and the Santa Clara Valley Transportation Authority. Contributions from the member agencies were previously calculated in accordance with an allocation methodology based on the average mid-weekday boarding data including Gilroy.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
JPB Member Agencies	28,035,055	29,009,434	28,809,434	-	(28,809,434)	-100.0%

This budget assumes there will be no member agency contributions for operations in FY2022. Staff proposes this measure due to the effects of the pandemic upon the operations of the member agencies and the expected ability of Caltrain to meet its FY22 operating obligations through Measure RR, farebox revenue, extraordinary Federal funding, and a limited amount of borrowing.

Line 12 **Measure RR**: \$82.6 million, an increase of \$82.6 million.

At the November 3, 2020 election, the voters approved Measure RR, a 1/8-cent sales tax that will provide a dedicated funding source for Caltrain.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Measure RR	-	-	-	82,558,484	82,558,484	100.0%

FY2022 estimated Measure RR funding is \$101.9M with \$82.6 million allocated to the Operating Budget, and \$19.3 million allocated to the FY2022 Capital Budget.

Line 13 **CARES Act Funding**: Zero, a decrease of \$41.5 million or 100% lower than the FY2021 Forecast.

Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Funding was provided by the federal government to transit agencies to supplement operating funds that were lost due to decreased ridership, tax revenue and other factors, as well as to address increased costs associated with pandemic related operations.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
CARES Act	23,127,798	41,509,536	41,509,536	-	(41,509,536)	-100.0%

The CARES Act federal relief fund will not continue into FY2022.

Line 14 **CRRSAA Funding:** \$26.9M, an increase of \$20.0 million or 288.7% higher than FY2021 Forecast

Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) funding is being provided by the federal government to transit agencies to address the issues identified above.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
CRRSSA	-	-	6,936,627	26,960,520	20,023,893	288.7%

Anticipated CRRSAA funding is \$46.5M, with \$19.6M anticipated to be used in FY2021, and the remaining \$26.9 million budgeted for FY2022.

### Expense Projections

Grand Total Expense for FY2022 projected at \$178.9 million, an increase of \$38.8 million or 27.7% over the FY2021 Forecast:

- Operating Expense for FY2022 projected at \$138.6 million, an increase of \$23.5 million or 20.5% over the FY2021 Forecast.
- Administrative Expense for FY2022 projected at \$28.9 million, an increase of \$6.2 million or 27.6% over the FY2021 Forecast.
- Long-term Debt Expense for FY2022 projected at \$2.4 million.
- One-time Expenses for FY2022 projected at \$9.0 million.

### OPERATING EXPENSE

Line 22 **Rail Operator Service:** \$98.3 million, an increase of \$14.1 million or 16.9% higher than the FY2021 forecast.

The JPB contracts out for rail operator service with TransitAmerica Services, Inc. (TASI). TASI provides rail operations, maintenance and support services in the following areas: Administration/Safety, Operations and Dispatch, Maintenance of Equipment, Maintenance of Track, Communications, Signals and Stations, Capital Construction Support and State of Good Repair (SOGR) maintenance. TASI is paid on a cost-plus-performance-fee contract structure.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Rail Operator Service	83,915,012	85,109,942	84,109,942	98,300,000	14,190,058	16.9%

In FY2021, the budget assumed a train schedule determined and implemented on a per quarter basis. For FY2022, the budget of \$98.3 million assumes a tentative restoration of service to 92 trains per weekday.

The \$98.3 million estimate for FY2022 includes provisions for the negotiated contractual union increases, a 0.5% increase in General & Administration fee and maintenance support for Positive Train Control (PTC). The FY2022 estimate also includes \$1.2M for work on Fiber Optics, an annual passenger count (restored from the FY2021 cuts and \$1.0 million for the Ticket Vending Machine maintenance program that will be shifted in FY2022 from Caltrain staff costs to the TASI contract.

Line 24 **Security Services:** \$7.5 million, an increase of \$0.7 million or 11% higher than the FY2021 forecast.

Security services are provided through a law enforcement contract, a communications services contract with the San Mateo County Sheriff's Office (SMCSO) and a building security guard contract. The SMCSO contract supports Rail operations.

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
Security Services	5,913,164	6,746,908	6,746,908	7,486,512	739,604	11.0%

FY2022 security and services budget includes annual contractual increases and overtime estimates at pre-COVID level, (which is consistent with security services being provided for special service).

Line 25 **Shuttles:** \$2.7 million, a decrease of \$0.8 million or 23.1% lower than the FY2021 forecast.

