



# AGENDA

## PENINSULA CORRIDOR JOINT POWERS BOARD

**Due to COVID-19, this meeting will be conducted via teleconference only (no physical location) pursuant to [Assembly Bill 361](#) (Gov. Code section 54953).**

Directors, staff, and the public may participate remotely via Zoom at <https://zoom.us/j/91412776292?pwd=cVdKa01PK2FKdm1CSUwwZXR3RmlkUT09> or by entering Webinar ID: **914 1277 6292**, Passcode: **909765** 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 during or after an agenda item is heard will be included in 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.

### **November 4, 2021 – Thursday**

#### **PART I OF MEETING (CALL TO ORDER): 8:30 am**

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

#### **PART II OF MEETING (CLOSED SESSION): 8:35 am estimated**

3. General Counsel Report – Closed Sessions:
  - a. Closed Session: Conference with Legal Counsel – Anticipated Litigation. Initiation of Litigation pursuant to Government Code Section 54956.9(d)(4): One potential case

**Amended 11/03/2021, approx. 12pm**

- b. Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9(d)(1): In the Matter of Binding Arbitration, JAMS Reference No. 1100112143, *Peninsula Corridor Joint Powers Board v. Union Pacific Railroad Company*

**PART III OF MEETING (REGULAR SESSION): 10:05 am estimated**

*\*Please note that the estimated time for closed session is provided as a courtesy only. If closed session ends earlier than estimated, the Board will resume open session immediately upon the conclusion of closed session*

- |  |               |
|--|---------------|
| 4. General Counsel Report – Report Out from Above Closed Sessions  | INFORMATIONAL |
| 5. Public Comment for 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 to reply.   |               |
| 6. Consent Calendar  |               |
| Members of the Board may request that an item under the Consent Calendar be considered separately.   |               |
| a. Approve Regular Meeting Minutes of October 7, 2021 and Special Meeting Minutes of September 30, 2021  | MOTION        |
| b. Renew Resolution Finding a Proclaimed State of Emergency, Recommendation for Social Distancing, and Imminent Risks to Health and Safety from In-Person Meeting and Approve Meeting Remotely for 30 Days                                   | RESOLUTION    |
| c. Receive Key Caltrain Performance Statistics – September 2021  | MOTION        |
| d. Report of the Chief Financial Officer (CFO)   | INFORMATIONAL |
| e. Accept Statement of Revenues and Expenses for the Period Ended September 30, 2021   | MOTION        |
| f. Award of Cooperative Purchasing Contract to Mansfield Oil Company to Furnish Red-Dye, Ultra Low Sulfur Diesel Fuel and Fueling Services   | RESOLUTION    |
| g. Authorize the Executive Director to Execute an Amendment to Supplemental Agreement No. 2 with Pacific Gas and Electric (PG&E) for Construction of 115 Kilovolt Interconnections for the Peninsula Corridor Electrification Project (PCEP) | RESOLUTION    |
| h. Authorize an Increase in Contract Change Order Authority for the Peninsula Corridor Electrification Project's Contractor ARINC for Supervisory Control and Data Acquisition Database Changes  | RESOLUTION    |
| i. Accept Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021  | MOTION        |
| j. State and Federal Legislative Update  | INFORMATIONAL |
| k. MTC/Regional Update   | INFORMATIONAL |
| l. Deferred State of Good Repair   | INFORMATIONAL |
| 7. Draft Governance Recommendation for Discussion  | MOTION        |
| 8. Reports   |               |

**Amended 11/03/2021, approx. 12pm**

- |   |                   |
|---|-------------------|
| a. Report of the Citizens Advisory Committee  | INFORMATIONAL     |
| b. Report of the Chair ( <i>oral</i> )  | INFORMATIONAL     |
| i. Appointment of Nominating Committee for 2022 Officers  |                   |
| c. Report of the Local Policy Maker Group (LPMG) ( <i>oral</i> )  | INFORMATIONAL     |
| d. Report of the Transbay Joint Powers Authority (TJPA) ( <i>oral</i> )   | INFORMATIONAL     |
| e. Report of the Executive Director   | INFORMATIONAL     |
| i. Peninsula Corridor Electrification Project (PCEP) Monthly Progress Report – September  | INFORMATIONAL     |
| 9. <u>Amendment of Fiscal Year 2022 Capital Budget</u>  | <u>RESOLUTION</u> |
| 10. Correspondence  |                   |
| 11. Board Member Requests   |                   |
| 12. Date/Time of Next Regular Meeting: Thursday, December 2, 2021 at 9:00 am via Zoom (additional location, if any, to be determined) |                   |
| 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; JPB WPLP Committee: Fourth Wednesday of the month, 3:00 pm. The 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. 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 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 is 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  
Board of Directors Meeting  
1250 San Carlos Avenue, San Carlos CA**

**DRAFT MINUTES OF OCTOBER 7, 2021**

**MEMBERS PRESENT:** C. Chavez (arrived 9:02am), D. Davis (Chair), J. Gee, S. Heminger (Vice Chair), G. Hendricks, D. Pine (arrived 10:09am), C. Stone, S. Walton (arrived 9:11am), M. Zmuda

**MEMBERS ABSENT:** None

**STAFF PRESENT:** M. Bouchard, D. Hansel, J. Harrison, S. Petty, K. Yin, P. Shrestha, B. Shaw, D. Santoro, M. Jones, A. Chan, C. Fromson, C. Mobley-Ritter, M. Reggiardo, D. Stewart, L. Leung, D. Shockley, W. Bacon, M. Eiseman, D. Seamans, S. Wong

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

Chair Dev Davis called the meeting to order at 9:00 am and led the pledge of allegiance.

**2. ROLL CALL**

District Secretary Dora Seamans called the roll and a quorum was confirmed.

**3. ADOPT RESOLUTION FINDING A PROCLAIMED STATE OF EMERGENCY, RECOMMENDATIONS FOR SOCIAL DISTANCING AND IMMINENT RISKS TO HEALTH AND SAFETY FROM IN-PERSON MEETING AND APPROVE MEETING REMOTELY FOR NOVEMBER JPB MEETING**

James Harrison, Legal Counsel, stated that this resolution covers the Board and its subcommittees for the next 30 days to allow local agencies to meet remotely during a proclaimed state of emergency and when local authorities recommend social distancing to continue, and as allowed by Assembly Bill (AB) 361. He noted that the Board may continue to meet remotely to help protect the health and safety of all attendees, but it must review findings every 30 days as long as the state of emergency remains in effect.

Public Comment

Roland Lebrun, San Jose, commented on putting legislation on the Governor's desk in January for permanent changes to the Brown Act.

Aleta Dupree, Oakland, commented on wearing masks and approving remote meetings monthly.

Motion/Second: Hendricks/Stone

Ayes: Chavez, Gee, Hendricks, Stone, Zmuda, Heminger, Davis

Noes: None

Absent: Pine, Walton

#### **4. GENERAL COUNSEL REPORT – CLOSED SESSION:**

- a. Closed Session: Conference with Legal Counsel – Anticipated Litigation. Initiation of Litigation pursuant to Government Code Section 54956.9(d)(4): One potential case**

Roland Lebrun, San Jose, commented on Balfour Beatty litigation and SamTrans.

#### **5. GENERAL COUNSEL REPORT – REPORT OUT FROM ABOVE CLOSED SESSION**

District Secretary Dora Seamans confirmed the presence of a quorum.

*The Board convened in closed session at 9:10 am  
The Board reconvened in regular session at 10:45 am*

General Counsel James Harrison stated that there were no reportable actions.

#### **6. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA**

Vaughn Wolffe, Pleasanton, commented on electric vehicle production, and needing more electric trains to carry more riders into San Jose.

Roland Lebrun, San Jose, commented on the governance agenda in October, right-of-way, self-governing regional governance, JPA agreement, operating contracts and pre-COVID ridership.

Jeff Carter, Millbrae, commented on the Measure RR celebratory train, locked station bathrooms, and Caltrain video downloads.

Aleta Dupree, Oakland, commented on the new fare card, paper tickets, and a seamless customer experience.

Adina Levin, Friends of Caltrain, commented on Measure RR celebratory event and replaying meeting videos.

#### **7. CONSENT CALENDAR**

- a. Approve Regular Meeting Minutes of September 2, 2021 and Special Meeting August 20, 2021**
- b. Receive Key Caltrain Performance Statistics – August 2021**
- c. Report of the Chief Financial Officer (CFO)**
- d. Accept Statement of Revenues and Expenses for the Period Ended June 30, 2021**
- e. Accept Statement of Revenues and Expenses for the Period Ended August 31, 2021**

- f. **Authorize Amendment of the Memorandum of Understanding for the Whipple Avenue Grade Separation Project to Increase (1) Capital Project Budget by \$301,000 and (2) the Total Fiscal Year 2022 Capital Budget from \$67,234,919 to \$67,535,919**
- g. **Reaffirm The Peninsula Corridor Joint Powers Board Investment Policy and Reauthorize Investment of Monies with the Local Agency Investment Fund**
- h. **On-Call Transportation Planning and Consultant Support Services Update**
- i. **State and Federal Legislative Update**
- j. **Peninsula Shuttle Study Recommendations**
- k. **Update on Marketing Efforts Related to Increasing Ridership**
- l. **Approve Hispanic Heritage Month Resolution**

Public Comment

Roland Lebrun, San Jose, commented on key Caltrain statistics and typos on item 7c.

Chair Davis spoke about Hispanic Heritage Month held September 15- October 15, 2021.

Motion/Second: Stone/Hendricks

Ayes: Chavez, Gee, Hendricks, Pine, Stone, Walton, Zmuda, Heminger, Davis

Noes: None

Absent: None

**8. REPORTS**

**a. Report of the Citizens Advisory Committee (CAC)**

Brian Shaw, CAC Chair, reported discussion on the following topics:

- Metropolitan Transportation Commission (MTC) fare study in October
- Increased travel times due to dwell times, new schedule feedback, and GoPass usage
- Rail safety and suicide prevention using cameras
- South San Francisco improvement project

**b. Report of the Chair**

Chair Davis provided an update on the governance process including the following:

- The Acting Executive Director to provide a draft straw proposal at the November meeting
- Having an update at the October 22<sup>nd</sup> Special Meeting and adopting a recommendation by the end of the year

**c. Report of the Local Policy Maker Group (LPMG)**

Director Jeff Gee reported that there was no LPMG meeting last month and reported on the following from the **Transbay Joint Powers Authority**:

- Primary responsibilities of the TJPA and commitment to funding received from the MTC and high speed rail
- Entering the New Start program
- Ongoing Executive Director recruitment

**d. Report of the Executive Director**

**i. Peninsula Corridor Electrification Project (PCEP) Monthly Progress Report – September**

Michelle Bouchard, Acting Executive Director, reported on the following:

- Measure RR celebratory train and South San Francisco ribbon cutting on November 17<sup>th</sup>
- Tracking the infrastructure package and looking for opportunities regarding electrification and corridor improvements and future investments for the business plan service vision
- Increase in ridership and special events
- Employee and contractor vaccination rates, testing and mask policy
- Public restrooms
- Trains during peak service
- PCEP program overview

Pranaya Shrestha, CalMod Chief Officer, provided updates regarding the following:

- Construction updates
- Overhead catenary system (OCS) completion
- Project completion date, costs, top risks, and funding update
- Submitting recovery plan to Federal Transit Administration (FTA)

Public Comment

Roland Lebrun, San Jose, commented on learning from TJPA actions, Caltrain weekend service, signaling, heating, ventilation, and air conditioning (HVAC) testing location, and expanding duct bank length to accommodate train speeds.

Vaughn commented on limiting local customizations to improve performance and electrification delivery timeline.

Jeff Carter, Millbrae, commented on projects cost escalation, lower cost with earlier start, dual speed check, and constant warning times.

Aleta Dupree, Oakland, commented on accessible meetings, grade separations and the previous CalMod Chief Officer.

**9. REGIONAL FARE COORDINATION AND INTEGRATION STUDY**

Melissa Jones, Deputy Director of Caltrain Policy Development, provided information on the background, context, and goals and introduced the MTC and BART project managers. She explained that the feedback received today would be used at Clipper's Fare Integration Task Force to determine future implementation.

Bill Bacon, Metropolitan Transportation Commission (MTC) Project Manager, provided a presentation and discussed the following topics:

- Partnership between transit operators & MTC
- Exploring integrated fare system's growing ridership and fare integration tiers
- Overview of key findings included considering if there are fare integration options that are cost effective and equitable to promote growth



- October 27-28 MTC meeting workshop to hear from recommendations from the fare integration team

Michael Eiseman, BART project manager, provided a presentation and discussed the following topics:

- Summary of recommendations and phases
- Shared distance or zone-based structure for all regional services including rail, ferry, and buses
- No recommendation for single fare structure for local and regional service at this time
- Eliminating price barriers between agencies and working with stakeholders
- Regional institutional and employer pass pilot

#### Public Comment

Aleta Dupree, Oakland, commented on using Clipper for all fare integration.

Raayan Mohtashemi commented on free transfers and serving low-income riders.

Roland Lebrun, San Jose, commented on governance plans, MTC committee meetings conflicting with JPB finance committee meeting and integration with BART.

Cliff Bargar commented on expansion of a product similar to the GoPass for the entire Bay Area.

Ryan Globus, San Jose, commented on fare caps and zones for short trips.

Jeff Carter, Millbrae, commented on distance-based fares, flat fares for local buses, employee passes are not available to everyone, and the eighteen round trips proposal.

Vaughn commented on scaling the transportation system if sixty percent of people in the Bay Area wants to use transit.

David Tuzman, San Carlos, commented serving riders with no driver's licenses and hearing this at the Caltrain Citizen's Advisory Committee.

Don Cecil, San Mateo County Economic Development Association, commented on paying \$8.25 for a 6.1-mile ride, making prices equitable for low-income riders and fare integration.

Liz Broekhyse, San Carlos, commented on depending on public transit, fare capping, and connecting more people to more transportation options.

Evan Oliver, San Jose, commented on visual disabilities, importance of fare integration and to use other transit services that are available.

Adina Levin, Friends of Caltrain, expressed support for this item, increasing ridership, serving more people in the Bay Area, and reaching employers.

Diane Bailey, Menlo Spark, expressed support for this as a cost-effective way of increasing ridership, GoPasses, local transit and reducing driving.

Kevin Ma, Mountain View, expressed support for this item and commented on arbitrary fares, making transit accessible for everyone, and pulling away from driving.

Jonathon Kvass, SPUR, commented on Bay Area's fair policy issue, capital transit investments and competitive ways to increase ridership.

Daniel Howard, Palo Alto, commented on GoPass for smaller tech companies that work from home and a 10-ride pass.

Ian Griffiths, Seamless Bay Area, expressed support for the study and commented on multiple groups promoting transit use, and having Caltrain endorse the tier 3 recommendation for regional services.

R. Bautista commented on supporting good fare integration, big picture improvement, and point to point travel.

The Board members had a robust discussion and staff provided further clarification in response to the Board comments and questions regarding:

- Update the presentation noting that the day pass may be difficult for low-income persons to get
- Understanding equity
- Large employers making purchases, customizing the program with the online version providing flexibility
- Knowing the actual value versus costs of using a car
- Agency financial implications and value
- Pilots cost time, money, and energy as opposed to skipping the pilot and going straight to implementing the project to provide riders a better system
- GoPass revenue impacts when transitioning to an all agency pass

*Director Walton left at 11:49am*

#### **10. METROPOLITAN TRANSPORTATION COMMISSION (MTC) - BLUE RIBBON TRANSIT RECOVERY TASK FORCE UPDATE**

April Chan, Chief Officer Planning, Grants, and TA Administration, provided a presentation and discussed the following:

- Network management options and business case assessment
- Current Transit Efforts, Marketing Campaign and the Transformation Action Plan
- Branding, mapping, and wayfinding with the region to finalize the standards for a future mapping services digital platform

*Director Stone left at 12:31pm*

Public Comment

Roland Lebrun, San Jose, commented on his correspondence on a self-government approach.

**11. CORRESPONDENCE**

Correspondence was available online.

**12. BOARD MEMBER REQUESTS**

Director Zmuda requested the MTC – Blue Ribbon Task Force update be presented again at the Committee level for an in-depth update.

**13. DATE/TIME OF NEXT REGULAR MEETING:**

Thursday, November 4, 2021 at 9:00 am via Zoom (additional location, if any, to be determined).

**14. ADJOURN**

The meeting adjourned at 12:53 pm

An audio/video recording of this meeting is available online at [www.Caltrain.com](http://www.Caltrain.com). Questions may be referred to the Board Secretary's office by phone at 650.508.6242 or by email to [Board@Caltrain.com](mailto:Board@Caltrain.com).

**Peninsula Corridor Joint Powers Board  
Board of Directors Meeting  
1250 San Carlos Avenue, San Carlos CA**

**DRAFT MINUTES OF SEPTEMBER 30, 2021  
SPECIAL MEETING #5 - GOVERNANCE**

**MEMBERS PRESENT:** C. Chavez, D. Davis (Chair), J. Gee, G. Hendricks, S. Heminger (Vice Chair), D. Pine, C. Stone, M. Zmuda

**MEMBERS ABSENT:** S. Walton

**STAFF PRESENT:** M. Bouchard, D. Hansel, S. Petty, J. Harrison, C. Fromson, S. Petty, H. Husain, H. Permut, M. Jones, K. Miller, R. Macias, D. Seamans, S. Wong

**1. CALL TO ORDER/ROLL CALL**

Chair Dev Davis called the meeting to order at 9:01 am.

District Secretary Dora Seamans called the roll and a quorum was confirmed.

**2. CALTRAIN GOVERNANCE SPECIAL MEETING #5 (INCLUDING GOVERNANCE PROCESS UPDATES; RE-CAP AND REFINEMENT OF SELF-DIRECTED OPTIONS; APPROACH TO DEVELOPING A GOVERNANCE RECOMMENDATION; AND NEXT STEPS)**

Chair Davis introduced the purpose of this meeting – to present refinement of self-directed options and possible variations and discuss the approach for a recommendation for the end of the year.

Michelle Bouchard, Acting Executive Director, provided a presentation and discussed the following:

- 2021 roadmap for special meetings and Caltrain milestones parallel to governance work
- Discussion at the regular November Board meeting for clear priorities and recommendation
- Opened the Hillsdale station last month with ribbon cutting
- Overseeing electrification transition and major achievements last few months

Sebastian Petty, Deputy Chief of Planning, provided a presentation and discussed the following

- Meeting objectives
- Recap and refinement of self-directed options from Meeting #4
- Nominal versus 2020 baseline
- Summary of options presented

Howard Permut, Governance Consultant, provided a presentation on the **refinement of four critical management elements:**

1. **Executive Director Relationship** – a separate Caltrain Executive Director (ED), and who hires, fires, and evaluates the ED
  2. **Employer of Staff** – who employs the staff that supports Caltrain
  3. **Reporting Relationships** – who does Caltrain staff report to, whether they report directly to Caltrain Executive Director or provide services under a service agreement
  4. **Service Agreements** – what is the nature of agreements governing services provided to JPB
- *Variation 1A*: dedicated Caltrain Executive Director, SMCTD (San Mateo County Transit District) employs all staff, small expansion of direct services, small reduction in shared services, and shared service agreements
  - *Variation 2A*: dedicated Caltrain Executive Director, JPB directly employs small executive team, small expansion of direct services provided to Caltrain, and shared services

Katie Miller, Facilitator, provided the following questions for the Board:

- Which of the four elements is of importance to them
- Whether their thinking has changed since the last meeting

The Board members had a discussion on the four critical management elements, which included the following:

- Repayment of right of way
- Member agency interests and the interests of riders
- Caltrain clarity on how they are operating short term and long term
- Completing electrification as quickly as possible
- Improving accountability and equity across agencies
- Positioning Caltrain for regional discussions
- Formalized service agreements, oversight over the Executive Director, and prioritizing reporting relationships
- Turning the Executive Director into a direct hire since there are currently 85 Caltrain hires
- Wrapping up governance discussions and returning to work
- Caltrain Board's current productivity
- The cost to "buy independence" from SamTrans as a managing agency
- Caltrain hiring an Executive Director while SamTrans retaining the managing agency role
- Having only the Board decide whether to contract out services or purchase shared services from SamTrans
- Member agency general managers (GMs) getting together to sort things out and get an understanding of where the three agencies stand
- Consider the option that could provide stability, electrification, Service Vision 2040, and staff retention sooner
- Achieving values acceptable to the Board
- Concern with Board's ability to hire/fire Executive Director and legal counsel in the past

Public Comment

Roland Lebrun, San Jose, commented on electrification, South San Francisco station, hiring positions, consultants and hiring a Chief Engineer.