The Shuttle program provides last-mile connections for Caltrain passengers.

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
Shuttle Service	4,138,715	4,057,249	3,542,715	2,723,200	(819,515)	-23.1%

Line 26 **Fuel:** \$10.4 million, an increase of \$4.5 million or 76.0% higher than the FY2021 forecast.

The proposed budget covers the cost of diesel fuel for JPB locomotive operations, including the associated taxes. Starting in FY2021, Caltrain entered into a diesel fuel-hedging program that helps manage the exposure to changes in diesel fuel prices.

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
Fuel and Lubricants	9,289,638	5,930,523	5,930,523	10,434,846	4,504,323	76.0%

	FY21	FY22	Hedged	Unhedged
	Adopted Budget	Preliminary Budget		
Hedge %			64%	36%
Price / Gallon		\$1.30	\$1.71	\$2.40
Projected Fuel Consumption - No. of Gallons		3,121,180	3,962,405	1,426,466
Projected Fuel Cost		\$4,057,534	\$7,759,974	\$3,423,518
Taxes		\$1,872,989	\$2,674,872	\$1,029,033
Total Projected Fuel Cost including taxes		\$5,930,523	\$10,434,846	\$4,452,551

The FY2022 budget assumes 64.0% of the fuel portfolio is hedged at \$1.71/gallon and 36.0% is unhedged at \$2.40/gallon.

Line 27 **Timetables and Tickets:** \$110,000, no change over the FY2021 forecast.

Timetables and Tickets includes the cost of designing, updating and printing of time tables, schedules, maps and the Caltrain tickets.

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
Time Tables, Schedules, & Maps	47,061	110,000	110,000	110,000	-	0.0%
Tickets	98,757				-	0.0%
Timetables and Tickets	145,818	110,000	110,000	110,000	-	0.0%

Line 28 **Insurance:** \$7.0 million, an increase of \$1.6 million or 29.8% higher than the FY2021 forecast

The Insurance budget includes premiums, deductibles, adjuster fees, broker fees and other insurance costs. Rates reflect costs for property, casualty, and liability insurance.

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
Insurance	4,331,946	5,410,000	5,410,000	7,020,000	1,610,000	29.8%

It should be noted that difficult market conditions in the liability insurance industry predate the COVID pandemic. This was a market hardened by huge losses, global events and a litigious environment in the United States. Liability insurance cost went up as fewer insurers opted to continue to operate in the industry and existing carriers reduced their exposures. The FY2022 insurance budget estimates reflect a medium risk level. Staff will be receiving proposals for the JPB's insurance coverage later in May,



and the June proposed budget for FY2022 will include the results of these proposals and staff's recommendation.

Line 29 **Claims, Reserves and Payments:** \$820,000, a decrease of \$0.1 million or 14.6% lower than the FY2021 forecast.

This budget item covers the cost of claims, reserves and payments, and the associated legal fees.

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
Claims Reserves & Payments	(166,416)	960,000	960,000	820,000	(140,000)	-14.6%

Line 30 **Facilities and Equipment Maintenance:** \$7.5 million, an increase of \$3.6 million or 90.6% higher than the FY2021 forecast.

This budget item covers expenses related to Clipper Operator charges, revenue collection services, ticket vending machines, data line services and other contract services.

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
Facilities and Equipment Maintenance	2,739,785	4,813,563	3,953,563	7,534,353	3,580,790	90.6%

The FY2022 budget includes additional PTC maintenance costs, as part of the final shift of PTC implementation from a capital project to fully operational.

Line 31 **Utilities:** \$2.6 million, a decrease of \$0.2 million or 6.5% lower than the FY2021 forecast.

This item covers the cost of gas & electric, telephone, water, and trash & sewer. The budget also includes utility costs of PTC maintenance such as circuits, radio license fees and spectrum lease.

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
Utilities	2,026,492	2,731,385	2,731,385	2,552,600	(178,785)	-6.5%

The budget reflects a lower estimate on PTC-related maintenance costs for CalNet data circuits and phones and an increase in utilities for the Backup Central Control Facility (BCCF).

Line 32 **Maintenance & Services – Building and Other:** \$1.7 million, an increase of \$84.3 thousand or 5.3% higher than the FY2021 forecast.

This item covers the cost of building maintenance services, printing and information services, and repair and maintenance of computers and office equipment.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Maintenance Services	1,542,911	1,590,000	1,590,000	1,674,250	84,250	5.3%

### ADMINISTRATIVE EXPENSE

Line 36 **Wages & Benefits:** \$13.0 million, an increase of \$2.2 million or 20.2% higher than the FY2021 forecast.

The San Mateo County Transit District (District) serves as the managing agency for the JPB. Wages & Benefits reflects staffing costs for an anticipated 72.67 FTEs for the operating budget.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Wages & Benefits	11,673,413	10,930,000	10,826,318	13,012,686	2,186,368	20.2%

Built into this budget is hiring for positions that were frozen in FY21 as part of cost savings efforts. The FY2022 preliminary operating budget also includes a request for an additional 4.9 FTEs.

#### Operating

FY2022 FTE	Admin	Bus	CalMod	Comm	Exec	Finance	Planning	Rail	Total
Represented	-	-	-	-	-	-	-	-	-
Non-Represented	6.40	2.90	-	16.12	0.45	6.90	2.92	32.08	67.77
New FTEs	0.50	-	-	0.40	-	-	0.35	3.65	4.90
Total Operating	6.90	2.90	-	16.52	0.45	6.90	3.27	35.73	72.67

Fringe benefit costs are applied to actual staff wages as a calculated rate. The District aggregates all estimated annual fringe benefit costs of employees associated with a particular agency (payroll taxes, pension, medical, dental and vision premiums, life insurance, long-term disability, unemployment, and paid time-off). This total is then divided by the total projected wages for that agency for the upcoming year to arrive at a fringe benefit rate that is charged on a periodic basis against payroll costs. Variances are trued up annually.

Line 37 **Managing Agency Admin OH Cost:** \$3.5 million, a decrease of \$82.2 thousand or 2.3% lower than the FY2021 forecast.

Managing Agency Administrative Overhead (OH) Cost reflects the cost of District personnel dedicated to the Caltrain business (as opposed to Caltrain operations).

Description	FY2020	FY2021	FY2021	FY2022	\$ Change	% Change
	ACTUAL	BUDGET	FORECAST	PRELIMINARY BUDGET	FY22 Preliminary to FY21 Forecast	FY22 Preliminary to FY21 Forecast
Managing Agency Admin OH Cost	4,406,537	5,139,352	3,553,099	3,470,871	(82,228)	-2.3%

The Indirect Cost Allocation Plan (ICAP) calculates the indirect cost rate used to recover overhead costs related to agency indirect administrative overhead and capital projects. The District procured the assistance of an outside consulting firm to develop a methodology that equitably allocates the costs incurred by the District for services and functions shared by the different agencies administered by District staff. The consultant team is selected for its experience and knowledge in developing allocation methodologies for governmental and public entities.

The ICAP is prepared in accordance with the principles and guidelines set forth in the Office of Management and Budget (OMB) Circular A-87 "Cost Principles for State, Local and Indian Tribal Governments" and ASMB C-10 "Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government."

The ICAP calculates two components:

- Agency Indirect Administration (AIA) – a pool of costs that cannot be directly attributed to a specific agency.

This consists of labor and non-labor support functions that benefit each of the four agencies managed or supported by the District. Examples include the time charged by the Payroll Department to process the biweekly payroll or the time charged by the Human Resource Department to post recruitments on industry websites. Based on specific statistics, these costs are distributed to each department. For example, the payroll department costs are distributed to each department based on the number of FTEs. The District incurs all of the AIA costs and then recovers appropriate shares of the costs from the District's Operating and Capital budgets, the JPB Operating and Capital budgets, the TA budget and the SMCELJPA budget.

- Capital Overhead – a pool of project support costs that cannot be directly attributed to a specific capital project.

A capital overhead rate is calculated for each agency. An example of a capital overhead cost would be the time charged by an administrative assistant who supports multiple capital project engineers. The capital overhead costs are tracked and included in the ICAP rate and is charged to each capital project.

In mid-FY2021, the ICAP methodology was changed to more appropriately allocate these costs across the range of projects served – staff anticipates that this approach will continue for FY2022. In prior years, the ICAP rate was applied to pre-defined labor costs. The new methodology applies the ICAP rate to all labor and non-labor costs. The methodology does not change how much ICAP in total is paid, but rather how the total ICAP is allocated to different projects.

Line 38 **Board of Directors:** \$48,275, an increase of \$37.2 thousand or 337.9% higher than the FY2021 forecast.

This covers director compensation, seminars and training, and meetings for the Board of Directors.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Board of Directors	24,589	11,025	11,025	48,275	37,250	337.9%

In FY2022, the budgets for the Board retreats were moved from the Other Office Expense and Services account to the Board of Directors line item.