Vaughn Wolffe, Pleasanton, commented on climate change, and carrying 60 percent of people on rail and not cars.

Adina Levin, Menlo Park, commented on delegating executive director, staff, and consultants to come up with a solution rather than handing to staff legislature to rewrite joint powers agreement.

*The meeting recessed at 10:38am and reconvened at 10:46am.*

James Harrison, Legal Counsel, provided a presentation and discussed the following:

- Rules and process for modifying the Joint Powers Agreement (JPA) and Real Property Ownership Agreement (RPOA)
- Use of Measure RR revenues and constraints on expenditures
- What could happen if no governance option agreement is reached: mediation to resolve impasse, member agency withdrawal, or action by the State Legislature
- Recommended Governance Option - JPB adopt its governance option before December 2021, member agencies consider approval of proposed amendments to agreements, which would require unanimity among member agencies
- Use of Measure RR revenues to repay SMCTD not legal costs versus constraints on expenditures
- If no agreement is reached, which requires a super majority to approve use of RR in excess of \$40 million, member agencies could consider mediation, one or more member agencies could withdraw, or state legislature could intervene

Michelle Bouchard, Acting Executive Director, discussed the organizational implications of a protracted governance impasse.

The Board members had a discussion on the legal analysis and staff provided further clarifications which included the following:

- The signatory for the City and County of San Francisco
- Addressing potential legal vulnerability of Measure RR usage
- Source of funds for the SamTrans used in right of way
- Outcome of Measure RR revenues if the JPB is dissolved
- SamTrans' role as managing agency survives if JPA no longer exists

Public Comment

Roland Lebrun, San Jose, commented on right of way and Assembly Bill (AB) 1091.

Vaughn Wolffe, Pleasanton, commented on Southern Pacific Railroad and needing a modern rail network.

Don Cecil, San Mateo County Economic Development Association (SAMCEDA), commented on Board accomplishments, and finding a path forward to end governance discussions.

Katie Miller, Governance Facilitator, provided the Board questions on the following topics:

- The December 2021 deadline
- Using the final Special Meeting on October 22<sup>nd</sup> to focus on regional governance
- Using the November JPB meeting to discuss draft governance recommendation

The Board members had a discussion, which included the following:

- Dedicated Executive Director
- Service Agreements/purchase agreement to be formalized regarding any shared services
- Due date and enforcement for SamTrans repayment if that is decided
- Clarification with agreement in regards to documentation
- Potential Memorandum of Understanding (MOU) that does not require amending the JPA
- Hearing the Acting Executive Director's findings in October
- Keeping regional options open in October and governance options solution taking precedence
- The anticipated scope of the current request for the Acting Executive Director to help find and manage a governance solution for the Board
- Opportunities and limitations of a regional discussion with the current structure
- Implications of having the Acting Executive Director manage/hire/fire through SamTrans
- Acting Executive Director to come back with several proposals

Sebastian Petty, Deputy Chief of Planning, stated the next steps were the Special Meeting #6 on October 22<sup>nd</sup> on Regional Options with check-ins from the Acting Executive Director on recommendations and having a draft recommendation at the JPB Regular Meeting November 4<sup>th</sup>.

## **BOARD MEMBER REQUESTS**

### **3. ADJOURN**

The meeting adjourned at 11:51 am.

An audio/video recording of this meeting is available online at [www.Caltrain.com](http://www.Caltrain.com). Questions may be referred to the Board Secretary's office by phone at 650.508.6242 or by email to [Board@Caltrain.com](mailto:Board@Caltrain.com).

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: Peninsula Corridor Joint Powers Board

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: James C. Harrison, General Counsel

SUBJECT: **RENEW RESOLUTION FINDING A PROCLAIMED STATE OF EMERGENCY,  
RECOMMENDATION FOR SOCIAL DISTANCING, AND IMMINENT RISKS TO  
HEALTH AND SAFETY FROM IN-PERSON MEETING AND APPROVE MEETING  
REMOTELY FOR 30 DAYS**



Finance Committee  
Recommendation



Work Program-  
Legislative-Planning



Staff Coordinating  
Council Reviewed



Staff Coordinating Council  
Recommendation

**ACTION**

Staff recommends that the Board renew its October 7, 2021 resolution:

1. Finding that 1) there is a proclaimed state of emergency in California 2) that local public health officials have recommended measures for social distancing and 3) that meeting in person would pose imminent risk to the health and safety of attendees.
2. Approving meeting remotely via teleconference for the next 30 days, pursuant to AB 361 (Government Code Section 54953).

**SIGNIFICANCE**

On March 4, 2020, Governor Gavin Newsom declared a state of emergency, and issued subsequent executive orders suspending certain provisions of the Ralph M. Brown Act (the Brown Act) to allow local government agencies to meet remotely during the COVID-19 pandemic. His most recent executive order suspending provisions of the Act expired at the end of September; before its expiration, Governor Newsom signed Assembly Bill 361 (AB 361) into law on September 16, 2021, amending the Brown Act to permit local agencies to continue to use teleconferencing under certain conditions during a state of emergency.

AB 361 allows local agencies to make an initial determination to hold open meetings via teleconferencing when there is a proclaimed state of emergency and one of the following criteria described in Section 54953(e)(1) of the Brown Act, as amended, is met:



- A. State or local officials have imposed or recommended social distancing.
- B. The local agency holds a meeting for the purposes of determining by majority vote if meeting in person would pose imminent health and safety risks to attendees.
- C. The local agency holds a meeting after having determined by majority vote, as a result of the emergency, meeting in person would pose imminent risks to the health or safety of attendees.

On October 7, 2021, the Board adopted Resolution 2021-52, finding that there was a proclaimed state of emergency in California, that local public health officials had recommended measures for social distancing, and that meeting in person would pose imminent risk to the health and safety of attendees. The Board therefore approved meeting remotely via teleconference for the next 30 days for all Advisory, Committee, Special, and Regular meetings of the JPB.

In order to continue to hold meetings under AB 361, the Board must make the following findings by majority vote every 30 days: 1) the Board has reconsidered the circumstances of the emergency; and 2) the state of emergency continues to directly impact the ability of the members to safely meet in person, or state or local officials continue to impose or recommend social distancing.

Transmission in the three JPB member counties ranges from moderate to substantial according to CDC metrics and local and state health officials continue to recommend social distancing as a measure to prevent the spread of COVID-19. Given these conditions, staff recommend that the Board renew the resolution for Advisory, Committee, Regular and Special meetings to be conducted via teleconference for the next 30 days following this November 4, 2021 meeting pursuant to Government Code section 54953(e)(3).

### **BUDGET IMPACT**

There is no budget impact associated with receiving this report.

### **BACKGROUND**

The California Department of Public Health continues to refer California residents to guidance from the Center for Disease Control (CDC) on to prevent the spread of COVID-19. The CDC continues to recommend social distancing as a way for individuals to protect themselves and others from infection with COVID-19.

Similarly, the San Mateo County Health Officer has advised that San Mateo County residents should continue to follow the recommendations of the CDC. According to the City and County of San Francisco public health guidance, its guidelines will align with those of the CDC (except when local conditions require more restrictive measures). Following the amendments to the Brown Act described above, on September 21, 2021 the County of Santa Clara Public Health Officer issued a Recommendation Regarding Continued Remote Public Meetings of Governmental Entities that public bodies continue to meet remotely to the extent possible.

Prepared by James C. Harrison, General Counsel, Olson Remcho LLP

**RESOLUTION NO. 2021-**

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

\* \* \*

**RENEWING RESOLUTION ADOPTING FINDINGS THAT THERE IS A PROCLAIMED STATE OF EMERGENCY AND THAT MEETING IN PERSON POSES IMMINENT HEALTH AND SAFETY RISKS TO ATTENDEES AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR THE PENINSULA CORRIDOR JOINT POWERS BOARD AND COMMITTEES FOR THE PERIOD OF NOVEMBER 4, 2021 to DECEMBER 3, 2021**

**WHEREAS**, on March 4, 2020, Governor Gavin Newsom declared a State of Emergency in the State of California; and

**WHEREAS**, the Brown Act, Government Code section 54953(e), was amended on September 16, 2021 to make provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

**WHEREAS**, the Board of Directors previously adopted Resolution, 2021- 52 on October 7, 2021, finding that the requisite conditions exist for the Peninsula Corridor Joint Powers Board to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

**WHEREAS**, as a condition of extending the use of the provisions found in section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency, and the Board of Directors has done so; and

**WHEREAS** San Mateo County, Santa Clara, and San Francisco County public health officials continue to recommend measures to promote social distancing including

following the guidance of the Center for Disease Control which recommends social distancing; and

**WHEREAS** the rates of transmission of COVID-19 and variants in San Mateo County continue to pose imminent risks for health of attendees at indoor gatherings involving individuals from outside the same household; and

**WHEREAS** to help protect against the spread of COVID-19 and variants, and to protect the health and safety of the public, the Board of Directors wishes to take the actions necessary to comply with the Brown Act, as amended and to continue to hold its Board, Committee, and Advisory Committee meetings remotely via teleconference; and

**WHEREAS** the Board of Directors will continue to give notice of the meeting and post agendas as otherwise required by the Brown Act and allow members of the public to access the meeting and give ample opportunity for public comment; and

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors hereby finds that pursuant to the Governor's State of Emergency Declaration, issued on March 4, 2020, there is a proclaimed State of Emergency in the State of California; and

**BE IT FURTHER RESOLVED** that the Board finds that local officials continue to recommend measures to promote social distancing and meeting in person in the next 30 days would pose imminent health and safety risks to attendees; and

**BE IT FURTHER RESOLVED** that the Board approves meeting via teleconference for all Regular and Special Board, Committee, and Advisory Committee Meetings of the JPB for the 30 days following this resolution, in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Regularly passed and adopted this 4<sup>th</sup> day of November 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: Joint Powers Board

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Joe Navarro  
Deputy Chief, Rail Operations

SUBJECT: **RECEIVE CALTRAIN KEY PERFORMANCE STATISTICS – SEPTEMBER 2021**

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

**ACTION**

Staff Coordinating Council recommends that the Board receive the Performance Statistics Report for September 2021.

**SIGNIFICANCE**

Staff will provide monthly updates to the Caltrain Key Performance Statistics, Caltrain Shuttle Ridership, Communications and Marketing Promotions, and Digital Communications. It should be noted that this report reflects impacts from the COVID-19 pandemic.

**BUDGET IMPACT**

There is no budget impact.

## **MONTHLY UPDATE**

### **September 2021**

	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY21 to FY22</b> <b>% Change</b>
Total Ridership	1,584,833	93,486*	313,026	234.8%
Average Weekday Ridership	72,387	3,654*	11,881	225.2%
Total Farebox Revenue	\$ 9,128,382	\$ 2,952,638	\$ 1,966,449	-33.4%
On-time Performance	93.0%	97.5%	96.6%	-1.0%
Average Weekday Caltrain Shuttle Ridership	8,663	1,250	266	-78.7%

### **Fiscal Year to Date**

	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY21 to FY22</b> <b>% Change</b>
Total Ridership	4,960,840	275,727*	809,263	193.5%
Average Weekday Ridership	71,479	3,530*	9,883	180.0%
Total Farebox Revenue	\$ 27,269,667	\$ 8,908,649	\$ 7,072,732	-20.6%
On-time Performance	93.5%	96.6%	94.0%	-2.6%
Average Weekday Caltrain Shuttle Ridership	8,700	1,081	239	-77.9%

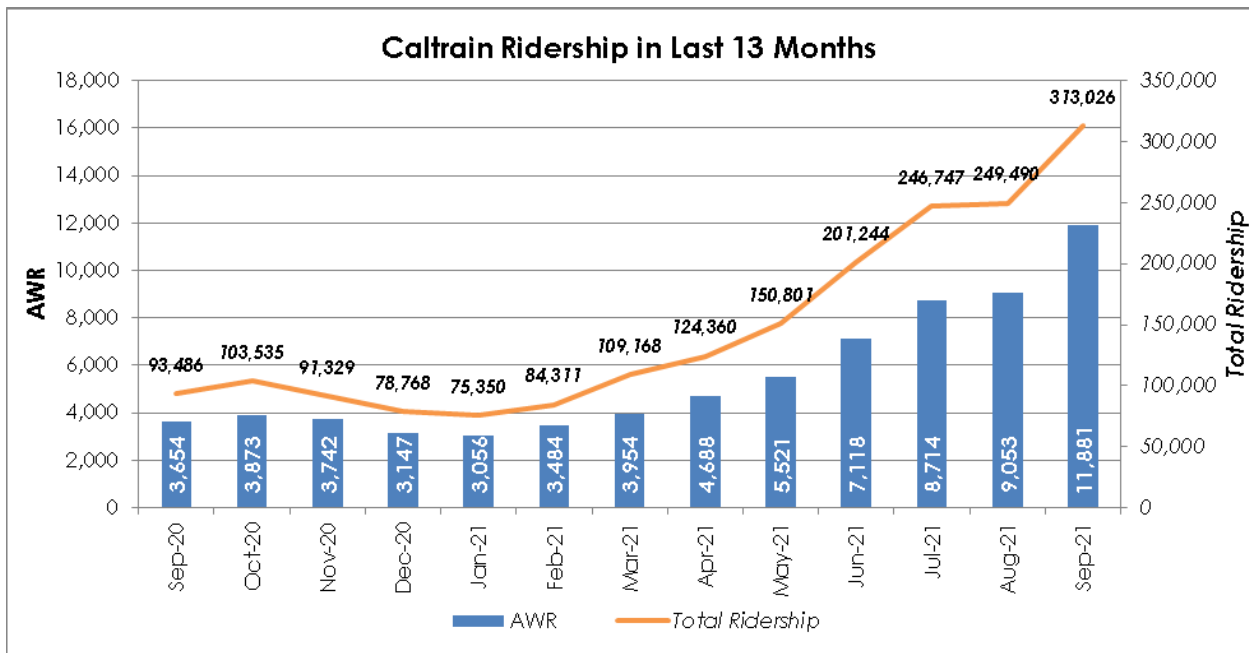
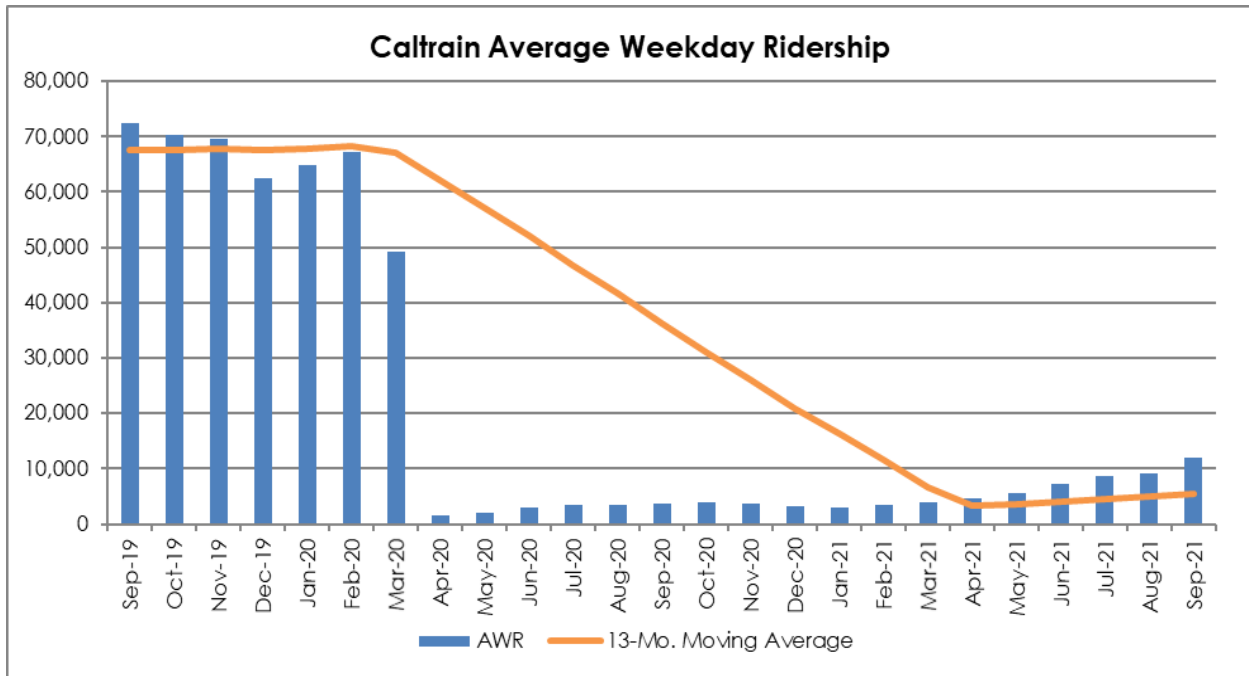
*\* Adjusted after thorough review of data from past Fiscal Years*

### **RIDERSHIP**

Since April 2020 ridership estimates have been developed using daily conductor counts at 14 key stations and Clipper tags on at all stations due to significant impacts to ticket sales and usage patterns from the COVID-19 pandemic.

The large increase in ridership from a year ago is due to significant improvements of the COVID-19 pandemic, easing of COVID-19 restrictions and resumption of special events such as professional sports games played with spectators at the venues. Caltrain also implemented a new schedule on August 30, with more service which may have attracted more riders with the returning to in-person work and school. The ridership impacts of the new service change will be monitored over the coming months.

As previously reported, ridership recovery has been stronger on weekends compared to weekdays. Average Saturday ridership increased by 263.5 percent and average Sunday ridership increased by 325.5 percent compared to September 2020.