Line 39 **Professional Services:** \$8.2 million, an increase of \$3.1 million or 60.5% higher than the FY2021 forecast

This covers the cost of consultants for legal services, audit services, and legislative advocacy and technical services. The professional services also include additional operating maintenance of PTC related to rail friction, electronic recording, measuring, and communications systems and communications data security.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Legal Services	(183,342)	2,062,904	1,912,904	2,814,850	901,946	47.2%
Annual Audit Services	69,012	78,000	78,000	78,000	-	0.0%
Legislative Advocate	163,541	169,200	169,200	169,200	-	0.0%
Consultants	1,940,055	3,089,896	2,956,896	5,150,770	2,193,874	74.2%
Professional Services	1,989,266	5,400,000	5,117,000	8,212,820	3,095,820	60.5%

The FY2022 budget for consultants reflects the additional cost for the new legal counsel and the continuing shift of PTC from a capital project to maintenance.

Line 40 **Communications and Marketing:** \$0.3 million, an increase of \$0.2 million or 137.3% higher than the FY2021 forecast.

This covers the cost of promotional advertising for fares, schedule changes and the cost of providing the riding public with a mobile app.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Communications and Marketing	293,830	136,000	136,000	322,750	186,750	137.3%

FY2022 budget reflects a one-time marketing campaign led by the Metropolitan Transportation Commission to promote Return to Transit, in addition to outreach and public hearings.

Line 41 **Other Office Expense and Services:** \$3.8 million, an increase of \$0.8 million or 27.5% higher than the FY2021 forecast.

This covers license renewal, bank fees, office vehicle maintenance, property taxes, software maintenance, and leases for properties along the Caltrain right of way in support of commuter services. The ROW leases include critical facilities for radio transmission antennas and real estate for storage of train equipment and spare parts.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Other Office Expense and Services	1,789,476	3,030,572	2,982,254	3,802,614	820,360	27.5%

Built into this estimate are recruitment services and relocation costs, an increase in banking costs due to lower earnings credit rate, the projected use of a line of credit and the restoration of staff training costs that were frozen in FY2021.

Line 44 **Ballot Measure RR Fee:** \$7.0 million estimate.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Measure RR Ballot Costs	-	-	-	7,000,000	7,000,000	100.0%

This one-time \$7.0 million estimate is to cover costs incurred by the counties of San Francisco, San Mateo and Santa Clara to put the Measure RR ballot up for a vote in FY2021 elections.

Line 45 **Governance:** \$2.0 million estimate

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Governance	-	-	-	2,000,000	2,000,000	100.0%

This item is a place holder to cover the related costs for the Governance review that includes staff costs, consultant support, legal consultation and specialized financial analysis.

Line 47 **Long Term Debt Expense:** \$2.4 million, no change over the FY2021 forecast.

This covers the cost and principal retirement of debt incurred for the acquisition and rehabilitation of passenger rail cars, for the acquisition of real property, and for maintenance of a revolving line of credit.

Description	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	\$ Change FY22 Preliminary to FY21 Forecast	% Change FY22 Preliminary to FY21 Forecast
Long-term Debt Expense	2,635,046	2,381,752	2,381,752	2,381,752	-	0.0%

**PRELIMINARY FY2022 CAPITAL BUDGET - \$31,415,438**

**i. STATE OF GOOD REPAIR (SOGR) - \$12,763,626**

**BRIDGES - \$2,550,000**

**1. Guadalupe Bridge - \$2,550,000**

Replace the Guadalupe River Bridge in San Jose, damaged by weather and arson. The project will remove the MT1 Guadalupe River Bridge, including piers and abutments, and replace it with a new railroad bridge. The track structure will be reconstructed at the existing alignment and profile. Construction of the new railroad bridge may require protection or relocation of the underground utilities in the right-of-way and/or attached to the existing bridge.

**RIGHT OF WAY - \$6,028,626**

**2. SOGR Track - \$5,228,626**

The System Wide Track Rehabilitation Program covers the work required to keep the Caltrain railroad in a state of good repair. The type and scope of work scheduled for each fiscal year is based on the condition of the railroad and on the inspections and the tests performed throughout the year.

**3. SOGR Right of Way - \$500,000**

The intent of this project is to maintain the ROW in a state of good repair. As the dynamics change surrounding JPB property, the agency needs to adjust as necessary to address issues. In some instances the JPB needs to provide better access for the Contract Operator; in others, the JPB must restrict access to other areas to eliminate continual problems.

**4. Right of Way Fencing - \$300,000**

The project will continue to install vandal-resistant fencing at key locations along the JPB main line rail corridor to deter trespassing. This work plan is intended to span four years, picking up where the last three-year contract was successfully completed.

**SIGNALS & COMMUNICATIONS - \$2,150,000**

**5. SOGR Communications - \$400,000**

This project is part of an annual request to maintain the Caltrain communication systems in a state of good repair. Projects typically repair and replace

communication systems that are beyond their useful life and/or vandalized. Typical scopes of work include, but are not limited to, new Base Stations, new Visual Message Signs, station network cables, repair of microwave dishes, etc.

**6. Fiber Optics SOGR - \$550,000**

The System Wide Fiber Optics State of Good Repair Project covers the work required to maintain the reliability and consistency of the fiber optics infrastructure. The type and scope of work scheduled for each fiscal year are based on the condition of the system, the inspections and the tests performed throughout the year.

**7. Signal SOGR - \$1,200,000**

The System Wide Signal State of Good Repair Project covers the work required to maintain the reliability and safety of the signal and crossing systems. The type and scope of work scheduled for each fiscal year are based on the condition of the Signal systems, the inspections and the tests performed throughout the year.

**FACILITIES AND INTERMODAL ACCESS - \$2,035,000**

**8. SOGR Stations - \$200,000**

This project is part of an annual request to maintain the Caltrain stations in a state of good repair. Projects typically restore station amenities that are beyond their useful life and/or vandalized. Typical scopes of work include, but are not limited to, new shelters, display cases, benches, garbage cans and new roofs for station buildings.

**9. Historic Stations SOGR - \$1,835,000**

This project will be part of an annual request for work towards the preservation of the six Caltrain historic stations to keep them in a state of good repair. This project will typically restore station amenities that are beyond their useful life and/or vandalized. Typical scopes of work include, but are not limited to, new restrooms, roofs, windows, lighting, doors, interior and exterior walls made of brick, stone, stucco, wood and other surfaces. HVAC, plumbing and electrical upgrades are included as well.

**ii. LEGAL MANDATES AND REQUIRED ENHANCEMENTS - \$5,566,812**

**10. Rail Program Integration and Transition - \$4,566,812**

The objective of this program is to focus on identifying, defining, and implementing the integration of work necessary to support Caltrain's transition to electrified service. As part of the Program Integration, the Rail Activation effort will ensure that each element of the activation work is accomplished in accordance with the following phases: commissioning, acceptance, pre-revenue service, safety certification, and overall Electrified Revenue Service plan and objectives. This program will involve all of the Caltrain Rail Divisions, as well as the District's functional departments from Communications to Information Technology.

**11. Hayward Park Remediation - \$1,000,000**

This project is to perform removal of contaminated soils from a historical asphalt plant located within the Hayward Park Station parking lot

**iii. OPERATIONAL IMPROVEMENTS / ENHANCEMENTS - \$8,650,000**

**12. PADS Replacement - \$1,000,000**

Develop a Request for Proposals with the system requirements and award a contract to implement a new real-time passenger information system at the Central Control Facility (CCF), the Backup Central Control Facility (BCCF) and at the stations.

**13. Grade Crossing Improvement Construction - \$1,000,000**

This project will be the construction phase of the FY2021 Grade Crossing Improvements Project. The construction will install safety improvements at the selected grade crossings from the design developed in the previous year.

**14. Caltrain VoIP - \$500,000**

Caltrain requires the design and installation of a Voice over Internet Protocol (VoIP) system that is compatible with the District's existing VoIP system, and provide necessary support for the Peninsula Corridor Electrification Program (PCEP) and PTC projects. PCEP requires VoIP support for traction power houses/substations installed on the ROW to communicate with the dispatcher. PTC requirements are to provide "dual ring" capability, which routes current plain old telephone service (POTS) phone numbers to both CCF and BCCF simultaneously. The design of this system should include the necessary hardware to provide a redundant solution located at Caltrain's two data centers, namely the CCF and the BCCF.

**15. TVM Upgrade Phase 5 - \$1,000,000**

The objective is to make all the Ticket Vending Machines (TVMs) consistent with the same software and hardware for easier maintenance. The locations of the TVMs will be determined during Phase 4, which will be at the end of CY2021.