**SHUTTLE AVERAGE RIDERSHIP**

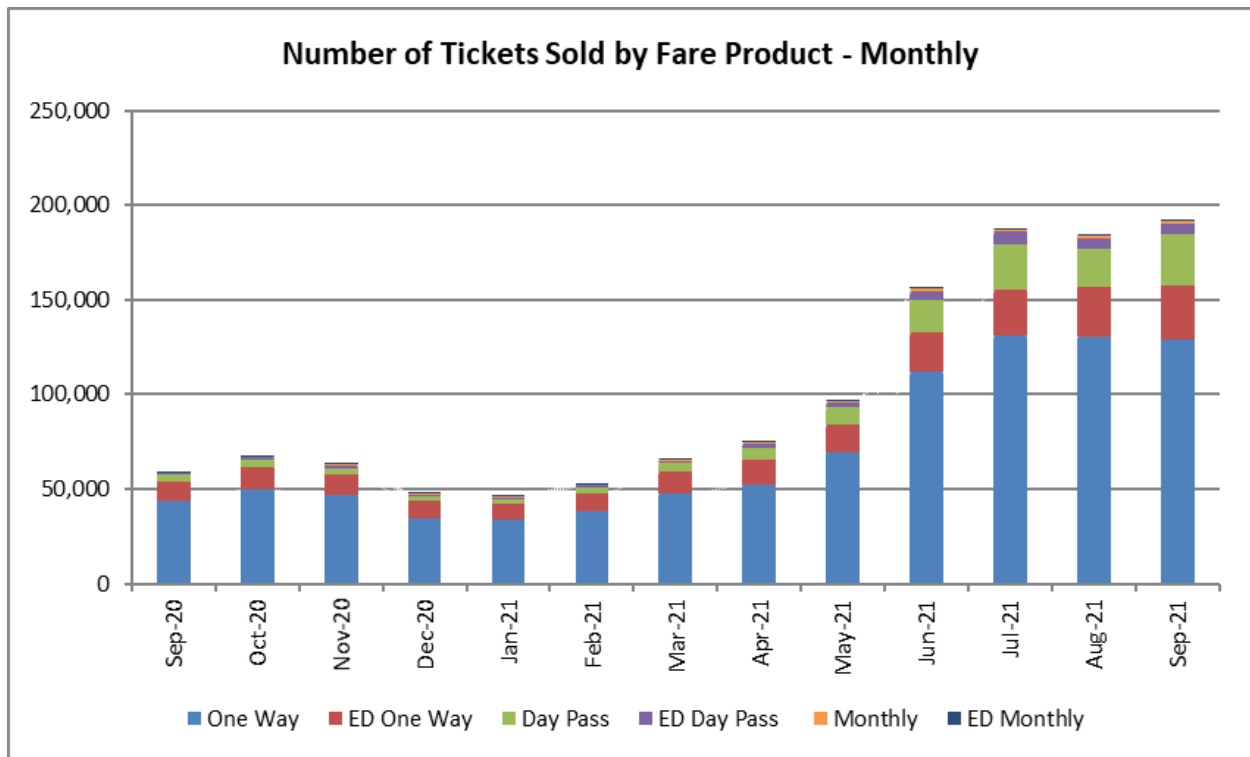
Shuttle AWR ridership for September 2021 decreased 78.7 percent to 266 from September 2020 (1250). As of September 2021, eleven shuttle routes are operating, two routes are suspended by the employer and six services have been removed from the shuttle program since January 2021 due to operational, partner, or granting changes/loses.

## TICKET SALES

During the month of September 2021 Caltrain offered 50 percent discount on all fare types and categories, except Go Pass, a 19 percent increase compared to August 2021.

Other ticket sales and farebox revenue statistics trended as follows:

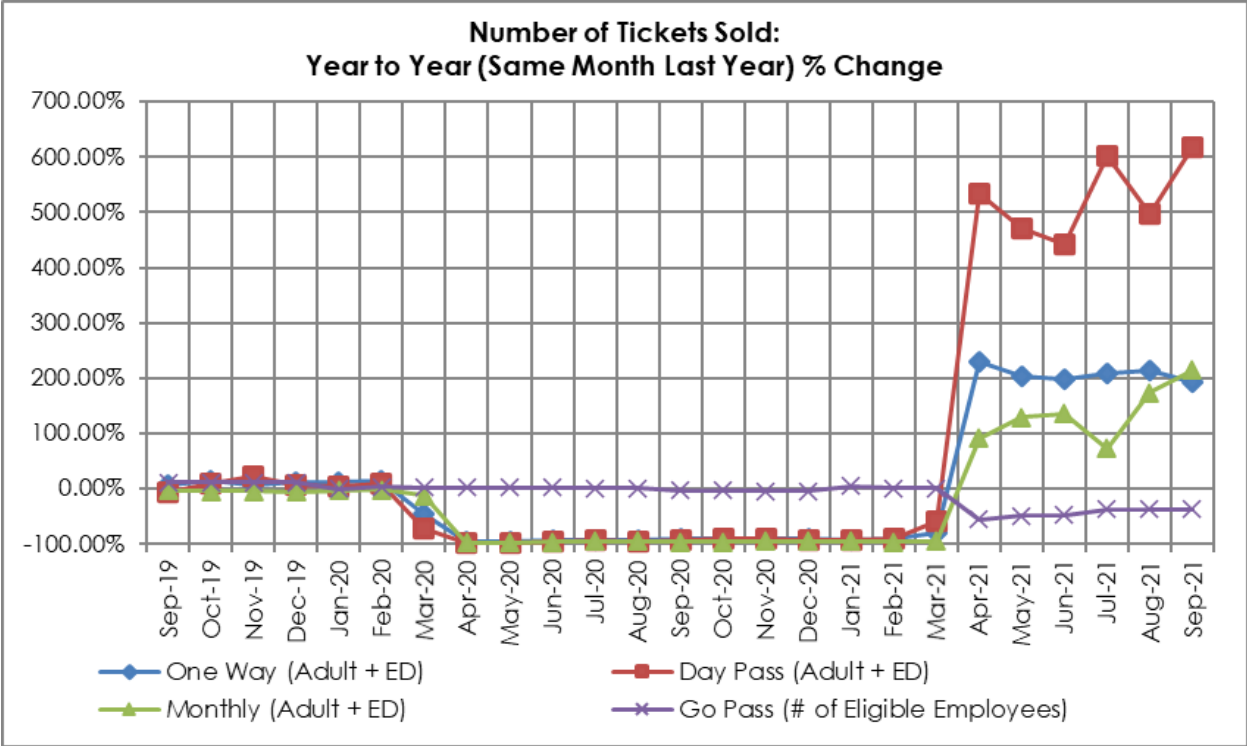
- Caltrain Mobile Ticketing revenue was 6.1 percent (\$121,755) of the monthly ticket sales revenue.
- Number of Eligible Go Pass Employees decreased to 55,345 from September 2020 (87,335).
- Number of the participating Go Pass Companies decreased to 43 from September 2020 (120).
- Total Farebox Revenue decreased by 33.4 percent to \$1,966,449 from September 2020 (\$2,952,638).



Note:

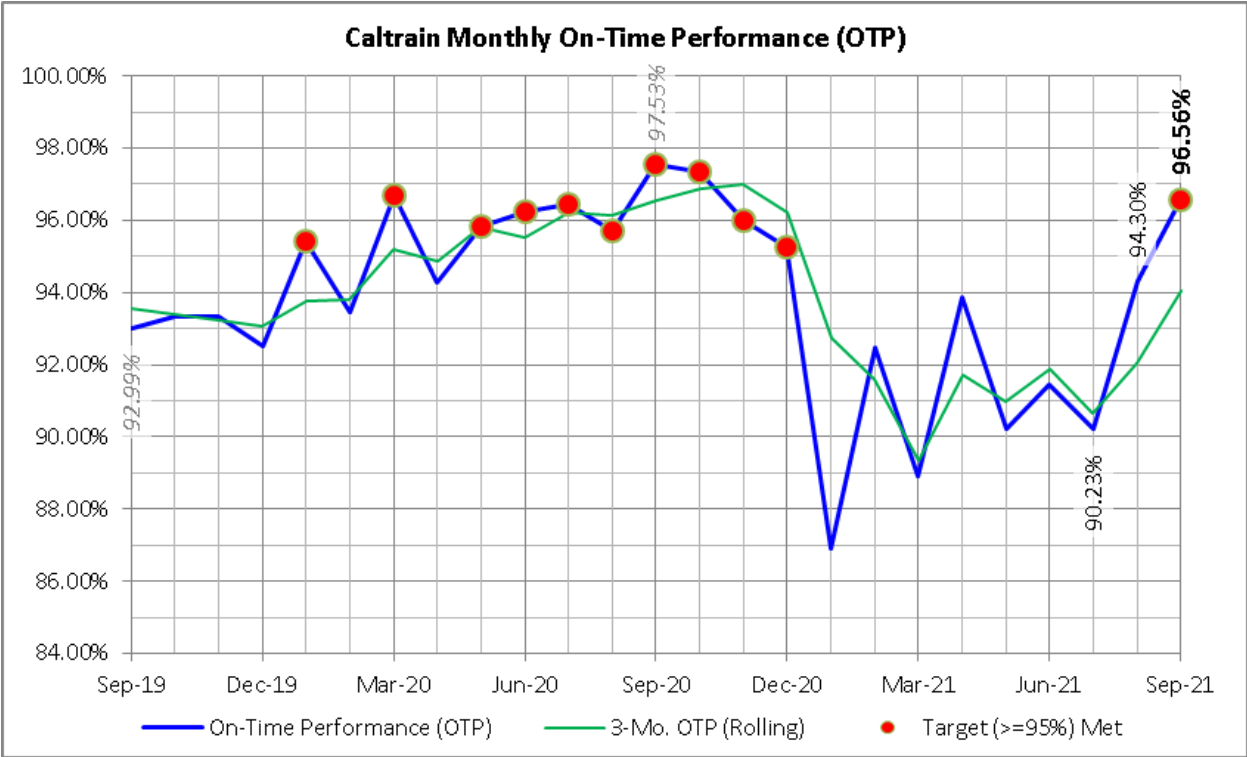
1. Go Passes tracked by Monthly Number of Eligible Employees (not by Sales)
2. Starting in September 2021 ticket sales are derived from the Business Intelligence (BI) system that corrected One-Way ticket sales. The correction reduced total tickets by about 10%-15% when compared to the former methodology.

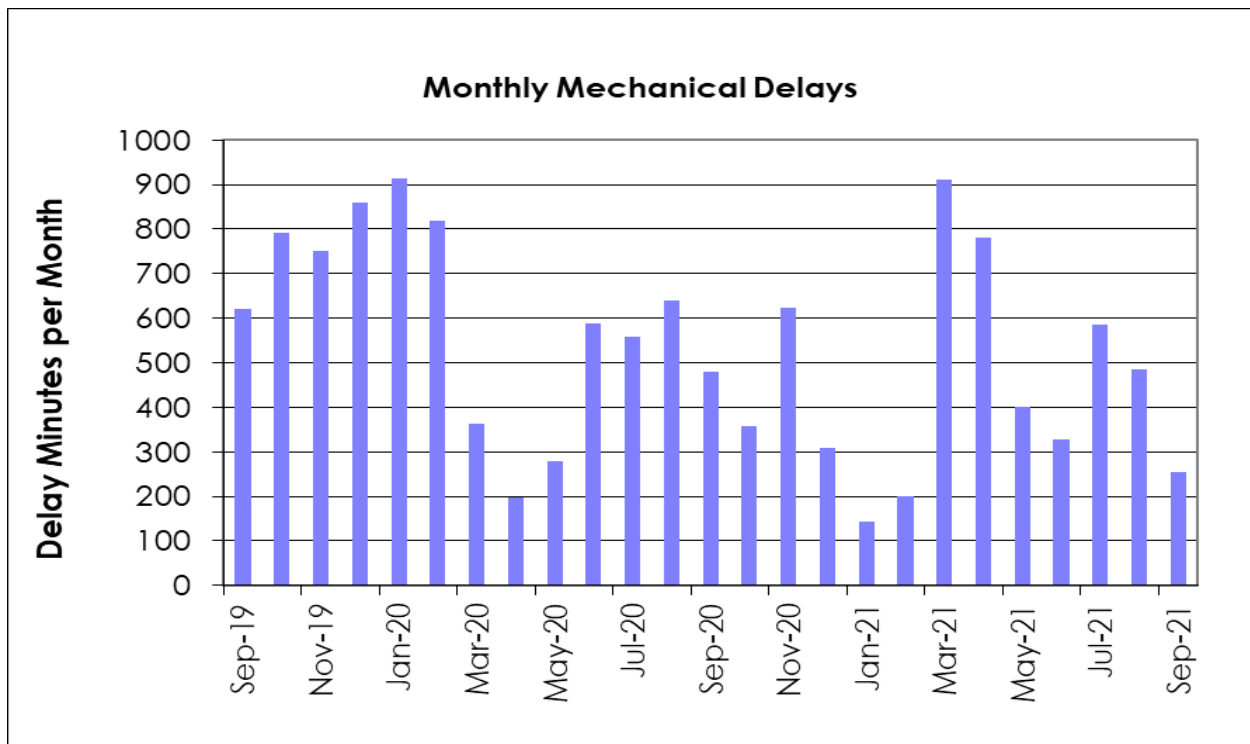




ON-TIME PERFORMANCE (OTP)

In September 2021, OTP was 96.6 percent compared to 97.5 percent in September 2020 when a new timetable with increased train traffic, continuous single tracking for capital projects, dwell times and aging fleet still performed better than the target 95 percent.





### Caltrain Communication and Marketing Campaigns for September 2021:

- All Aboard Bay Area Campaign (MTC)
- All Aboard Caltrain Campaign (50% Off All Fares)
- Take Caltrain to the Game - SF Giants Baseball (ongoing)
- Clipper Mobile (ongoing)
- 20% Off Caltrain Monthly Pass (ongoing)
- Clipper Start (ongoing)
- "Face Coverings Required" messaging to customers (ongoing)
- Press Release: "Caltrain Completes Grade Crossing Improvement Projects in Menlo Park and San Mateo"
- Press Release: "Take Caltrain to See Michael Bublé at Chase Center"
- Press Release: "Caltrain Provides Service to 49ers vs. Packers"
- Press Release: "Caltrain Runs Service to Stanford vs. UCLA this Saturday"
- Press Release: "Caltrain and City of San Mateo Celebrate Completion of 25th Avenue Grade Separation Project"
- Press Release: "Caltrain Announces New Leadership for Electrification Project"
- Press Release: "Caltrain Launches Go Pass Donation Program"
- Press Release: "Caltrain is the Ticket to the Mountain View Art and Wine Festival"
- Press Release: "Caltrain Offers Rides to the Opera at the Ballpark"
- Press Release: "Caltrain to Operate Weekend Schedule for Labor Day"
- Press Release: "Caltrain Board Proclaims September Rail Safety & Suicide Prevention Month"

## **Digital Communications Report:**

The month of September was definitely an exciting one. Caltrain reached over 1 million impressions on Twitter due to the constant messaging. The new schedule launched at the end of August trickling into September. Complete launch of the All Aboard campaign, continued welcoming back our customers (welcome back series), messaging of masks on board and Giant's service.

Notable mention: Engagement across all Caltrain platforms continue gradually growing

## **September 2021 Highlights:**

- Kaito Streets x Caltrain Collaboration
- 50% off for September
- EMU giveaway
- Train Seat giveaway
- Giants/49ers service

## **Caltrain.com Report:**

Behind the All Aboard campaign and more returning passengers web traffic continued to climb, hitting a pandemic-high of 420k sessions in Sept. The low, 84k sessions, was in April, 2020.

## **Website Replacement Project:**

The Web Team continues to work with FivaPaths on design and development. Content review is underway, and Caltrain is in the process of hiring two ADA Specialists for the PDF conversion project, and a new full-time staffer to help with web content. The site will launch internally in November.

Prepared by: Patrice Givens – Administrative Analyst II	650.508.6347
Robert Casumbal – Director, Marketing & Research	650.508.7924
Jeremy Lipps – Manager, Digital Communications	650.622.7845

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

DATE: November 4, 2021

TO: Joint Power Board

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **OCTOBER 25, 2021 FINANCE COMMITTEE REPORT OF THE CHIEF FINANCIAL OFFICER**



Finance Committee  
Recommendation



Work Program-  
Legislative-Planning



Staff Coordinating  
Council Reviewed



Staff Coordinating Council  
Recommendation

**HIGHLIGHTS**

- Staff and the independent auditor have completed the preparation of the Annual Comprehensive Financial Report, which is being presented at the Finance Committee meeting.
- Allocations of the second tranche of ARPA funding are anticipated to be voted on by the MTC Commission. Staff proposed allocations will be discussed at the JPB Finance Committee meeting.
- Staff has begun work with the JPB's financing team on developing the PCEP bond issue. We are currently targeting bringing the finance plan to the Finance Committee for its recommendation in December with a January 2022 Board approval.
- We are starting to receive Measure RR sales tax revenues, and will present the latest figures during the Finance Committee meeting. We will bring updated projections for FY22 and FY23 Measure RR revenue at future Finance Committee meetings.

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **ACCEPT STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDING  
SEPTEMBER 30, 2021**



Finance Committee  
Recommendation



Work Program-  
Legislative-Planning



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 September 2021.

This staff report provides a brief discussion of significant items and trends on the attached Statement of Revenues and Expenses through September 30, 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**

**Year to Date Revenues:** As of September year-to-date actual, the Grand Total Revenue (page 1, line 19) is \$24.3 million lower than the approved budget. This is primarily driven by CRRSAA fund (page 1, line 14). CRRSAA funds were fully allocated by the Metropolitan Transportation Commission in FY2021. While a final draw of \$4.07 million was made in July 2021, the revenues associated with that draw are accrued back to FY 2021, as FY 2021 expenses and revenue loss were the basis upon which this draw was made.

**Year to Date Expenses:** As of September year-to-date actual, the Grand Total Expense (page 1, line 54) is \$8.3 million lower than the approved budget. This is primarily driven by Fuel and Lubricants (page 1, line 27), Facilities and Equipment Maintenance (page 1, line 31), Wages and Benefits (page 1, line 38), Professional Services (page 1, line 41), Other Office Expenses and Services (page 1, line 43) and Measure RR Ballot Costs (page 1, line 49).

**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 statement. Due to the impact of Covid-19 pandemic, the variance between the current year actual and the budget may show noticeable variances due to the timing of expenditures.

**BUDGET IMPACT**

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

Prepared By:	Thwe Han, Accountant II	650-508-7912
	Jennifer Ye, Acting Director, Accounting	650-622-7890

<b>PENINSULA CORRIDOR JOINT POWERS BOARD</b>									
<b>STATEMENT OF REVENUE AND EXPENSE</b>									
<b>Fiscal Year 2022</b>									
<b>September 2021</b>									
<b>% OF YEAR ELAPSED</b>							<b>25.0%</b>		
	<b>JULY TO SEPTEMBER</b>				<b>ANNUAL</b>				
	<b>CURRENT ACTUAL</b>	<b>APPROVED BUDGET</b>	<b>\$ VARIANCE</b>	<b>% VARIANCE</b>	<b>APPROVED BUDGET</b>	<b>FORECAST</b>	<b>\$ VARIANCE</b>		
<b>REVENUE</b>									
<b>OPERATIONS:</b>									
1	Farebox Revenue	7,072,732	6,757,000	315,732	4.7%	34,639,000	34,639,000	-	1
2	Parking Revenue	238,608	384,000	(145,392)	(37.9%)	1,536,000	1,536,000	-	2
3	Shuttles	302,540	400,974	(98,434)	(24.5%)	1,603,900	1,603,900	-	3
4	Rental Income	245,014	298,116	(53,102)	(17.8%)	1,192,466	1,192,466	-	4
5	Other Income	295,532	396,150	(100,618)	(25.4%)	1,584,608	1,584,608	-	5
6									6
7	<b>TOTAL OPERATING REVENUE</b>	<b>8,154,424</b>	<b>8,236,240</b>	<b>(81,816)</b>	<b>(1.0%)</b>	<b>40,555,974</b>	<b>40,555,974</b>	<b>-</b>	7
8									8
9	<b>CONTRIBUTIONS:</b>								
10	AB434 Peninsula & TA Shuttle Funding	40,033	279,825	(239,792)	(85.7%)	1,119,300	1,119,300	-	10
11	Operating Grants	1,605,493	1,606,368	(875)	(.1%)	6,525,471	6,525,471	-	11
12	JPB Member Agencies	-	-	-	.0%	-	-	-	12
13	Measure RR	21,644,229	21,644,230	(1)	(.0%)	86,576,919	86,576,919	-	13
14	CRRSAA*	-	27,115,922	(27,115,922)	(100.0%)	27,115,922	-	(27,115,922)	14
15	ARPA	18,000,000	14,849,883	3,150,117	21.2%	14,849,883	18,000,000	3,150,117	15
16									16
17	<b>TOTAL CONTRIBUTED REVENUE</b>	<b>41,289,755</b>	<b>65,496,228</b>	<b>(24,206,473)</b>	<b>(37.0%)</b>	<b>136,187,495</b>	<b>112,221,690</b>	<b>(23,965,805)</b>	17
18									18
19	<b>GRAND TOTAL REVENUE</b>	<b>49,444,180</b>	<b>73,732,468</b>	<b>(24,288,288)</b>	<b>(32.9%)</b>	<b>176,743,469</b>	<b>152,777,664</b>	<b>(23,965,805)</b>	19
20	*CRRSAA funding was received and reported as revenue in late FY21. However, it was not budgeted in FY21 as the amount of funding was unknown at the time of FY21 Budget adoption. Therefore the budget for CRRSAA funding was carried over and budgeted in FY22. A future FY22 budget action will be brought to the Board to clarify funding sources for the FY22 budget, including reserved funds from the FY21 actual results and/or additional funding made available from ARPA distributions.								