**16. Caltrain Fiber Connectivity to Caltrain Stations & Digital Voice Base Station - \$600,000**

This project will connect the VHF voice backhaul system, which is currently under AT&T service to the Caltrain Fiber Backbone system. There are 12 VHF radio base station sites.

**17. Migration to Digital Voice Radio System - \$800,000**

This project is part of the continual effort of Caltrain to migrate toward a digital voice radio system. Migrate from the analog voice radio system to a digital voice radio system that will be connected to JPB fiber and off the AT&T leased lines.



**18. Next Gen Clipper Validators Site Prep - \$1,500,000**

This project will be the construction phase of the station site prep for the next generation Clipper validators that will replace the Clipper CID at all the stations.

**19. Enterprise Asset Management (EAM) Software - \$1,750,000**

FY22 funds being requested will be used for EAM Request for Proposals (RFP) development and release, evaluation criteria and committee establishment, evaluation of proposals (and possibly software demonstrations), contract negotiations and Board award.

**20. CCTV at Stations - \$500,000**

This project will design the installation of CCTV cameras at the stations. The number of stations will be determined as part of the design process and meetings with the stakeholders.

iv. PLANNING/STUDIES - \$2,775,000

**21. Operations, Access and Customer Interface Planning - \$250,000**

Support for various operational planning activities that achieve key near, medium and long-term agency goals including improving service, fleet management, station access, and the customer experience across near-, medium and long-term timeframes.

**22. Business Strategy and Policy Development - \$750,000**

Policy and business strategy development in areas that help the railroad recover ridership and improve equity in the short-term while preparing the agency to deliver the 2040 Service Vision in the long-term.

**23. Electrification Expansion and Integration Preliminary Planning - \$500,000**

Planning support will assist with further integration of the PCEP program as well as conceptual development of the next generation of "electrification expansion" investments identified through Caltrain Business Plan work and supported in part by Measure RR.

**24. Capital Planning Technical Support - \$275,000**

Rail program development support to assist with a variety of capital planning projects (as needed and determined by the Capital Improvement Program development process).

**25. Transit-Oriented Development Studies - \$1,000,000**

Planning will be conducted for areas around transit-oriented developments (TODs) where the JPB owns property or has property rights in the vicinity of stations. Stations expected to require such services in the short-term include 4th and King, Redwood City as well as Diridon.

v. Capital Contingency Funds - \$1,660,000

**26.** Capital Contingency Funds - Engineering - \$330,000

This contingency supports unforeseen capital expenditure related to the delivery of capital projects/programs.

**27.** Capital Contingency Funds - Rail - \$660,000

This contingency supports unforeseen capital expenditure related to rail operations.

**28.** Capital Program Management - \$335,000

This contingency supports programs and project controls support, including monitoring project performance and delivery.

**29.** Capital Project Development - \$335,000

This contingency supports planning and engineering study activities.