<b>PENINSULA CORRIDOR JOINT POWERS BOARD</b>									
<b>STATEMENT OF REVENUE AND EXPENSE</b>									
<b>Fiscal Year 2022</b>									
<b>September 2021</b>									
<b>% OF YEAR ELAPSED</b>							<b>25.0%</b>		
	<b>JULY TO SEPTEMBER</b>				<b>ANNUAL</b>				
	<b>CURRENT ACTUAL</b>	<b>APPROVED BUDGET</b>	<b>\$ VARIANCE</b>	<b>% VARIANCE</b>	<b>APPROVED BUDGET</b>	<b>FORECAST</b>	<b>\$ VARIANCE</b>		
21	<b>EXPENSE</b>							21	
22								22	
23	<b>DIRECT EXPENSE:</b>							23	
24	Rail Operator Service	22,608,675	22,964,810	(356,135)	(1.6%)	97,353,730	97,353,730	-	24
25	Security Services	1,363,268	1,871,629	(508,361)	(27.2%)	7,486,512	7,486,512	-	25
26	Shuttle Services	321,851	442,974	(121,123)	(27.3%)	2,723,200	2,723,200	-	26
27	Fuel and Lubricants *	1,884,438	2,608,713	(724,275)	(27.8%)	10,434,846	10,434,846	-	27
28	Timetables and Tickets	11,960	13,749	(1,789)	(13.0%)	55,000	55,000	-	28
29	Insurance	5,513,353	5,857,210	(343,857)	(5.9%)	5,857,210	5,857,210	-	29
30	Claims, Payments, and Reserves	(180,172)	205,002	(385,174)	(187.9%)	820,000	820,000	-	30
31	Facilities and Equipment Maintenance	751,766	1,885,343	(1,133,577)	(60.1%)	7,734,353	7,734,353	-	31
32	Utilities	481,449	638,151	(156,702)	(24.6%)	2,552,600	2,552,600	-	32
33	Maint & Services-Bldg & Other	322,750	412,275	(89,525)	(21.7%)	1,674,250	1,674,250	-	33
34								34	
35	<b>TOTAL DIRECT EXPENSE</b>	<b>33,079,338</b>	<b>36,899,856</b>	<b>(3,820,518)</b>	<b>(10.4%)</b>	<b>136,691,701</b>	<b>136,691,701</b>	<b>-</b>	35
36								36	
37	<b>ADMINISTRATIVE EXPENSE</b>							37	
38	Wages and Benefits	3,044,507	4,012,901	(968,394)	(24.1%)	12,487,945	12,487,945	-	38
39	Managing Agency Admin OH Cost	894,655	867,132	27,523	3.2%	3,470,871	3,470,871	-	39
40	Board of Directors	4,668	12,066	(7,398)	(61.3%)	48,275	48,275	-	40
41	Professional Services	1,209,745	2,135,470	(925,725)	(43.3%)	8,737,561	8,737,561	-	41
42	Communications and Marketing	50,374	83,498	(33,124)	(39.7%)	322,750	322,750	-	42
43	Other Office Expenses and Services	324,342	945,675	(621,333)	(65.7%)	3,602,614	3,602,614	-	43
44								44	
45	<b>TOTAL ADMINISTRATIVE EXPENSE</b>	<b>5,528,291</b>	<b>8,056,742</b>	<b>(2,528,451)</b>	<b>(31.4%)</b>	<b>28,670,016</b>	<b>28,670,016</b>	<b>-</b>	45
46								46	
47	<b>TOTAL OPERATING EXPENSE</b>	<b>38,607,630</b>	<b>44,956,598</b>	<b>(6,348,968)</b>	<b>(14.1%)</b>	<b>165,361,717</b>	<b>165,361,717</b>	<b>-</b>	47
48								48	
49	Measure RR Ballot Costs	5,357,823	7,000,000	(1,642,177)	(23.5%)	7,000,000	7,000,000	-	49
50	Governance	94,447	500,000	(405,553)	(81.1%)	2,000,000	2,000,000	-	50
51								51	
52	Debt Service Expense	685,570	595,437	90,133	15.1%	2,381,752	2,381,752	-	52
53								53	
54	<b>GRAND TOTAL EXPENSE</b>	<b>44,745,469</b>	<b>53,052,035</b>	<b>(8,306,566)</b>	<b>(15.7%)</b>	<b>176,743,469</b>	<b>176,743,469</b>	<b>-</b>	54
55								55	
56	<b>NET SURPLUS / (DEFICIT)</b>	<b>4,698,711</b>	<b>20,680,433</b>	<b>(15,981,722)</b>	<b>(77.3%)</b>	<b>-</b>	<b>(23,965,805)</b>	<b>(23,965,805)</b>	56
* Fuel and Lubricants costs were reduced by a realized gain of \$280,048 from the fuel hedge program.									





**PENINSULA CORRIDOR JOINT POWERS BOARD**  
**INVESTMENT PORTFOLIO**  
**AS OF SEPTEMBER 30, 2021**

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  
 MICHELLE BOUCHARD  
 ACTING EXECUTIVE DIRECTOR

TYPE OF SECURITY		MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (Unrestricted)	*	Liquid Cash	0.206%	85,145	85,145
County Pool (Unrestricted)		Liquid Cash	1.069%	557,830	557,830
Other (Unrestricted)		Liquid Cash	0.050%	98,520,895	98,520,895
Other (Restricted)	**	Liquid Cash	0.050%	12,289,935	12,289,935
				\$ 111,453,805	\$ 111,453,805

Interest Earnings for September 2021	\$ 2,098.31
Cumulative Earnings FY2022	\$ 6,898.68

\* 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: Joint Powers Board

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **AWARD OF COOPERATIVE PURCHASING CONTRACT TO MANSFIELD OIL COMPANY TO FURNISH RED-DYE, ULTRA LOW SULFUR DIESEL FUEL AND FUELING SERVICES**



Finance Committee  
Recommendation



Work Program-  
Legislative-Planning



Staff Coordinating  
Council Reviewed



Staff Coordinating Council  
Recommendation

**ACTION**

Staff recommends the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB):

1. Award a cooperative purchasing contract to Mansfield Oil Company (Mansfield) of Gainesville, Georgia to furnish Red-Dye, Ultra-Low Sulfur Diesel Fuel and Fueling Services (Services) to the Peninsula Corridor Joint Powers Board (JPB), governed by a cooperative agreement set forth by OMNIA Partners Public Sector (OMNIA), which was competitively procured by the City of Fort Worth, Texas as the lead agency, for a total estimated amount of \$37,119,024, including an estimate of all applicable fuel taxes and associated petroleum fees through December 31, 2024 (Federal LUST tax, Federal Oil Spill, Global Warming Solutions Act, California Air Resource, sales tax, California Low Carbon Fuel, California Motor Vehicle Fuel Tax).
2. Authorize the Acting Executive Director or designee to execute a cooperative purchasing contract with Mansfield in full conformity with the terms and conditions of the City of Fort Worth Contract #53315 and in a form approved by legal counsel.
3. Authorize the Acting Executive Director or designee to exercise contract contingency authority for contract amendments up to 100 percent of the board-approved estimated contract amount.

**SIGNIFICANCE**

Approval of the above actions will provide the Peninsula Corridor Joint Powers Board (JPB) with a dedicated fuel supplier in order to ensure continued, uninterrupted Caltrain operations. The requested Services include furnishing of fuel and fueling services necessary for the delivery to Centralized Equipment Maintenance and Operations

Facility (CEMOF) in San Jose, the San Francisco Rail Yard at 7<sup>th</sup> and Townsend, and the Gilroy Rail Yard.

The JPB has seen significant fuel price increases over the past year due to the pandemic and recovery, and associated supply chain issues. Since January 2021, the red-dye, ultra-low sulfur diesel (red-dye ULSD) fuel prices increased from \$1.9584 to \$2.9543 per gallon, an increase of \$0.9959 per gallon. The fuel market is volatile and unpredictable; by allowing for up to 100 percent contract contingency, the JPB will be able to purchase fuel regardless of fuel price fluctuations over the contract period, through December 31, 2024, within authorized contract capacity. If the price of fuel does not significantly increase, the Board-approved contingency will not be spent.

This contractual and budgetary authority is required, even though the District is now utilizing a diesel fuel hedging program, in order to provide the ability to contractually purchase the required fuel.

### **BUDGET IMPACT**

Funds to support the contract are included in the adopted Fiscal Year 2022 Operating Budget and will be included in future operating budgets.

### **BACKGROUND**

Per the JPB's Procurement Manual, to foster greater economy and efficiency the JPB may utilize cooperative agreements for procurement of common goods and services and to consolidate the purchasing needs of participating agencies to obtain goods and services at prices generally available to only to large volume buyers and at prices lower than those the JPB could obtain through its normal purchasing procedures.

The JPB currently has a fleet of 29 total diesel-fueled locomotives, and it is essential that diesel fuel and fueling services are furnished to ensure the continued, uninterrupted service of Caltrain operations. Staff anticipates fuel usage to decrease to approximately one-third of the current usage when electrified revenue service begins. However, Caltrain plans to continue to operate limited diesel-fueled trains post-electrification and diesel-fueled trains will also be retained for emergencies affecting electrified operations.

In October 2016, as a result of a joint competitive solicitation with the San Mateo County Transit District, the JPB awarded a contract to Mansfield, the lowest and responsible bidder, to furnish ultra-low sulfur diesel fuel and fueling services for a five-year term. This contract will expire on January 31, 2022.

The JPB now desires to enter into a cooperative purchasing contract with Mansfield governed by a national cooperative agreement administered by OMNIA Partners Public Sector (OMNIA), which was competitively solicited by the City of Fort Worth, Texas as the lead agency. This Mansfield-OMNIA cooperative agreement (Mansfield-OMNIA cooperative) allows participating agencies in the United States, including the JPB, to utilize a cooperative purchasing agreement to purchase motor fuels and aviation fuels and related services from Mansfield. Although the JPB plans to continue using the distillate red-dye, ultra-low sulfur diesel fuel for its diesel locomotives, should a need arise for the JPB to test the viability and use of renewable diesel fuel at a future date, the JPB will evaluate such options under the Mansfield-OMNIA cooperative, if it is

in the best interest of the JPB to do so. This Mansfield-OMNIA cooperative is in effect through December 31, 2024.

**Caltrain Fuel Requirements**

The estimated annual usage for Red-Dye, Ultra-Low Sulfur Diesel Fuel is 4.5 million gallons per year, with an overall estimate of 13.7 million gallons for the three-year term of the contract.

Caltrain fueling/storage capacity at each location consists of:

- 2 each, 35,000 gallons per above-ground stationary tank at CEMOF
- 8 each, 750 gallons per locomotive at San Francisco Rail Yard
- 3 each, 700 gallons per locomotive at Gilroy Rail Yard

**Three-Year Fuel Cost**

The benchmark for compensation under this contract is the Oil Price Information Service (OPIS) Rack Rate for CARB No. 2 ULSD San Jose Daily Contract Average. The June 2021 average OPIS Rack Rate for Red-Dye, Ultra-Low Sulfur Diesel Fuel was \$2.10 per gallon. Under the Mansfield-OMNIA cooperative, Mansfield offers a discount of -\$0.0165 from the OPIS rate to arrive at a firm fixed price per gallon. That price per gallon was multiplied by the total number of gallons specified by the JPB, to arrive at the total estimated three-year amount of \$37,119,024.

**Price Analysis**

A price analysis was performed comparing the current Mansfield contract pricing, the proposed pricing from Mansfield-OMNIA cooperative and pricing from the Santa Clara County's awarded fuel provider contract.

The OPIS tracks current and historical pricing for oil products across the entire fuel supply chain. OPIS provides pricing reports for the different types of fuel based on specific locations. For the JPB, the OPIS location is San Jose. As an industry standard, fuel providers charge their customers OPIS rates as determined by the date of fuel delivery and location. Therefore, the fluctuation in fuel prices are accounted for when quotes are provided to their customers.

Description	Current Mansfield Contract	Mansfield- OMNIA Cooperative	Santa Clara County
ULSD CARB Dyed Diesel:  San Jose OPIS CARB Dyed ULSD Average	-\$0.025	-\$0.0165	\$0.02

Mansfield-OMNIA cooperative is offering a rate that is \$0.0085 higher than the current Mansfield pricing per gallon the JPB is currently paying for diesel fuel, which was

established five years ago. The price Mansfield-OMNIA offers is \$0.0365 less than the price of fuel currently paid by Santa Clara County. Staff has determined the price being offered under the Mansfield-OMNIA cooperative is fair and reasonable.

**Summary**

By utilizing the Mansfield-OMNIA cooperative, the JPB benefits from the efficiency of using a supplier that has a track record with the JPB. The JPB also benefits from time and cost savings by utilizing this approved supplier of fuel and fuel services under the competitively-procured Mansfield-OMNIA cooperative. The pricing per gallon is fair and reasonable. Although Mansfield did offer a greater discount five years ago for the JPB's current contract, Mansfield's proposed rates are still lower than those currently offered by other fuel suppliers. Staff recommends award of this contract for Mansfield to provide the requested Services.

Prepared By: Alice Cho 650.508.6442  
Acting Procurement Manager

Project Henry Flores, Deputy Director, 650.207.7765  
Manager: Rail Vehicle Maintenance

**RESOLUTION NO. 2021 –**

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

**\* \* \***

**AWARDING A COOPERATIVE PURCHASING CONTRACT TO MANSFIELD OIL COMPANY FOR  
FURNISHING RED-DYE, ULTRA LOW SULFUR DIESEL FUEL AND FUELING SERVICES  
FOR A TOTAL ESTIMATED AMOUNT OF \$37,119,024**

**WHEREAS**, the Peninsula Corridor Joint Powers Board (JPB) requires the furnishing of fuel and fueling services to the Centralized Equipment Maintenance and Operations Facility (CEMOF) in San Jose, the San Francisco Rail Yard at 7<sup>th</sup> and Townsend, and the Gilroy Rail Yard to ensure continued, uninterrupted service of Caltrain operations; and

**WHEREAS**, while staff anticipates fuel usage to decrease to approximately one-third of the current usage when electrified revenue service begins, it is also anticipated that Caltrain will continue to operate limited diesel-fueled trains post-electrification and during emergencies that affect electrified operations; and

**WHEREAS**, the JPB's existing contract for diesel fuel and fueling services will expire on January 31, 2022; and

**WHEREAS**, the City of Fort Worth, Texas, as the lead agency, has competitively procured a cooperative agreement with Mansfield Oil Company (Mansfield) of Gainesville, Georgia for furnishing of Red-Dye, Ultra-Low Sulfur Diesel Fuel and Fueling Services (Mansfield-OMNIA cooperative), which is administered by OMNIA Partners Public Sector (OMNIA) and remains in effect through December 31, 2024; and

**WHEREAS**, should a need arise for the JPB to test the viability and use of renewable diesel fuel at a future date, the JPB will evaluate such options under this cooperative purchasing contract, if it is in the best interest of the JPB to do so; and

**WHEREAS**, participating in the Mansfield-Omnia cooperative allows the JPB to procure favorably-priced fuel and fueling services that it generally could not receive through a standalone competitive procurement; and

**WHEREAS**, per the JPB's Procurement Manual, to foster greater economy and efficiency the JPB may utilize cooperative agreements for procurement of common goods and services and to consolidate the purchasing needs of participating agencies to obtain goods and services at prices generally available to only large-volume buyers and at prices lower than those the JPB could obtain through its normal purchasing procedures; and

**WHEREAS**, staff recommends that a cooperative purchasing contract for furnishing Red-Dye, Ultra-Low Sulfur Diesel Fuel and Fueling Services be awarded to Mansfield for a three-year term for an estimated amount of \$37,119,024, inclusive of an estimate of all applicable fuel taxes and petroleum fees and applicable freight charges during the contract term.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board hereby awards a cooperative purchasing contract to Mansfield Oil Company for furnishing Fuel and Fueling Services for a three-year term for an estimated amount of \$37,119,024, inclusive of an estimate of all applicable fuel taxes and petroleum fees and freight charges during the contract term; and

**BE IT FURTHER RESOLVED** that the Board authorizes the Acting Executive Director, or designee, to execute a cooperative purchasing contract on behalf of the JPB with Mansfield in full conformity with the terms and conditions of the City of Fort Worth Contract #53315 and in a form approved by legal counsel.

**BE IT FURTHER RESOLVED** that the Board authorizes the Acting Executive Director, or designee, to exercise contract amendments up to 100 percent of the Board-approved estimated contract amount, to account for higher fuel price fluctuations the JPB anticipates may occur over the duration of the contract term.

Regularly passed and adopted this 4<sup>th</sup> day of November, 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: Joint Powers Board

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Pranaya Shrestha  
Chief Officer, CalMod Program

SUBJECT: **AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT TO SUPPLEMENTAL AGREEMENT NO. 2 WITH PACIFIC GAS AND ELECTRIC (PG&E) FOR CONSTRUCTION OF 115 KILOVOLT INTERCONNECTIONS FOR THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT (PCEP)**



Finance Committee  
Recommendation



Work Program-  
Legislative-Planning



Staff Coordinating  
Council Reviewed



Staff Coordinating Council  
Recommendation

**ACTION**

Staff Coordinating Council recommends the Board authorize a fourth amendment to Supplemental Agreement No. 2 with Pacific Gas and Electric (PG&E), entitled "Construction of 115 Kilovolt (kV) Interconnections for the Peninsula Corridor Electrification Project (PCEP)," at a cost not to exceed \$18.74 million, for a new total authorized amount of \$49.64 million for Supplemental Agreement No. 2.

**SIGNIFICANCE**

Implementation of the PCEP requires 115-kV interconnections from the PG&E substations to the Caltrain substations in San Jose and in South San Francisco.

Construction of the interconnection in San Jose is complete, and construction of the interconnection at South San Francisco is ongoing and is expected to be complete by February 2022.

On September 17, 2021, PG&E notified the JPB of a cost increase of \$21.84M for Supplemental Agreement No. 2 due to the following:

1. Additional design and construction costs due to the change from overhead to underground construction resulting from the terms of a negotiated settlement agreement with a private property owner that provided an easement to PCEP for purposes of construction and

- maintenance of the interconnection from PG&E's East Grand Substation to Caltrain's Traction Power Substation No. 1 in South San Francisco.
2. Additional design and construction costs resulting from unanticipated shallow groundwater and differing site conditions at the interconnection sites.
  3. Procurement of Long Lead Materials that were originally to be purchased through the Balfour Beatty contract.
  4. Additional overhead and escalation costs resulting from the additional time required to complete the interconnections.
  5. An increase in PG&E's Income Tax Component of Contributions (ITCC) Tax from 22% to 24%.
  6. Contingency required for remaining construction risks.