**PENINSULA CORRIDOR JOINT POWERS BOARD**  
**STATEMENT OF REVENUE AND EXPENSE**  
**PRELIMINARY BUDGET**  
**FY2022**

	FY2020 ACTUAL	FY2021 BUDGET	FY2021 FORECAST	FY2022 PRELIMINARY BUDGET	FY2022 Preliminary to FY2021 Forecast \$ variance	FY2022 Preliminary to FY2021 Forecast % variance		
	A	B	C	D	E = D - C	F = E / C		
<b>REVENUE</b>								
<b>OPERATIONS:</b>								
1	Farebox Revenue	76,094,433	32,029,149	30,630,341	34,639,000	4,008,659	13.1%	1
2	Parking Revenue	3,659,013	372,718	372,718	1,536,000	1,163,282	312.1%	2
3	Shuttles	1,783,942	2,031,246	1,773,647	1,603,900	(169,747)	-9.6%	3
4	Rental Income	533,563	1,111,804	1,111,804	1,192,466	80,662	7.3%	4
5	Other Income	1,986,300	1,764,000	1,764,000	1,693,608	(70,392)	-4.0%	5
6	<b>TOTAL OPERATING REVENUE</b>	<b>84,057,251</b>	<b>37,308,917</b>	<b>35,652,510</b>	<b>40,664,974</b>	<b>5,012,464</b>	<b>14.1%</b>	6
7								7
8	<b>CONTRIBUTIONS:</b>							
9	AB434 & TA Shuttle Funding	1,333,171	1,737,950	1,737,950	1,119,300	(618,650)	-35.6%	9
10	Operating Grants	6,816,688	12,608,500	12,808,500	6,425,471	(6,383,029)	-49.8%	10
11	JPB Member Agencies	28,035,055	29,009,434	28,809,434	-	(28,809,434)	-100.0%	11
12	Measure RR	-	-	-	82,558,484	82,558,484	100.0%	12
13	CARES Act	23,127,798	41,507,983	41,507,983	-	(41,507,983)	-100.0%	13
14	CRRSAA	-	-	6,936,627	26,960,520	20,023,893	288.7%	14
15	<b>TOTAL CONTRIBUTED REVENUE</b>	<b>59,312,712</b>	<b>84,863,867</b>	<b>91,800,494</b>	<b>117,063,775</b>	<b>25,263,281</b>	<b>27.5%</b>	15
16								16
17	<b>GRAND TOTAL REVENUE</b>	<b>143,369,963</b>	<b>122,172,784</b>	<b>127,453,004</b>	<b>157,728,749</b>	<b>30,275,745</b>	<b>23.8%</b>	17
18								18
19	<b>EXPENSE</b>							
20								20
21	<b>OPERATING EXPENSE:</b>							
22	Rail Operator Service	83,915,012	85,109,942	84,109,942	98,300,000	14,190,058	16.9%	22
23	Positive Train Control	1,669,554	-	-	-	-	0.0%	23
24	Security Services	5,913,164	6,746,908	6,746,908	7,486,512	739,604	11.0%	24
25	Shuttle Service	4,138,714	4,057,249	3,542,715	2,723,200	(819,515)	-23.1%	25
26	Fuel and Lubricants	9,289,638	5,930,523	5,930,523	10,434,846	4,504,323	76.0%	26
27	Timetables and Tickets	145,818	110,000	110,000	110,000	-	0.0%	27
28	Insurance	4,331,946	5,410,000	5,410,000	7,020,000	1,610,000	29.8%	28
29	Claims, Reserves, and Payments	(166,416)	960,000	960,000	820,000	(140,000)	-14.6%	29
30	Facilities and Equipment Maint	2,739,785	4,813,563	3,953,563	7,534,353	3,580,790	90.6%	30
31	Utilities	2,026,493	2,731,385	2,731,385	2,552,600	(178,785)	-6.5%	31
32	Maint & Services-Bldg & Other	1,542,912	1,590,000	1,590,000	1,674,250	84,250	5.3%	32
33	<b>TOTAL OPERATING EXPENSE</b>	<b>115,546,620</b>	<b>117,459,570</b>	<b>115,085,036</b>	<b>138,655,761</b>	<b>23,570,725</b>	<b>20.5%</b>	33
34								34
35	<b>ADMINISTRATIVE EXPENSE</b>							
36	Wages and Benefits	11,673,415	10,930,000	10,826,318	13,012,686	2,186,368	20.2%	36
37	Managing Agency Admin OH Cost	4,406,537	5,139,352	3,553,099	3,470,871	(82,228)	-2.3%	37
38	Board of Directors	24,588	11,025	11,025	48,275	37,250	337.9%	38
39	Professional Services	1,989,266	5,400,000	5,117,000	8,212,820	3,095,820	60.5%	39
40	Communications and Marketing	293,830	136,000	136,000	322,750	186,750	137.3%	40
41	Other Office Expense and Services	1,789,476	3,030,572	2,982,254	3,802,614	820,360	27.5%	41
42	<b>TOTAL ADMINISTRATIVE EXPENSE</b>	<b>20,177,112</b>	<b>24,646,949</b>	<b>22,625,696</b>	<b>28,870,016</b>	<b>6,244,320</b>	<b>27.6%</b>	42
43								43
44	Measure RR Ballot Costs	-	-	-	7,000,000	7,000,000	100.0%	44
45	Governance	-	-	-	2,000,000	2,000,000	100.0%	45
46								46
47	Long-term Debt Expense	2,635,046	2,381,752	2,381,752	2,381,752	-	0.0%	47
48								48
49	<b>GRAND TOTAL EXPENSE</b>	<b>138,358,778</b>	<b>144,488,271</b>	<b>140,092,484</b>	<b>178,907,529</b>	<b>38,815,045</b>	<b>27.7%</b>	49
50								50
51								51
52								52
53								53
54	<b>PROJECTED SURPLUS/(DEFICIT)</b>	5,011,185	(22,315,487)	(12,639,480)	(21,178,780)			54
55	<b>CRRSAA</b>			12,639,480				55
56	<b>Adjustment of PTC Litigation Fees</b>	(5,362,421)						56
57	<b>Use of Reserves</b>		7,000,000					57
58	<b>Line of Credit</b>		15,315,487		21,178,780			58
59	<b>NET SURPLUS / (DEFICIT) - ADJUSTED</b>	<b>(351,236)</b>	<b>-</b>	<b>-</b>	<b>-</b>			59