Staff has reviewed PG&E's back-up documents in support of the proposed \$21.84 million cost increase and has determined that the proposed increase correlates to PG&E's actual incurred and remaining costs, and the additional contingency is a reasonable estimate at this time. Below is a breakdown of the costs that comprise the \$21.84 million cost increase:

<b>Cost Item</b>	<b>Cost (in \$M)</b>
1. Design & Construction costs for change from overhead to underground installation on private property	\$ 5.40
2. Differing Site Conditions, Unanticipated Shallow Water Table	\$ 3.61
3. Procurement of Long Lead Items	\$ 1.90
4. Additional overhead and escalation costs	\$ 4.20
5. ITCC (24%)	\$ 3.63
6. Contingency (including ITCC)	\$ 3.10
Total	<b>\$ 21.84</b>

Part of the \$21.84M cost increase was approved by the Board on March 4, 2021 when the Board approved the amendment to Supplemental Agreement No. 2 to authorize the expenditure of \$3.1 million as part of a settlement agreement with a private property owner in South San Francisco, in which certain portions of the interconnection running through the property owner's parcel would be constructed underground instead of overhead, in exchange for the easement provided by the property owner to Caltrain. The \$3.1 million includes \$2.8 million for the design and construction of the interconnection and \$300,000, which the private property owner agreed to pay for differing site conditions encountered during construction of the underground facility.

As a result, the remaining balance from PG&E's expected cost increase of \$21.84M is \$18.74M as shown below:

PG&E Cost Increase:	\$21.84M
Less CMB approved amount on 2-17-21:	2.80M
Less Private Property Owner payment:	<u>0.30M</u>
Balance:	<b>\$18.74M</b>

## **BUDGET IMPACT**

The PCEP Change Management Board (CMB) met on October 20, 2021 and approved the \$18.74 million increase in the cost of PG&E Supplemental Agreement No. 2. The \$18.74 million cost increase will be funded by contingency funds included in the Board-approved PCEP Budget without requiring a budget amendment.

## **BACKGROUND**

Design and construction of the 115kV interconnections were originally expected to be performed by Balfour Beatty Infrastructure, Inc. (BBII) through a change order to BBII's design-build contract with PCEP. BBII performed the design of the interconnections through a subcontractor, TRC, but notified the JPB on December 12, 2019 that TRC had declined to pursue the construction component of the change order.

Staff reached out to PG&E about having PG&E construct the interconnections under an existing agreement with the JPB. PG&E agreed to construct the interconnections under a second amendment to Supplemental Agreement No. 2.

- The Board approved Supplemental Agreement No. 2, PG&E Oversight of Caltrain Design and Construction of 115 kilovolt (kV) Interconnections and Environmental Review of PG&E Infrastructure Build Outs, on September 1, 2016 for \$1 million. PG&E's scope of work for this Agreement included oversight of the design and construction of the 115kV interconnections and environmental review and permitting support.
- The Board approved Amendment No. 1 to Supplemental Agreement No. 2 on February 1, 2018 for \$1.8 million because the level of effort from PG&E to oversee the design and construction of the interconnections was greater than anticipated.
- The Board approved Amendment No. 2 to the Agreement on March 5, 2020 for \$25 million, to add the construction of the 115-kV interconnections in San Jose and in South San Francisco to PG&E's scope of work.
- As described above, by adoption of Resolution No. 2021 - 13, the Board additionally amended Supplemental Agreement No. 2 to authorize the expenditure of \$3.1 million, as part of a settlement agreement with a private property owner, in which certain portions of the interconnection running through the property owner's parcels would be undergrounded, rather than the overhead construction originally contemplated.

Prepared By: Liria C. Larano  
Deputy Chief Officer, CalMod Program

650.288.9151

**RESOLUTION NO. 2021 –**

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

**\* \* \***

**AUTHORIZING THE ACTING EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT TO  
SUPPLEMENTAL AGREEMENT NO. 2 WITH PACIFIC GAS AND ELECTRIC (PG&E) FOR  
CONSTRUCTION OF 115 KILOVOLT INTERCONNECTIONS FOR THE PENINSULA CORRIDOR  
ELECTRIFICATION PROJECT (PCEP)**

**WHEREAS**, the implementation of Peninsula Corridor Electrification Project (PCEP), a key component of the Caltrain Modernization Program, requires construction of 115-kV interconnections from PG&E's East Grand Substation (EG Substation) to Caltrain's Traction Power Substation 1 (TPSS-1) in South San Francisco and from PG&E's FMC Substation to Caltrain's Traction Power Substation 2 (TPSS-2) in San Jose; and

**WHEREAS**, the Board approved Supplemental Agreement No. 2, PG&E Oversight of Caltrain Design and Construction of 115 kilovolt (kV) Interconnections and Environmental Review of PG&E Infrastructure Build Outs on September 1, 2016 for \$1 million. PG&E's scope of work for this Agreement included oversight of the design and construction of the 115kV interconnections and environmental review and permitting support; and

**WHEREAS**, the Board approved Amendment No. 1 to Supplemental Agreement No. 2 on February 1, 2018 for \$1.8 million because the level of effort from PG&E to oversee the design and construction of the interconnections was greater than anticipated; and

**WHEREAS**, the Board approved Amendment No. 2 to the Agreement on March 5, 2020 for \$25 million for construction of the 115-kV interconnections in San Jose and in South San Francisco to PG&E's scope of work; and

**WHEREAS**, the Board approved an additional amendment to Supplement No. 2 in Resolution 2021-13 to allow PG&E to install the interconnection underground instead of overhead at an additional cost of \$3.1 million, as part of an agreement with a private property owner that provided an easement to PCEP.

**WHEREAS**, PG&E has determined that the cost of Supplemental Agreement No. 2 will have to be increased by \$21.84 million due to the following:

1. Additional design and construction costs due to the change from overhead to underground construction resulting from an agreement with a private property owner that provided an easement to PCEP for the interconnection from PG&E's East Grand Substation to Caltrain's Traction Power Substation No. 1 in South San Francisco.
2. Additional design and construction costs resulting from unanticipated shallow groundwater and differing site conditions at the interconnection sites.
3. Additional overhead and escalation costs resulting from the additional time required to complete the interconnections.
4. An increase in the Income Tax Component of Contributions (ITCC) Tax from 22% to 24%.
5. Contingency required for remaining construction risks.

**WHEREAS**, Staff has reviewed PG&E's back-up documents in support of the proposed \$21.84 million cost increase and has determined that the proposed increase correlates to PG&E's actual incurred costs and remaining costs, and the additional contingency is a reasonable estimate at this time. Below is a breakdown of the costs that comprise the \$21.84 million cost increase:

Cost Item		Cost (in \$M)
1.	Design & Construction costs for change from overhead to underground installation on private property	\$ 5.40
2.	Differing Site Conditions, Unanticipated Shallow Water Table	\$ 3.61
3.	Procurement of Long Lead Items	\$ 1.90
4.	Additional overhead and escalation costs	\$ 4.20
5.	ITCC (24%)	\$ 3.63
6.	Contingency (including ITCC)	\$ 3.10
Total		<b>\$ 21.84</b>

Part of the \$21.84M cost increase was already approved by the Board on March 4, 2021 when the Board approved the amendment to Supplemental Agreement No. 2 via Resolution 2021-13 to authorize the expenditure of \$3.1 million as part of a settlement agreement with a private property owner in South San Francisco, in which certain portions of the interconnection running through the property owner's parcel would be constructed underground instead of overhead, in exchange for the easement provided by the property owner to Caltrain. The \$3.1 million includes \$2.8 million for the design and construction of the interconnection and \$300,000, which the private property owner agreed to pay for differing site conditions encountered during construction of the underground facility.

As a result, the remaining balance from PG&E's expected cost increase of \$21.84M is \$18.74M as shown below:

PG&E COST INCREASE:	\$21.84M
LESS BOARD APPROVED AMOUNT ON 3-4-21:	\$ 2.80M
LESS PRIVATE PROPERTY OWNER PAYMENT:	\$ 0.30M
Balance:	\$18.74M

The \$18.74 million increase will be funded from the contingency included in the Board-approved PCEP Budget and by the Change Management Board (CMB); and

**WHEREAS**, the CMB has reviewed and approved the \$18.74 million increase in the cost of PG&E Supplemental Agreement No. 2; and

**WHEREAS**, Staff and the CMB recommend that the Board of Directors grant the Acting Executive Director or designee to execute Amendment 4 to Supplemental Agreement No. 2 to increase the total amount by \$18.74 million for a new total authorized amount of \$49.64 million for Supplemental Agreement No. 2.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Peninsula Corridor Joint Powers Board authorizes the Acting Executive Director or designee to execute a fourth amendment to Supplemental Agreement No. 2 with Pacific Gas and Electric (PG&E), entitled Construction of 115 Kilovolt (KV) Interconnections for the Peninsula Corridor Electrification Project (PCEP)," at a cost not to exceed \$18.74 million for a total amount of \$49.64 million for Supplemental Agreement No. 2.

Regularly passed and adopted this 4<sup>th</sup> day of November 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: Joint Powers Board

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Stacy Cocke  
Deputy Director, Program Management & Environmental Compliance,  
Caltrain Modernization Program

SUBJECT: **AUTHORIZE AN INCREASE IN CONTRACT CHANGE ORDER AUTHORITY FOR THE  
PENINSULA CORRIDOR ELECTRIFICATION PROJECT'S CONTRACTOR ARINC  
FOR SUPERVISORY CONTROL AND DATA ACQUISITION DATABASE CHANGES**



Finance Committee  
Recommendation



Work Program-Legislative-Planning  
Committee Recommendation



Staff Coordinating  
Council Reviewed



Staff Coordinating Council  
Recommendation

**ACTION**

Staff recommends the Board authorize the Acting Executive Director, or designee, to increase the contract change order authority for the Peninsula Corridor Electrification Project (PCEP) Traction Power Facility Supervisory Control and Data Acquisition (SCADA) System Contract (SCADA Contract) with Contractor ARINC, Inc. (ARINC) for database changes for a total of not-to-exceed amount of \$294,416.

**SIGNIFICANCE**

The SCADA system will monitor the traction power facilities for the new electrified Caltrain system and infrastructure and provide health monitoring data and indicators to the Caltrain Central and Back-up Control Facilities using a database of SCADA points (aka Points List). The PCEP design-build infrastructure contract with Balfour Beatty Infrastructure, Inc. (BBII) requires BBII to develop a SCADA points list for inclusion in the database, including points that reflect the PCEP traction power facilities design.

The Board of Directors authorized the award of a contract to ARINC, Inc for a Traction Power SCADA System on August 3, 2017 (JPB Resolution 2017-40). The original value of the SCADA Contract 17-J-S-061 is \$3,446,917. Pursuant to the August 3, 2017 resolution, the Executive Director's change order authority at the time of contract award was 15% of the total SCADA Contract amount, or \$517,038.

In June 2021, the Board of Directors approved \$230,000 for changes to the SCADA points list which increased the total contract authority for change orders to \$747,038. PCEP project staff are seeking a credit from BBII for the amount that attributable to BBII.



The PCEP project staff projects an additional \$294,416 in pending and potential future change orders in order to complete the SCADA Contract. Additional contract authority will enable the Project to execute essential change orders without delay to the completion of the SCADA Contract.

The total amount forecasted for change orders on the SCADA Contract is expected to exceed the approved contract change order authority primarily for the following reasons, which required changes or updates to the ARINC database:

1. Multiple versions of incomplete or incorrect SCADA Points List from BBII;
2. The relocation of Paralleling Station 2 (PS2), PS3 and PS5;
3. JPB (non-PCEP) modifications. These are JPB projects implemented after award of the PCEP; design build BBII contract, such as the removal of Control Point Shark and Control Point Brittan.

The table below summarizes the executed contract change orders issued to date, the estimate of additional pending or potential future change orders, the current contract authority, and the requested increase in change order authority.

Executed Change Orders using Contract Authority	\$ 570,454
Estimate of Additional Change Orders	\$ 471,000
Total Executed & Additional Change Orders to use Contract Authority	\$ 1,041,454
Current Change Order Authority (Executive Director) + Individual Changes)	\$ 747,038
Requested Increase in Change Order Authority	\$ 294,416

The increase in contract change order authority was approved by the PCEP Change Management Board on September 15, 2021.

**BUDGET IMPACT**

These contract change orders will initially be paid using PCEP unallocated contingency. However, for changes to the SCADA Contract that were caused by BBII, JPB will pursue a credit from BBII.

**BACKGROUND**

The PCEP is a key component of the Caltrain Modernization (CalMod) Program. The PCEP will electrify the Caltrain Corridor from San Francisco's 4th and King Caltrain Station to approximately the Tamien Caltrain Station, convert diesel-hauled to electric trainsets ("Electric Multiple Unit" or "EMU"), and increase service to up to six Caltrain trains per peak hour per direction.

The SCADA contract scope is to provide the Traction Power Facility SCADA system. This system provides real-time health and monitoring information from the 10 TPFs to the Caltrain Central Control and Back-up Control Facilities.

Prepared By: Stacy Cocke  
 Deputy Director, Program Management & Environmental  
 Compliance, Caltrain Modernization Program

650.730.7262

**RESOLUTION NO. 2021 –**

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

**\* \* \***

**AUTHORIZING THE ACTING EXECUTIVE DIRECTOR TO INCREASE CONTRACT CHANGE  
AUTHORITY FOR THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT CONTRACT WITH  
ARINC, INC. FOR SUPERVISORY CONTROL AND DATA ACQUISITION DATABASE CHANGES**

**WHEREAS**, the Peninsula Corridor Electrification Project (PCEP), a key component of the Caltrain Modernization Program, will electrify the Caltrain Corridor from San Francisco's 4th and King Caltrain Station to approximately the Tamien Caltrain Station, replace diesel-hauled trainsets with Electric Multiple Unit (EMU) trainsets, and increase service to up to six Caltrain trains per peak hour per direction; and

**WHEREAS**, the primary purposes of the PCEP are to improve Caltrain system performance and to reduce long-term environmental impacts associated with Caltrain service by reducing noise, improving regional air quality and reducing greenhouse gas emissions; and

**WHEREAS**, on August 3, 2017, the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB), by means of Resolution No. 2017-40, awarded a contract to ARINC, Inc. (ARINC) for the development of a traction power facility Supervisory Control and Data Acquisition (SCADA) system for PCEP (SCADA Contract); and

**WHEREAS**, the SCADA system will monitor health indications and alarms at the ten traction power facilities that will provide electrical power to the EMUs, and transmit this information to the Caltrain Central and Back-up Control Facilities; and

**WHEREAS**, Balfour Beatty, Inc. (BBII), the PCEP infrastructure design-build contractor, is contractually required to provide input (known as the SCADA points list) from the traction power facility design to form the basis of the ARINC SCADA database; and

**WHEREAS**, after BBII provided what was understood to be the final SCADA point list to the JPB for ARINC to use in developing the SCADA database, BBII provided subsequent SCADA points lists which will require additional efforts outside the scope of the SCADA Contract and for which Caltrain will seek a credit from BBII; and

**WHEREAS**, other modifications to the SCADA points list due to PCEP changes (relocation of paralleling stations) and non-PCEP changes (deletions of Control Point (CP) Shark and CP Brittan);

**WHEREAS**, the Acting Executive Director requires an increase in contract authority of \$294,416 to address the additional modifications described above to the SCADA Contract.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Peninsula Corridor Joint Powers Board authorizes the Acting Executive Director or designee to increase the contract authority by \$294,416 for ARINC to perform additional work on the traction power facility SCADA database pursuant to the SCADA Contract.

Regularly passed and adopted this 4<sup>th</sup> day of November, 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: Joint Powers Board

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **ACCEPT ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL  
YEAR ENDED JUNE 30, 2021**



Finance Committee  
Recommendation



Work Program-  
Legislative-Planning



Staff Coordinating  
Council Reviewed



Staff Coordinating Council  
Recommendation

**ACTION**

Staff proposes the Board accept the Peninsula Corridor Joint Powers Board's (JPB) Fiscal Year (FY) 2021 Annual Comprehensive Financial Report (ACFR).

The FY2021 Annual Comprehensive Financial Report is available online at [https://www.caltrain.com/about/statsandreports/Annual\\_Comprehensive\\_Financial\\_Reports.html](https://www.caltrain.com/about/statsandreports/Annual_Comprehensive_Financial_Reports.html)

**SIGNIFICANCE**

Annually, staff is responsible for preparation of an annual report on the financial position and financial results of the JPB. The JPB contracts with an independent auditor, Brown Armstrong Accountancy Corporation, to conduct yearly audits of the Financial Statements (prepared by JPB staff) in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. The independent auditor has provided an unmodified, or "clean", opinion on the Financial Statements.

The JPB presents these audited financial statements, along with the auditor's opinion thereupon, in a comprehensive document called the Annual Comprehensive Financial Report (ACFR). (In previous years this document was referred to as the CAFR.) The ACFR serves as the JPB's primary source of disclosure to the public and to the financial community regarding the status of the JPB's finances.

**BUDGET IMPACT**

There is no impact on the Budget.

## **BACKGROUND**

The ACFR is prepared in accordance with the guidelines set forth by the Government Accounting Standards Board and is organized into three sections – Introductory, Financial, and Statistical Sections.

- The **Introductory** Section includes a Transmittal Letter and provides general information on the JPB's structure, personnel, economic outlook and finances.
- The **Financial** Section includes audited financial statements which provide detailed financial information as well as comparative financial data. The Management Discussion & Analysis (MD&A) is also found in the Financial Section. Along with the Transmittal Letter, the MD&A is of most interest to those looking for a narrative annual review of the JPB's finances.
- The **Statistical** Section provides a broad range of data covering key financial trends including revenue and debt capacity, economic and demographic data and operating information.

The introductory section and the statistical section presented in the ACFR are not required by California Government Code to be reported as part of the audited financial statements of the JPB. These sections are required when producing an ACFR which the JPB chooses to do in order to provide detailed information about the financial condition of the JPB in a form that is understandable to our customers and constituents.

Together, all sections of the ACFR provide the detail as well as the perspective with which to assess the JPB's financial condition.

The ACFR is prepared and presented to the Government Finance Officers Association for their review, evaluation and to apply for the certificate of Achievement for Excellence in Financial Reporting. The JPB has received an award for every year that the report was submitted.

Prepared by: Jennifer Ye  
Acting Director, Accounting

650-622-7890

The Board of Directors of the  
Peninsula Corridor Joint Powers Board  
San Carlos, California

We have audited the financial statements of the Peninsula Corridor Joint Powers Board (the JPB) for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 23, 2021. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Matters**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the JPB are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2021. We noted no transactions entered into by the JPB during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the JPB's financial statements were:

Management's estimate of the useful lives of capital assets is for the purpose of calculating annual depreciation expense. We evaluated the key factors and assumptions used to develop the estimate of the useful lives of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the self-insurance claims liabilities to be paid for which the JPB is self-insured. We evaluated the key factors and assumptions used to develop the estimate of the self-insurance claims liabilities to be paid for which the JPB is self-insured in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the fair value of the derivative contract is based on a third party estimate. The JPB relies on this estimate due to the expertise in valuation that the third party provides. Management believes the estimate is the most reliable estimate that they could provide.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were related to the estimated useful lives of capital assets and self-insurance liability.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The attached material misstatements detected as a result of audit procedures were corrected by management.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated October 11, 2021.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the JPB's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the JPB's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

#### **Other Matters**

We applied certain limited procedures to Management's Discussion and Analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Revenues and Expenses – Comparison of Budget to Actual (Budgetary Basis), which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



**Restriction on Use**

This information is intended solely for the information and use of Board of Directors and management of the JPB and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
October 11, 2021

Peninsula Corridor JPB  
Journal Entries  
June 30, 2021

Account	Description	Debit	Credit
<u>AJE #1</u>			
To write off farebox setaside that was received in prior years.			
432000	Grant Revenue-Capital	\$ 110,867	\$ -
433000	Write Offs	840,353	-
113352	Local Grants Receivable-Cap	-	110,867
113352	Local Grants Receivable-Cap	-	840,353
Total		<u>\$ 951,220</u>	<u>\$ 951,220</u>

AJE #2

To accrue additional invoices paid after 7/1/2021 and corresponding grant revenues. The accrual was due to results from our search for unrecorded liabilities testing.

113321	Due from VTA	\$ 1,535,260	\$ -
113322	Due from Muni	360,592	-
113323	Receivable from SamTrans	707,840	-
113332	Federal Grants Receivable-Cap	23,213,241	-
113342	State Grants Receivable-Cap	29,096,831	-
113352	Local Grants Receivable-Cap	5,705,570	-
113470	Other Rec-Recollectibles	23,199	-
210701	DMAC:Capital Contribution Fund	365,049	-
210860	Deferred Rev-State Rail Assist	34,788	-
525010	Legal Services	66,698	-
525050	Consultant-Offsite	52,002,152	-
525051	Consultant-Onsite	175,045	-
525052	Consultant-Onsite-ODC	2,270	-
525090	Other Contract Services	7,835,240	-
525131	Rail Operator Services	905,802	-
525132	Rail Oper Supplemental Work	246,015	-
526052	E Lockers Costs	15,277	-
210106	A/L: Month-End Accrual	-	61,248,498
405250	Recollectible Revenue	-	23,199
432000	Grant Revenue-Capital	-	61,019,172
Total		<u>\$ 122,290,869</u>	<u>\$ 122,290,869</u>

AJE #3

To accrue CIP for additional capital expense invoices paid after 7/1/21.

124900	Construction In Progress	\$ 58,820,380	\$ -
525010	Legal Services	-	66,698
525050	Consultant-Offsite	-	51,634,053
525051	Consultant-Onsite	-	159,358
525052	Consultant-Onsite-ODC	-	2,270
525090	Other Contract Services	-	6,250,023
525131	Rail Operator Services	-	582,402
525132	Rail Oper Supplemental Work	-	110,299
526052	E Lockers Costs	-	15,277
Total		<u>\$ 58,820,380</u>	<u>\$ 58,820,380</u>

AJE #4

To write off invoices paid in fiscal year 2015/16.

433000	Write Offs	\$ 1,079,952	\$ -
113323	Receivable from SamTrans	-	1,079,952
Total		<u>\$ 1,079,952</u>	<u>\$ 1,079,952</u>

AJE #5

To correct a JE initially prepared by the JPB.

113323	Receivable from SamTrans	\$ 2,465,823	\$ -
210701	DMAC:Capital Contribution Fund	-	2,465,823
Total		<u>\$ 2,465,823</u>	<u>\$ 2,465,823</u>

# Peninsula Corridor Joint Powers Board

San Carlos, California



A Joint Powers Authority  
Established by Agreement among:

City and County of San Francisco  
San Mateo County Transit District  
Santa Clara Valley Transportation Authority



# Annual Comprehensive Financial Report

Fiscal Years Ended June 30, 2021 and 2020

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**PENINSULA CORRIDOR  
JOINT POWERS BOARD**

*San Carlos, California*

*Annual Comprehensive Financial Report*  
Fiscal Years Ended June 30, 2021 and 2020

**Prepared by the Finance Division**

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# *Section I*

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## **INTRODUCTORY**

Letter of Transmittal

GFOA Certificate of Achievement

Board of Directors

Executive Management

Organization Chart

Map

Table of Credits

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# PENINSULA CORRIDOR JOINT POWERS BOARD

## LETTER OF TRANSMITTAL

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October 11, 2021

**To the Board of Directors of the Peninsula Corridor Joint Powers Board and the Citizens of San Francisco,  
San Mateo and Santa Clara Counties  
San Carlos, California**

### **Annual Comprehensive Financial Report Year Ended June 30, 2021**

We are pleased to present the Annual Comprehensive Financial Report of the Peninsula Corridor Joint Powers Board (JPB) for the fiscal year July 1, 2020, through June 30, 2021. This transmittal letter provides a summary of the JPB's finances, services, achievements, and economic prospects for readers without a technical background in accounting or finance. This fiscal year has been exceptional as a result of the COVID pandemic. This letter will address those impacts where appropriate. Readers desiring a more detailed discussion of the JPB's financial results may refer to the Management's Discussion and Analysis in the Financial Section.

Management assumes sole responsibility for all the information contained in this report, including its presentation and the adequacy of its disclosures. To the best of our knowledge, we believe this report to be complete and reliable in all material respects. To provide a reasonable basis for making this representation, we have established a comprehensive system of internal controls designed to protect the JPB's assets from loss, to identify and record transactions accurately, and to compile the information necessary to produce financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not exceed the likely benefits, the JPB's internal control system intends to provide reasonable, but not absolute, assurance that the financial statements are free from material misstatement.

To test the performance of the internal control system, the JPB contracted for independent auditing services from Brown Armstrong Accountancy Corporation, a certified public accounting firm licensed to practice in the State of California. The auditor expressed an opinion that the JPB's financial statements are fairly stated in all material respects and in compliance with accounting principles generally accepted in the United States of America. This conclusion is the most favorable kind, commonly known as an "unmodified" or "clean" opinion.

### **PROFILE OF THE ORGANIZATION**

#### ***Purpose***

The JPB is responsible for the Caltrain passenger rail service on the San Francisco Peninsula and south into Santa Clara County. Caltrain owns and operates the rail system that has been a central part of Peninsula communities since 1865. The rail line on which service is operated currently extends from San Francisco 77 miles south to Gilroy, serving 31 stations. Spanning San Francisco, San Mateo, and Santa Clara counties, Caltrain provides vital links to

## **PENINSULA CORRIDOR JOINT POWERS BOARD**

### **LETTER OF TRANSMITTAL**

---

multiple transit properties in 20 cities. The JPB owns 51 miles of the rail line and operates on Union Pacific owned track for the remaining 26 miles.

#### ***Entity***

The JPB is a Joint Powers Authority that is legally separate and financially independent from its three Member Agencies, namely the San Mateo County Transit District (District), the Santa Clara Valley Transportation Authority (VTA), and the City and County of San Francisco (CCSF), and is not a component unit of any other organization. Furthermore, the JPB has no component unit organizations under its control. Therefore, this Annual Comprehensive Financial Report and the financial statements contained within represent solely the activities, transactions, and status of the JPB.

#### ***History***

In 1980, after two years of negotiations, the California Department of Transportation (Caltrans) and the Southern Pacific Transportation Company (Southern Pacific) executed a purchase-of-service agreement for maintaining passenger rail service between San Francisco and San Jose. Service under this agreement began in 1980 with Southern Pacific operating the trains while receiving subsidies to cover its operating costs from Caltrans and the three Member Agencies and with Caltrans providing contract administration, service planning, marketing, engineering, scheduling, fare management, customer support, and performance monitoring.

In 1988, CCSF, the District, and VTA commissioned a study that recommended transferring responsibility for the rail service from the state to the local level. The three Member Agencies accomplished this objective in October 1991, executing a new joint powers agreement that formed the current JPB. Two months later, the JPB purchased the rail right-of-way between San Francisco and San Jose (Mainline) and perpetual trackage rights between San Jose and Gilroy (Gilroy Extension) from Southern Pacific.

The JPB Member Agencies and the California Transportation Commission funded this acquisition. The JPB holds title to all right-of-way property located in the County of San Francisco and the County of Santa Clara. The JPB holds title to all right-of-way property in the County of San Mateo as tenants in common with the District, each to an undivided 50% share. In addition, the JPB holds trackage rights that extend south from the end of its property ownership in San Jose to Gilroy over a rail line owned by the Union Pacific Railroad. Those rights include the rights to operate five daily two-way train pairs.

The JPB assumed responsibility for the operation of Caltrain service from Caltrans in 1992. Amtrak served as the JPB's contracted rail operator until May 2012. The Caltrain Board of Directors, at its September 2011 meeting, authorized the award of a new operating contract to TransitAmerica Services, Inc. (TASI). The contract carried a 5-year base term with the ability to execute 5 additional one-year options. In 2017, the JPB exercised all 5 of the option years, extending the contract with TASI to June 2022. In January 2021, the JPB extended the contract until June 2027, in order to enable the completion of construction of the Federal Transit Administration (FTA) funded corridor electrification project and subsequent start-up of service in the electrified environment.

#### ***Governance***

The joint powers agreement establishes a nine-person Board of Directors (Board) that governs the operations, maintenance, repair, improvements, and expansion of Caltrain. Each of the three Member Agencies appoints three persons to serve on the Board. The JPB also created a nine-person Citizens Advisory Committee (CAC) composed of three citizens from each JPB county. The principal objective of the CAC is to articulate the interests and needs of current and future customers.

# PENINSULA CORRIDOR JOINT POWERS BOARD

## LETTER OF TRANSMITTAL

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### *Administration*

The joint powers agreement as first executed in 1988, and as amended and restated in 1996, designates the District as the Managing Agency to provide management, administrative, and staff services for Caltrain under the direction and oversight of the JPB Board. The JPB reimburses the District for the direct and administrative costs incurred in providing the Managing Agency services. Some administrative costs are determined by overhead rates approved by the FTA. Currently, the District provides the following services:

The *Executive Office* is responsible for directing and overseeing all activities and for providing support to the Board.

The *Finance Division* is responsible for financial accounting and reporting, capital budgeting, operational budgeting, payroll and vendor disbursements, investments and cash management, debt management, revenue control, purchasing, contract administration, risk management, and information technology.

The *Bus Division* is responsible for some functions related to the railroad including managing the shuttle program, and paratransit service pursuant to the requirements of the Americans with Disabilities Act (ADA).

The *Rail Division* is responsible for Caltrain operations and maintenance oversight (including administration of the rail service operating contract); state of good repair; operations planning; engineering; and capital project planning and delivery, including design, construction, and integration of electrified service. The *Caltrain Modernization Program (CalMod)* is responsible for the implementation of the electrification project that will upgrade the performance, operating efficiency, capacity, safety, and reliability of Caltrain's commuter rail service.

The *Communications Division* is responsible for fare media, customer service, marketing, sales, advertising, distribution services, public information, media relations, legislative activities, social media, and community outreach.

The *Planning, Grants, and Transportation Authority Division* is responsible for grant administration and property management.

The *Administrative Division* provides management assistance to executive divisions and is responsible for human resources and safety and security.

### *Budgetary Control*

State law requires the JPB to adopt an annual budget by resolution of the Board. In the spring preceding the start of each fiscal year, staff presents an annual budget based on established agency goals, objectives, and performance measures to the Board. The Board monitors budget-to-actual performance through monthly staff reports. The Financial Section of this report includes a supplemental schedule that compares actual results on a budgetary basis of accounting to the final adopted budgets.

Once adopted, the Board has the authority to amend the budget. While the legal level of budgetary control is at the entity level, the JPB maintains stricter control at division, departmental, and line item levels to serve various needs. Cost center managers monitor budget-to-actual performance on a monthly basis. The Board has delegated the authority to transfer budget amounts between divisions and departments to the Executive Director or designee. However, any increase to the expenditure budget as a whole requires the approval of the Board. In addition, the JPB uses an encumbrance system to reduce budget balances by issuing purchase orders to avoid over-commitment of resources.

## **PENINSULA CORRIDOR JOINT POWERS BOARD**

### **LETTER OF TRANSMITTAL**

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The JPB employs the same basis and principles of accounting for both budgeted and actual revenues and expenses, except that actual proceeds from the sale of capital assets, unrealized investment gains and losses, depreciation and amortization, and inter-fund transfers are not included in the budget. As a special purpose organization established pursuant to joint powers legislation, the JPB is not subject to the State of California's Gann Act requiring adherence to an annual appropriation limit.

### **FINANCIAL AND ECONOMIC OUTLOOK**

#### ***Local Economy***

Due to the COVID-19 pandemic, 2020 saw record unemployment and many struggles for businesses and consumers alike. Despite that, with financial assistance from the federal government, policies to limit the spread of COVID-19 cases, and the introduction of vaccines to combat COVID-19 in early 2021, the state of California and the Bay area are emerging and beginning to recover as we move into the summer of 2021.

According to the California Labor Department, the unemployment rate in the San Francisco-Redwood City-South San Francisco Metropolitan Area was 5.2 percent in June 2021, up from a revised 4.8 percent in May 2021, and below the year-ago estimate of 11.3 percent. The unemployment rate in the San Jose-Sunnyvale-Santa Clara Area was 5.2 percent in June 2021, up from a revised 4.7 percent in May 2021, and below the year ago estimate of 10.4 percent. This compares with an unadjusted unemployment rate of 8.0 percent for California and 6.1 percent for the nation during the same period.

The unemployment rate was 5.4 percent in San Francisco County, 5.0 percent in San Mateo County, and 5.1 percent in Santa Clara County. The Leisure and Hospitality sector was most impacted by the shutdown, and it is this sector that has seen the most job increases. Given that the state fully re-opened on June 15<sup>th</sup>, the recent hiring surge is expected to continue through the summer months, assuming no further restrictions driven by increased COVID-19 cases or a more highly transmissible variant.

COVID-19, and the changes it brought to the workplace as we knew it, has had a more dramatic impact on Caltrain's ridership than any occurrence in its history. With ridership dropping by 97 percent in the early days of the shelter in place order, the pandemic posed a unique and serious challenge to Caltrain as the service adapted to the new normal. Caltrain's historical reliance on farebox revenues made the agency especially vulnerable to that drop, resulting in substantial budget deficits. However, despite these challenges, Caltrain was quick to react in order to protect the health and safety of its riders and employees.

In fall 2020, Caltrain adopted the Bay Area Healthy Transit Plan. This regional transit plan outlines best practices for frequent cleaning, personal protective equipment, face coverings, physical distancing, ventilation, and touchless fares in order to ensure that public transit is safe for all Bay Area residents and transit employees. As riders return to public transportation, surveys show that passengers want assurance that steps have been taken to make that ride as safe as possible. To provide that assurance, transit agencies throughout the Bay Area have agreed upon common commitments based on the industry's best health-related practices to strengthen trust in riding public transportation. The plan was crafted using guidance and best practices from the California Department of Public Health, U.S. Centers for Disease Control and Prevention, and the World Health Organization, as well as other transit agencies from around the world. The plan calls for improving the operation and maintenance of transit agencies, as well as encouraging safer behaviors among riders. Riders are required to wear face coverings, practice physical distancing and hand washing, and minimize verbal activities that could help to spread COVID-19, and the use of a Clipper card or mobile apps for touchless payment.

With the robust rollout of vaccines and reopening of the region throughout the spring of 2021, Caltrain's ridership has begun trending upward. Weekday ridership has steadily increased throughout the spring and now ranges from 5-

## **PENINSULA CORRIDOR JOINT POWERS BOARD**

### **LETTER OF TRANSMITTAL**

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11,000 riders per weekday. Weekend ridership recovery has been strong and has grown to over 50% of pre-COVID-19 levels. Caltrain has also seen strong demand for special event services, with trains to Giants games in particular attracting significant numbers of riders throughout the spring.

Additionally, Caltrain began operating a new schedule in December designed to increase ridership by improving service for essential workers and transit-dependent riders, consistent with key service components of the Framework for Equity, Connectivity, Recovery, and Growth. The new schedule provides riders with more frequent off-peak and weekend train service, as Caltrain's ridership skewed toward essential workers who are more likely to travel during off-peak times. Caltrain observed that demand for midday and weekend trips remains comparatively more resilient, and the schedule reflects that. Caltrain increased its service at the end of August, coincident with the planned resumption of in-office work and in person schooling by many corridor employees and educational institutions. The new service maintained the higher levels of off-peak service and also reintroduced express trains and other peak-hour services aimed at attracting the returning commuter market.

In September 2020, the Caltrain Board voted to suspend certain fare increases over the next year that will help ensure the system continues to be accessible to these riders. Caltrain has taken additional steps during the pandemic to enhance affordability by providing low-income riders with a 50% discounted fare through the Clipper START program, and as of August 30, will offer 50% off on all fares to entice riders back into the system for one month.

Housing production has increased in recent years but is not keeping pace with the Bay Area population growth. Housing affordability remains a major issue for the entire Bay Area, and as home prices and rents continue to rise, this will worsen the affordability crisis as well as likely result in reduced population growth. With the increase in remote work and flexibility of where tech workers can work due to the COVID-19 pandemic, net migration will likely be negative for the foreseeable future in the region.

The Bay Area technology sector continues to expand rapidly. In 2019, Venture Capital deals surpassed \$32 billion for software and internet firms. Real income per capita in 2019 was \$112,403, \$133,117, and \$136,983 in Santa Clara County, San Mateo County, and San Francisco County, respectively, placing the three counties among the wealthiest regions of California.

#### ***Measure RR***

Measure RR was passed by the voters of San Francisco, San Mateo, and Santa Clara Counties, establishing a 1/8<sup>th</sup> cent sales tax for 30 years that will generate approximately \$100 million for the system annually. This will help to sustain Caltrain through the pandemic, as well as allow the agency to fully maximize the benefits of electrification.

As the only Bay Area transit system without a dedicated revenue source prior to the passage of Measure RR, Caltrain was heavily reliant on passenger fares to maintain operations, making the service especially vulnerable to a pandemic. The measure will allow Caltrain to invest in the operation and expansion of faster, more frequent electrified service with added capacity necessary to accommodate expected increases in ridership demand in the decades to come. It will also allow the system to advance equity policies to help ensure Caltrain is accessible and affordable to all members of the communities it serves.

Despite operating without a dedicated funding source for so many years, Caltrain had grown to become the seventh largest commuter railroad in the country, the largest carrier of bikes of any American transit system, and the nation's most efficient railroad immediately pre-COVID-19.

As part of the authorization process to place Measure RR on the ballot, the JPB modified its bylaws to permit the expenditure of Measure RR revenue in any fiscal year in an amount greater than \$40 million only upon approval of six of the nine members of the JPB Board, until such time of a modification of the Joint Exercise of Powers Agreement satisfactory to the members of the JPB.



## **PENINSULA CORRIDOR JOINT POWERS BOARD**

### **LETTER OF TRANSMITTAL**

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#### ***Long-Term Financial and Strategic Planning***

In 2017, Caltrain launched a Business Plan process that was intended to run through the majority of 2020 and provide a major update to Caltrain's plans, policies, and financial projections. When complete, the Business Plan will constitute a wholesale update of Caltrain's current Strategic Plan and will form the basis for future Short Range Transit Plan updates, will generate a long-term Capital Improvement plan, and will provide a financial model to guide the long-term sustainability and development of the Caltrain service.

As part of the Business Plan process, in October 2019, the Caltrain Board of Directors unanimously adopted a Long-Range Service Vision (Service Vision) for the railroad, which provides high-level policy guidance to evolve the Caltrain corridor and service from a traditional commuter railroad to a regional rail system operating at transit-level frequencies throughout the day. The adopted Service Vision directs staff to plan for a level of service of eight peak period trains per hour per direction while simultaneously working with the region and state towards development of a larger regional rail system that could include even higher levels of train service operating in the corridor if needed and supported by regional decisions. Following adoption of the Long-Range Service Vision, staff continued to work on the Business Plan to conduct additional technical and policy analysis, complete additional stakeholder outreach, and develop the full Business Plan document itself. Due to the COVID-19 crisis, however, in spring of 2020, the Business Plan team shifted toward pandemic recovery planning for the railroad (described below). As recovery proceeds, staff will resume work to complete the Business Plan and resume the production of Short-Range Transit Plans (which were suspended by the Metropolitan Transportation Commission during COVID-19), which will update and inform all of the service, financial, and policy issues described below.