Item #	PROJECT NAME	PRIOR YEARS APPROVED	Preliminary FY22 CAPITAL BUDGET	Federal Funds	STA SOGR Funds	Measure RR	Preliminary FY22 CAPITAL BUDGET
<b>i. SOGR</b>							
<b>Bridges</b>							
1	Guadalupe River Bridge Replacement	12,400,000	2,550,000	2,040,000	510,000		2,550,000
			2,550,000	2,040,000	510,000	-	2,550,000
<b>Right of Way</b>							
2	SOGR Track	11,220,000	5,228,626	4,182,901	981,021	64,704	5,228,626
3	SOGR Right of Way	-	500,000			500,000	500,000
4	Right of Way Fencing	585,000	300,000			300,000	300,000
			6,028,626	4,182,901	981,021	864,704	6,028,626
<b>Signal &amp; Communications</b>							
5	SOGR Communications	2,000,000	400,000	320,000		80,000	400,000
6	Fiber Optics SOGR	1,000,000	550,000	440,000		110,000	550,000
7	Signal SOGR	-	1,200,000	960,000		240,000	1,200,000
			2,150,000	1,720,000	-	430,000	2,150,000
<b>Rolling Stock</b>							
			-	-	-	-	-
<b>Facilities &amp; Intermodal Access</b>							
8	SOGR Stations	1,500,000	200,000			200,000	200,000
9	Historic Stations SOGR	-	1,835,000			1,835,000	1,835,000
			2,035,000	-	-	2,035,000	2,035,000
	<b>Total SOGR</b>		<b>12,763,626</b>	<b>7,942,901</b>	<b>1,491,021</b>	<b>3,329,704</b>	<b>12,763,626</b>
<b>ii. LEGAL MANDATES AND ELECTRIFIED SERVICE RAIL PROGRAM INTEGRATION</b>							
10	Rail Program Integration and Transition	-	4,566,812			4,566,812	4,566,812
11	Hayward Park Remediation	-	1,000,000			1,000,000	1,000,000
			5,566,812	-	-	5,566,812	5,566,812
<b>iii. OPERATIONAL IMPROVEMENTS/ENHANCEMENTS</b>							
12	PADS Replacement	-	1,000,000			1,000,000	1,000,000
13	Grade Crossing Improvements	500,000	1,000,000			1,000,000	1,000,000
14	Caltrain VoIP	-	500,000			500,000	500,000
15	TVM Upgrade Phase 5	2,795,000	1,000,000	800,000		200,000	1,000,000
16	Caltrain Fiber Connectivity to Caltrain Stations and Digital Voice Base Station	-	600,000			600,000	600,000
17	Migration To Digital Voice Radio System	700,000	800,000	640,000		160,000	800,000
18	Next Gen Clipper Validators Site Prep	2,500,000	1,500,000	1,200,000		300,000	1,500,000
19	Enterprise Asset Management (EAM) Software	750,000	1,750,000			1,750,000	1,750,000
20	CCTV at Stations	-	500,000			500,000	500,000
			8,650,000	2,640,000	-	6,010,000	8,650,000
<b>iv. PLANNING/STUDIES</b>							
21	Operations, Access and Customer Interface Planning	-	250,000			250,000	250,000
22	Business Strategy and Policy	-	750,000			750,000	750,000
23	Electrification Expansion and Integration - Preliminary Planning	-	500,000			500,000	500,000
24	Capital Planning Technical Support	-	275,000			275,000	275,000
25	Transit-oriented Development Studies	-	1,000,000			1,000,000	1,000,000
			2,775,000	-	-	2,775,000	2,775,000
<b>iv. CAPITAL CONTINGENCY FUNDS</b>							
26	Capital Contingency Funds - Engineering	-	330,000			330,000	330,000
27	Capital Contingency Funds - Rail	-	660,000			660,000	660,000
28	Capital Project Development	-	335,000			335,000	335,000
29	Capital Program Management	-	335,000			335,000	335,000
			1,660,000	-	-	1,660,000	1,660,000
	<b>TOTAL</b>		<b>31,415,438</b>	<b>10,582,901</b>	<b>1,491,021</b>	<b>19,341,516</b>	<b>31,415,438</b>