Prior to the onset of the pandemic, Caltrain operated a total of 92 diesel locomotive-hauled trains per day on weekdays between San Francisco and San Jose with limited service further south to Gilroy. In the peak period, it operated 5 trains per peak hour per direction. During the COVID-19 pandemic, Caltrain adjusted its service several times and ultimately operated a 68-70 train per day schedule through much of 2020 and early 2021. The railroad will expand service to 104 trains per day at the end of August 2021, with an emphasis on expanded service during off-peak and evening hours. After the completion of electrification, Caltrain currently plans to expand its service to 114 trains per weekday using a mixed fleet of diesel locomotive-hauled rolling stock and new Electric Multiple Unit (EMU) trains but is actively considering a range of potential service scenarios that may result in more trains being operated. The decision on electrified service levels will ultimately be informed by the ongoing progress of the pandemic and observed changes in travel behavior as the region recovers.

Caltrain is currently developing strategies to address these budget issues and will comprehensively evaluate a variety of factors that influence the system's operating results including: fare policy and pass programs; incremental impacts of added service on operating revenues and costs; cost containment strategies; and other solutions.

Caltrain's 10-year Capital Improvement Plan (CIP) is a \$3 billion program focused on maintaining the JPB's assets in a state of good repair, enhancing the reliability of the system, and delivering electrified service from San Francisco to San Jose by 2024. The CIP also reflects Caltrain's ongoing planning for the next generation of system improvements that are needed through the fiscal year 2024 timeframe to expand system capacity and continue preparations for Caltrain/High Speed Rail (HSR) blended system. The projects included in the CIP will continue to be reviewed in light of the pandemic as well as reflect the needs of the Business Plan.

The revenue sources included in the current CIP reflect Caltrain's reasonable expectation of funding levels pre-pandemic. Caltrain will continue to work with its funding partners to revise the Caltrain 10-year CIP and funding plan and identify additional funding to implement the CIP in total. Among other options, Caltrain will explore both traditional (e.g., grants) and innovative funding strategies, including the possibility of new public and private partnerships, as well as utilization of the recently approved Measure RR funds.

# **PENINSULA CORRIDOR JOINT POWERS BOARD**

## **LETTER OF TRANSMITTAL**

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### **MAJOR INITIATIVES**

#### ***Caltrain Electrification***

The Peninsula Corridor Electrification Project (PCEP) is the largest component of the Caltrain Capital Improvement Program. The PCEP is intended to electrify the Caltrain Corridor from San Francisco's 4<sup>th</sup> and King Caltrain Station to approximately the Tamien Caltrain Station, replace diesel-hauled with EMU trains, and increase service up to six Caltrain trains per peak hour per direction. The PCEP includes electrification and other projects that will upgrade the performance, efficiency, capacity, safety, and reliability of Caltrain's service. Electrification provides the foundation for future improvements, including full conversion to an electric fleet, platform and station improvements, the extension of service to Downtown San Francisco, and other projects that allow Caltrain to grow and evolve with the Bay Area.

#### ***Positive Train Control***

The Positive Train Control (PTC) Project deployed the corridor with federally-mandated safety technology. Caltrain PTC is interoperable with all other rail systems that access the Caltrain corridor, including commuter rail, freight rail, and, in the future, high speed rail. The Caltrain PTC system has been operable since September 2019 and received PTC Safety Certification in December 2020. PTC is a key component of the Caltrain Modernization Program that will electrify and upgrade the performance, operating efficiency, capacity, safety, and reliability of Caltrain's commuter rail service, providing a modernized rail service that will help meet growing ridership demand between San Francisco and San Jose.

#### ***Regional Service Coordination***

Caltrain is at the heart of the Peninsula transportation network and collaborates with other Bay Area transit agencies to provide connections between systems. These connections are with the District, the San Francisco Municipal Transportation Agency (SFMTA/Muni), the Bay Area Rapid Transit District (BART), VTA, Capitol Corridor, Altamont Commuter Express (ACE), Dumbarton Express, and the Alameda-Contra Costa Transit District (AC Transit) as follows:

- SamTrans Bus Service: Passengers may connect to SamTrans at most stations in San Mateo County.
- Muni Light Rail and Muni Bus: Passengers may connect to the Muni Light Rail N-Judah and T-Third lines and the Muni Bus lines 30 and 45 across from the San Francisco Caltrain Station.
- BART: Passengers may connect to BART at the Millbrae Transit Center.
- VTA Light Rail: Caltrain passengers may connect to the VTA system at the Mountain View station and the Diridon and Tamien stations in San Jose.
- VTA Bus Service: Passengers may connect to VTA buses at most stations in Santa Clara County.
- Amtrak's Capitol Corridor: Passengers may connect to Caltrain at the San Jose Diridon station.
- ACE: Passengers may connect to Caltrain at the Santa Clara and San Jose Diridon stations.
- Dumbarton Express: Passengers may connect to the DB Express at the Palo Alto station.
- AC Transit: Passengers may connect to the M-line at the Caltrain Hillsdale station.

In addition to service connectivity, Caltrain is one of the Bay Area transit agencies that is a partner in Clipper, an electronic fare payment card. The program is coordinated by the Metropolitan Transportation Commission, which is the region's planning organization.

## **PENINSULA CORRIDOR JOINT POWERS BOARD**

### **LETTER OF TRANSMITTAL**

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#### ***State of Good Repair Program***

This program includes system-wide, scheduled improvements on infrastructure, tracks, bridges, signal and communication equipment, stations, right-of-way fencing, ticket vending equipment, and preventative maintenance and strategic replacement of the Caltrain rolling stock. In order to ensure these assets are kept in a state of good repair, replacement and rehabilitation of these assets must be done at intervals recommended by industry or manufacturer standards. Failure to maintain this program could lead to higher costs of operating these assets due to higher maintenance costs and operational delays that occur when these assets are out of service or in a state of disrepair.

Projects reaching substantial completion in fiscal year 2021 include Marin Street Bridge repairs and Napoleon Street Bridge replacement in San Francisco, and Phase I and Phase II retrofitting of 12 existing Ticket Vending Machines (TVM) to accommodate the region's Clipper card ticketing operations. Restroom rehabilitation was completed at San Francisco 4<sup>th</sup> and King Station.

Projects currently underway include designing the replacement of the Guadalupe River Bridge in San Jose, completion of the bid package for rehabilitation of the Bayshore Bridge in San Francisco, construction of the South San Francisco Station rebuild project, Phase III (21) and Phase IV (27) TVM retrofitting, development of Request for Proposal for broadband wireless communications systems to improve railroad operations and maintenance, and design of the next generation Visual Message Sign (VMS). The initial evaluation phase of the San Francisquito Creek Bridge built in 1902 between the cities of Menlo Park and Palo Alto is also underway.

Rolling stock activities completed in fiscal year 2020 include various component replacements on locomotives and cars to improve reliability, safety, and customer experience. Of note, a complete mid-life overhaul contract was awarded and is currently in progress on the six MP36 locomotives (923-928) that will remain in service following electrification. The awarded contractor currently has two MP36's (927 and 924) that are currently being overhauled; the 927 is expected to be completed in October 2021.

#### ***Caltrain Safety Improvement Program***

The Caltrain safety improvement program includes station redesign, grade crossing improvements, and construction of grade separations, right-of-way fencing, and closed circuit camera systems (CCTV).

Improvements to stations will include demolition of existing narrow center platforms and construction of new platforms, installation of center fencing between the existing mainline tracks through the platform area, and installation of new pedestrian underpasses and/or signalized pedestrian at-grade crossings with pedestrian gates. The South San Francisco Station, currently underway, is an example of such a station project.

The grade crossing improvement program was developed to make grade crossings in San Francisco, San Mateo, and Santa Clara Counties safer for both vehicular and pedestrian traffic. Projects are developed using a hazard analysis tool.

Grade crossing improvement projects were completed in the City of San Mateo on 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> Avenues; in the City of Menlo Park on Glenwood and Oak Grove Avenues; and in the City of Sunnyvale at both Mary and Evelyn Avenues.

Design of grade crossing improvement projects are underway in the City of San Mateo on 4<sup>th</sup> and 5<sup>th</sup> Avenues, in the City of Atherton at Watkins Avenue, and in the City of Palo Alto at Churchill Avenue.

## **PENINSULA CORRIDOR JOINT POWERS BOARD**

### **LETTER OF TRANSMITTAL**

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Grade separation projects aim to improve safety by separating vehicle traffic from rail crossings. The San Mateo Grade Separation Project to construct grade separations at 31<sup>st</sup>, 28<sup>th</sup>, and 25<sup>th</sup> Avenues in the City of San Mateo is complete. Caltrain is also working with numerous other cities to help plan, design, and eventually construct grade separations at some of the busiest intersections along the rail line, including the Broadway crossing in the City of Burlingame and Rengstorff and Castro Avenues in the City of Mountain View.

The safety fencing project is an ongoing annual project to install high security fencing along the right-of-way to deter trespassing as well as illegal dumping.

### **FUTURE OF CALTRAIN – SYSTEM EXPANSION AND CONNECTIONS**

Prior to California High Speed Rail’s anticipated arrival, additional system upgrades must also be planned, funded, and constructed. These include including high speed rail station modifications and the rail extension from the Caltrain 4<sup>th</sup> and King station to the new Transbay Transit Center in downtown San Francisco. The blended system may also include passing tracks that allow high speed rail trains to bypass the Caltrain trains; grade crossing upgrades, including potential grade separations; a storage and maintenance facility; and other system upgrades such as expanded platforms that allow for longer trains and level boarding.

As discussed above, the 2040 Long-Range Service Vision (Service Vision) was adopted by the JPB to guide the long-range development of the Caltrain rail service and supporting plans, policies, and projects. The Service Vision was based on detailed technical analysis undertaken by Caltrain and its partner agencies as part of the Caltrain Business Plan process during 2018 and 2019. The Service Vision directs the railroad to plan for substantially expanded rail service that, by 2040, will address the local and regional mobility needs of the corridor while supporting local economic development activities. When fully realized, this service will provide:

- A mixture of express and local services operated in an evenly spaced, bidirectional pattern.
- Provide minimum peak and off-peak hour frequencies of trains per hour.
- Accommodation of California High Speed Rail, Capitol Corridor, Altamont Corridor Express, and freight services in accordance with the terms of existing agreements.
- Incremental development of corridor projects and infrastructure.
- Continued planning for a potential “higher” growth level of service as well as potential new regional and mega-regional connections.

The Service Vision will be periodically reaffirmed to ensure that it continues to provide relevant and useful guidance to the railroad. Such reaffirmations will occur in regular intervals of no less than five years and in response to significant changes to JPB or partner projects that materially influence the substance of the Service Vision.

### **FINANCIAL POLICIES**

The JPB uses a comprehensive set of internal and board adopted financial policies. These policies address items such as cash management, reserves, and debt management. The policies are reviewed regularly by staff and are brought to the JPB Board for amendment and/or re-adoption as necessary.

### **AWARDS AND ACKNOWLEDGMENTS**

The JPB staff and its contracted service providers bring an effective combination of skill, experience, and dedication to carrying out the agency’s mission. Together, they plan, develop, and finance the creation of a modern, coordinated multimodal transportation system offering convenient access to the many attributes of the Bay Area and beyond.

## PENINSULA CORRIDOR JOINT POWERS BOARD

### LETTER OF TRANSMITTAL

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The Government Finance Officers Association (GFOA) recognized the JPB's 2020 Annual Comprehensive Financial Report for excellence in financial reporting and the Certificate of Achievement appears immediately following this transmittal letter. To be awarded a certificate, a report must be easy to read and efficiently organized, while satisfying both accounting principles generally accepted in the United States of America and applicable legal requirements. We believe our 2021 Annual Comprehensive Financial Report also meets the requirements for a Certificate of Achievement and will submit it to the GFOA for evaluation. We would like to thank our independent audit firm, Brown Armstrong Accountancy Corporation, for its timely and expert guidance in this matter.

The Annual Comprehensive Financial Report requires the dedicated effort of many individuals working together as a team. We would like to extend our grateful recognition to all the individuals who assisted in both the preparation of this report and the processing of financial transactions throughout the fiscal year. Finally, we wish to thank the Board of Directors for their interest and support in the development of a reliable financial management and reporting system.

Respectfully submitted,



**Michelle Bouchard**  
Acting Executive Director



**Derek Hansel**  
Chief Financial Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Peninsula Corridor Joint Powers Board  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**BOARD OF DIRECTORS**

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*Representing the City and County of San Francisco:*

Monique Zmuda

Shamann Walton

Steve Heminger, Vice Chair

*Representing San Mateo County Transit District:*

Dave Pine

Jeff Gee

Charles Stone

*Representing Santa Clara Valley Transportation Authority:*

Glenn Hendricks

Cindy Chavez

Devora “Dev” Davis, Chair

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**EXECUTIVE MANAGEMENT**

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**ACTING EXECUTIVE DIRECTOR**

Michelle Bouchard

**EXECUTIVE OFFICERS**

Carter Mau – Acting General Manager/Chief Executive Officer, San Mateo County Transit District

Derek Hansel – Chief Financial Officer

John Funghi – Chief Officer, CalMod Program (Retiring\*)

April Chan – Chief Officer, Planning, Grants, and the Transportation Authority

David Olmeda – Chief Operating Officer, Bus

Dora Seamans – Executive Officer District Secretary/Executive Administration

Casey Fromson – Acting Chief Communications Officer

**GENERAL COUNSEL**

Olson Remcho, LLP

James Harrison, Esq

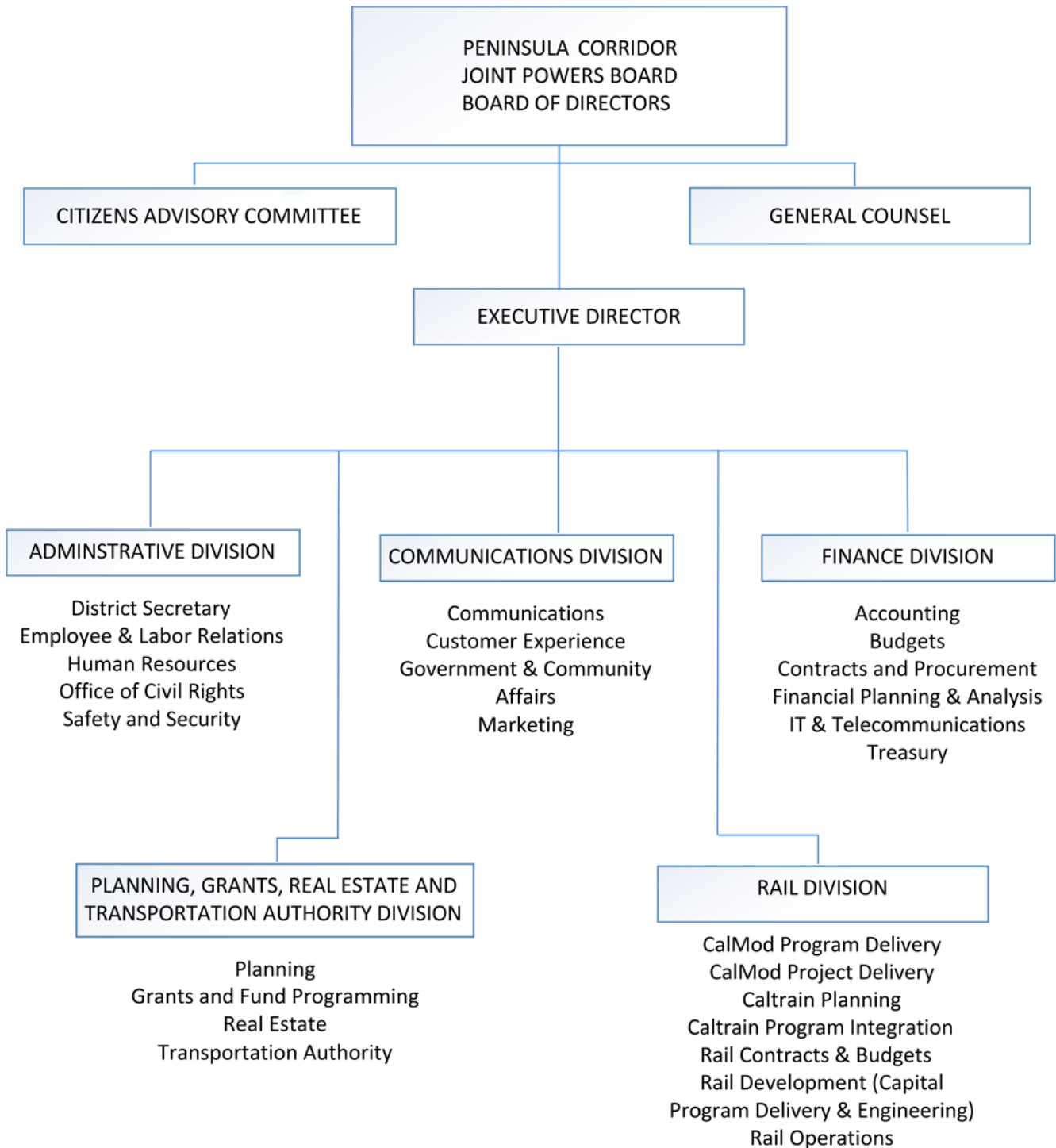
\*Pranaya Shrestha, Chief Officer, CalMod Program (September 13, 2021 – Present)



# PENINSULA CORRIDOR JOINT POWERS BOARD

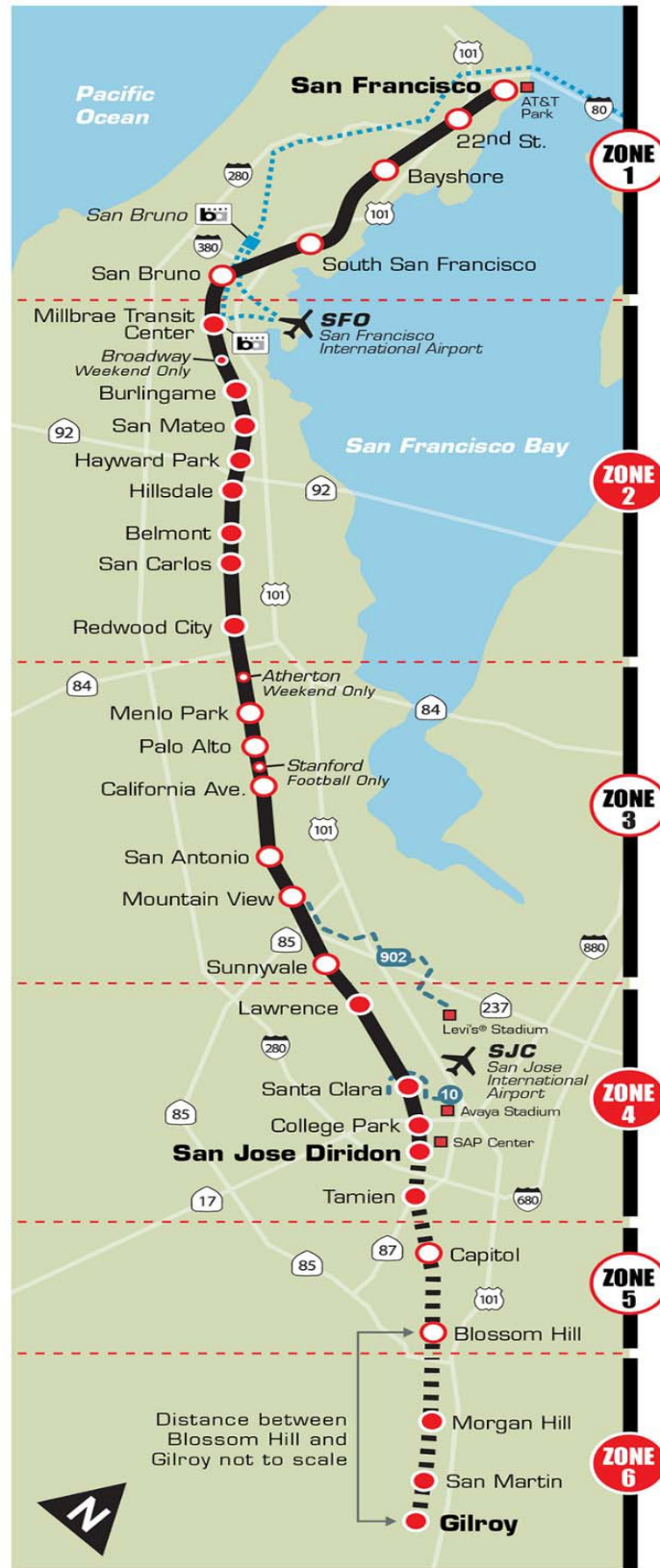
## ORGANIZATION CHART

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# PENINSULA CORRIDOR JOINT POWERS BOARD

## MAP



## **PENINSULA CORRIDOR JOINT POWERS BOARD**

### **TABLE OF CREDITS**

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The following individuals contributed to the production of the fiscal year 2021 Annual Comprehensive Financial Report:

#### **Finance:**

Deputy Chief Financial Officer	Grace Martinez, CPA
Acting Director, Accounting	Jennifer Ye, CPA
Director, Treasury	Connie Mobley-Ritter, MBA, CTP
Acting Deputy Director, Financial Planning and Analysis	Ryan Hinchman
Manager, Grants and Capital Accounting	Brian Lee

#### **Audit Firm:**

Partner	Ryan L. Nielsen, CPA
Manager	Melissa L. Cabezzas, CPA

# *Section II*

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## **FINANCIAL**

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements:

- Statements of Net Position
- Statements of Revenues, Expenses, and Changes in Net Position
- Statements of Cash Flows
- Notes to the Financial Statements

Supplementary Information

- Supplementary Schedule of Revenues and Expenses – Comparison of Budget to Actual (Budgetary Basis)
- Notes to Supplementary Schedule

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the  
Peninsula Corridor Joint Powers Board  
San Carlos, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the Peninsula Corridor Joint Powers Board (JPB) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the JPB's basic financial statements, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinion**

In our opinion, the 2021 financial statements referred to above present fairly, in all material respects, the financial position of the JPB as of June 30, 2021, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Prior Period Financial Statements**

The financial statements as of and for the year ended June 30, 2020, were audited by other auditors, who expressed an unmodified opinion in their report dated October 26, 2020.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the JPB's basic financial statements. The introductory section, supplementary schedule of revenues and expenses - comparison of budget to actual (budgetary basis), and the statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary schedule of revenues and expenses - comparison of budget to actual (budgetary basis) is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedule of revenues and expenses - comparison of budget to actual (budgetary basis), as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
October 11, 2021



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***MANAGEMENT'S DISCUSSION AND ANALYSIS***

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## PENINSULA CORRIDOR JOINT POWERS BOARD

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021 AND 2020

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#### MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the Peninsula Corridor Joint Powers Board's (JPB) financial performance provides an overview of the JPB's activities for the fiscal year ended June 30, 2021, with comparisons to prior fiscal years ended June 30, 2019, and June 30, 2020. We encourage readers to consider the information presented here in conjunction with the transmittal letter contained in the Introductory Section and with the statements and related notes contained in the Financial Section.

#### **FINANCIAL HIGHLIGHTS**

- At June 30, 2021, the JPB's assets exceeded its liabilities and deferred inflows of resources by \$2,723.3 million (net position). Of this amount, \$71.1 million represents unrestricted net position, which may be used to meet the JPB's ongoing obligations. At June 30, 2020, the JPB's assets exceeded its liabilities by \$2,355.7 million. Of this amount, \$43.0 million represents unrestricted net position.
- The JPB's total net position increased by \$367.6 million and \$284.4 million in fiscal years 2021 and 2020, respectively, mainly because of capital contributions.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The Financial Section of this report presents the JPB's financial statements as two components: basic financial statements and notes to the financial statements. It also includes supplemental information.

#### **Basic Financial Statements**

The *Statement of Net Position* presents information on assets, liabilities, and deferred inflows of resources, with the difference between them reported as *net position*. Changes in net position over time may provide an indicator as to whether the financial position of the JPB is improving or deteriorating.

The *Statement of Revenues, Expenses, and Changes in Net Position* reports how net position has changed during the year. It compares related operating revenues and operating expenses connected with the JPB's principal business of providing rail service. Operating expenses include the cost of direct services to passengers, administrative expenses, contracted services, and depreciation on capital assets. All other revenues and expenses are reported as nonoperating.

The *Statement of Cash Flows* reports inflows and outflows of cash, classified into four major categories:

- *Cash flows from operating activities* include transactions and events reported as components of operating income in the statement of revenues, expenses, and changes in net position.
- *Cash flows from noncapital financing activities* include operating grant proceeds and operating subsidy payments from third parties as well as other nonoperating items.
- *Cash flows from capital and related financing activities* include the borrowing and repayment (principal and interest) of capital-related debt, the acquisition and construction of capital assets, and the proceeds of capital grants and contributions.
- *Cash flows from investing activities* include proceeds from the sale of investments, receipt of interest, and changes in the fair value of investments subject to reporting as cash equivalents. Outflows in this category include the purchase of investments.

## PENINSULA CORRIDOR JOINT POWERS BOARD

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021 AND 2020

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#### Notes to the Financial Statements

Various notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements and are found immediately following the financial statements to which they refer.

#### Other Information

This report also presents certain *supplementary* information concerning compliance with the JPB's annual budget. This *supplementary* information, as well as associated notes can be found immediately following the *basic financial statements* and the accompanying notes.

#### Analysis of Basic Financial Statements

Total assets increased by \$435.0 million or 16.8% to \$3,029.7 million at June 30, 2021, compared to June 30, 2020, and increased by \$316.8 million or 13.9% at June 30, 2020, compared to June 30, 2019. The increases for fiscal year 2021 and fiscal year 2020 were mainly due to activities in construction in progress and due from other governmental agencies. Current assets increased by \$95.8 million or 42.2% to \$322.7 million in fiscal year 2021. In fiscal year 2020, current assets increased by \$25.0 million or 12.4% compared to fiscal year 2019. The increase for fiscal year 2021 was due to increases in due from other governmental agencies and other current assets. The increase for fiscal year 2020 was due to increases in cash and cash equivalents.

Total capital assets, net of accumulated depreciation and amortization increased by \$339.2 million or 14.3% at June 30, 2021, to \$2,707.1 million from \$2,367.9 million on June 30, 2020, and increased by \$291.9 million or 14.1% from \$2,076.0 million in fiscal year 2020 compared to fiscal year 2019. Investments in capital assets, before depreciation and amortization, consist of acquisitions and improvements to the right-of-way (\$1,425.7 million or 37.8%), rail vehicles (\$337.0 million or 8.9%), facilities and equipment (\$145.1 million or 3.8%), office equipment (\$13.8 million or 0.4%), intangible asset – trackage rights (\$8.0 million or 0.2%), and construction in progress (\$1,840.8 million or 48.8%) in fiscal year 2021. In fiscal year 2020, investments in capital assets, before depreciation and amortization, consist of acquisitions and improvements to the right-of-way (\$1,429.3 million or 42.3%), rail vehicles (\$333.0 million or 9.9%), facilities and equipment (\$145.1 million or 4.3%), office equipment (\$13.4 million or 0.4%), intangible asset – trackage rights (\$8.0 million or 0.2%), and construction in progress (\$1,447.5 million or 42.9%).

Total liabilities increased by \$66.0 million or 27.6% to \$305.1 million at June 30, 2021, compared to June 30, 2020, and increased by \$32.4 million or 15.7% to \$239.1 million at June 30, 2020, compared to June 30, 2019. The fiscal year 2021 increase was mainly due to increases in accounts payable and accrued liabilities and revolving credit facility, partially offset by a decrease in unearned revenue. The fiscal year 2020 increase was mainly due to increases in unearned revenue and unearned member contributions, partially offset by decreases in accounts payable and accrued liabilities.

Total deferred inflows of resources increased by \$1.3 million to \$1.3 million at June 30, 2021. The fiscal year 2021 increase was mainly due to an unrealized gain related to fuel-hedge derivatives.

Total net position was \$2,723.3 million at June 30, 2021, which represents an increase of \$367.6 million or 15.6% from June 30, 2020, and \$2,355.7 million at June 30, 2020, which represents an increase of \$284.4 million or 13.7% from June 30, 2019. The increase was largely due to additional capital

## PENINSULA CORRIDOR JOINT POWERS BOARD

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021 AND 2020

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contributions received associated with the Caltrain electrification project. Net investment in capital assets was \$2,652.2 million at June 30, 2021, representing 97.4% of the total net position; \$2,312.7 million at June 30, 2020, representing 98.2% of total net position; and \$2,030.3 million at June 30, 2019, representing 98.0% of total net position. The JPB's net investment in capital assets represents right-of-way improvements, rail vehicles, and facilities and equipment, less any related outstanding debt that was used to acquire those assets. The JPB uses these capital assets to provide a variety of services to its customers. Accordingly, these assets are not available for future spending. Although the JPB's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balances of \$71.1 million, \$43.0 million, and \$41.0 million are unrestricted at June 30, 2021, 2020, and 2019, respectively, and may be used to meet the JPB's ongoing obligations to its citizens and creditors.

#### NET POSITION (in thousands)

	2021	2020	2019
<b>Assets:</b>			
Current assets	\$ 322,669	\$ 226,903	\$ 201,944
Capital assets, net of depreciation/amortization	2,707,058	2,367,857	2,075,976
<b>Total assets</b>	<b>3,029,727</b>	<b>2,594,760</b>	<b>2,277,920</b>
<b>Liabilities:</b>			
Current liabilities	249,232	183,403	150,498
Long-term liabilities	55,853	55,672	56,140
<b>Total liabilities</b>	<b>305,085</b>	<b>239,075</b>	<b>206,638</b>
<b>Deferred inflows of resources</b>	<b>1,346</b>	<b>-</b>	<b>-</b>
<b>Net position:</b>			
Net investment in capital assets	2,652,168	2,312,715	2,030,255
Unrestricted	71,128	42,970	41,027
<b>Total net position</b>	<b>\$ 2,723,296</b>	<b>\$ 2,355,685</b>	<b>\$ 2,071,282</b>

#### Revenue Highlights

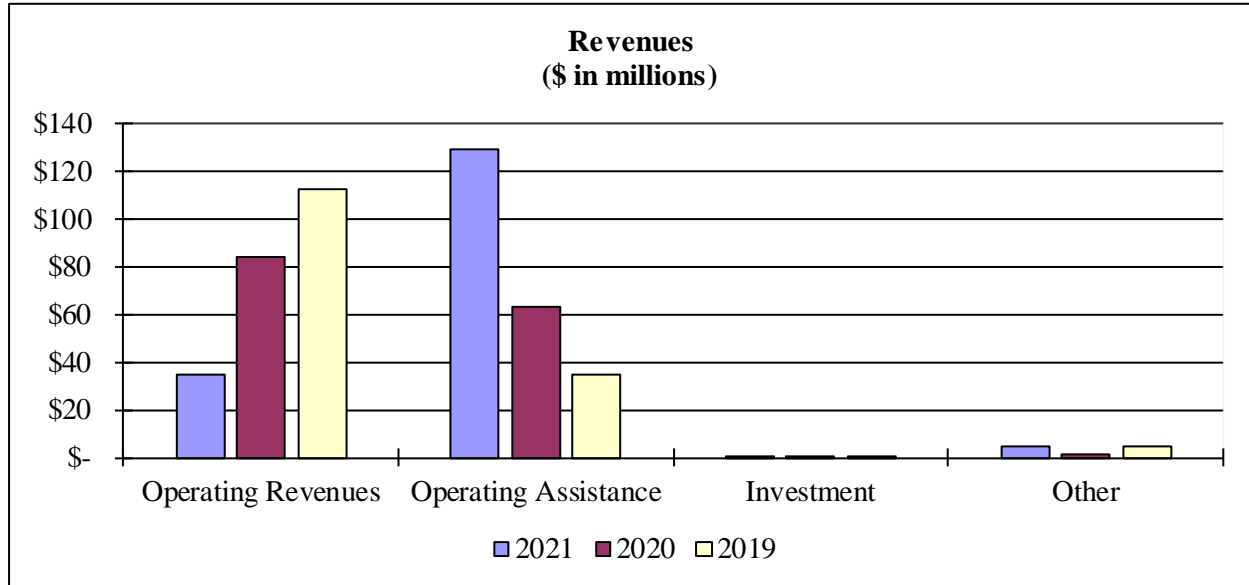
Operating revenues decreased to \$35.2 million in fiscal year 2021, a \$49.2 million or 58.3% decrease from fiscal year 2020 and decreased to \$84.5 million in fiscal year 2020, a \$28.3 million or 25.1% decrease from fiscal year 2019. The decrease in fiscal year 2021 was mostly due to a decrease in passenger fares and/or ridership as a result of the COVID-19 pandemic. The decrease in fiscal year 2020 was due to a decrease in passenger fares and/or ridership.

Nonoperating revenues increased by \$69.9 million or 107.1% to \$135.2 million at June 30, 2021, compared to June 30, 2020, and increased by \$24.4 million or 59.6% in fiscal year 2020 compared to fiscal year 2019. The increase in fiscal year 2021 was mainly due to the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding of \$41.5 million and Coronavirus Response and Relief

**PENINSULA CORRIDOR JOINT POWERS BOARD**

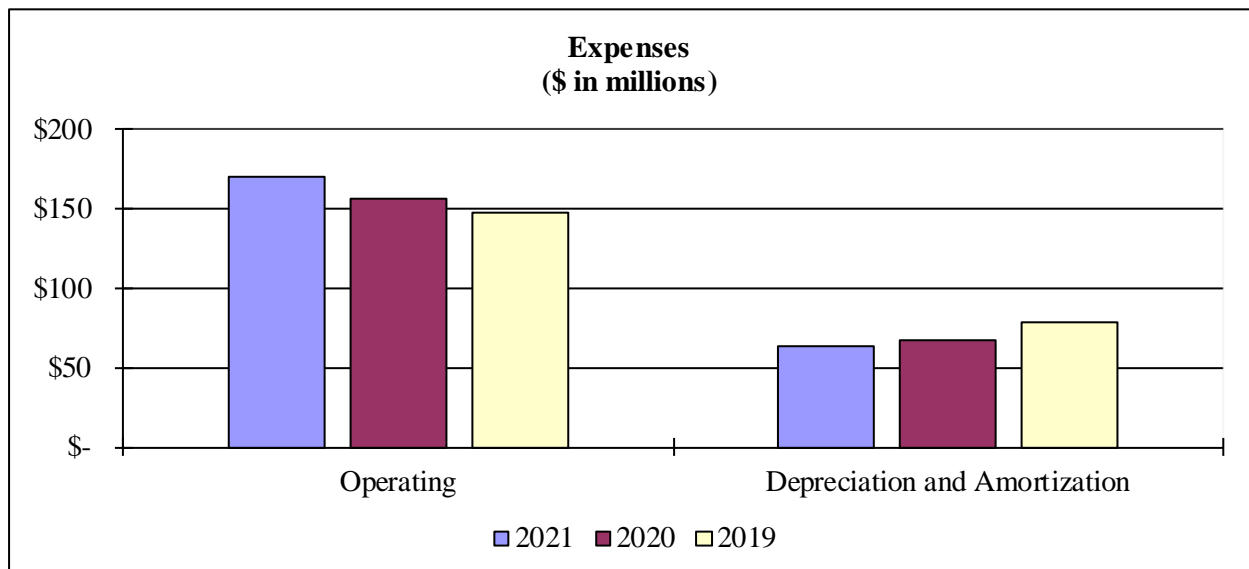
**MANAGEMENT’S DISCUSSION AND ANALYSIS  
JUNE 30, 2021 AND 2020**

Supplemental Appropriations Act (CRRSAA) funding of \$46.7 million. The increase in fiscal year 2020 was mainly due to federal CARES Act funding of \$23.1 million.



**Expense Highlights**

Total operating expenses of \$170.8 million in fiscal year 2021 were \$13.8 million or 8.8% higher than fiscal year 2020, and in fiscal year 2020, \$9.7 million or 6.6% higher than fiscal year 2019. Total expense increase in fiscal year 2021 is mostly due to increases in contract services and professional services. Total expense increase in fiscal year 2020 is mostly due to increases in contract services and professional services. Depreciation and amortization for fiscal year 2021 was \$63.6 million, a \$3.4 million or 5.0% decrease over fiscal year 2020. In fiscal year 2020, depreciation and amortization was \$67.0 million, an \$11.9 million or 15.1% decrease over fiscal year 2019. The decrease in depreciation and amortization expenses in fiscal year 2021 was due to some assets which had been fully depreciated and/or disposed of.



**PENINSULA CORRIDOR JOINT POWERS BOARD**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021 AND 2020**

**CHANGES IN NET POSITION  
(in thousands)**

	2021	2020	2019
Operating revenues:			
Passenger fares	\$ 32,440	\$ 76,094	\$ 102,668
Parking, shuttle, and pass revenues	1,547	6,045	7,894
Advertising	114	1,469	1,050
Other	1,108	849	1,165
Total operating revenues	<u>35,209</u>	<u>84,457</u>	<u>112,777</u>
Operating expenses:			
Contract services	122,030	107,037	99,541
Insurance	8,473	4,166	4,129
Fuel	7,088	9,311	11,184
Parking, shuttle, and pass revenues	3,211	5,591	5,280
Professional services	11,061	5,535	2,068
Wages and benefits	13,068	17,355	16,765
Utilities and supplies	2,083	2,059	2,189
Maintenance services	503	1,391	1,643
Temporary services, rent, and other	3,330	4,579	4,528
Total operating expenses	<u>170,847</u>	<u>157,024</u>	<u>147,327</u>
Operating loss before depreciation and amortization	(135,638)	(72,567)	(34,550)
Depreciation and amortization	<u>(63,606)</u>	<u>(66,966)</u>	<u>(78,890)</u>
Operating loss	(199,244)	(139,533)	(113,440)
Nonoperating revenues			
Federal, state, and local operating assistance	129,634	63,044	35,070
Rental income	1,125	534	1,901
Investment income (loss)	334	495	714
Other income	4,085	1,201	3,210
Total nonoperating revenues	<u>135,178</u>	<u>65,274</u>	<u>40,895</u>
Nonoperating expenses	<u>(2,890)</u>	<u>(2,641)</u>	<u>(3,222)</u>
Net loss before capital contributions	(66,956)	(76,900)	(75,767)
Capital contributions	<u>434,567</u>	<u>361,303</u>	<u>405,162</u>
Change in net position	367,611	284,403	329,393
Net position - beginning of year	<u>2,355,685</u>	<u>2,071,282</u>	<u>1,741,889</u>
Net position - end of year	<u>\$ 2,723,296</u>	<u>\$ 2,355,685</u>	<u>\$ 2,071,282</u>

## **PENINSULA CORRIDOR JOINT POWERS BOARD**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021 AND 2020**

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#### **Capital Program**

The JPB incurred capital expenses of \$403.4 million and recognized related revenue in the form of capital contributions of \$434.6 million in fiscal year 2021, which is a \$73.2 million or 20.28% increase in capital contributions in fiscal year 2021 over fiscal year 2020. The fiscal year 2021 capital sources mainly consisted of federal grants (\$179.0 million or 41.2%), state grants (\$193.0 million or 44.4%), and local assistance including the three Member Agencies (\$62.6 million or 14.4%).

The JPB incurred capital expenses of \$359.8 million and recognized related revenue in the form of capital contributions of \$361.3 million in fiscal year 2020, which is a \$43.9 million or 10.8% decrease in capital contributions in fiscal year 2020 over fiscal year 2019. The JPB's capital contributions are comprised of federal grants, state grants, and local assistance including Member Agencies which are on a reimbursement basis and therefore tied to the related capital expenses. The reason for the increase in both fiscal years 2021 and 2020 is due to more activities on right-of-way improvement projects.

Following is a summary of the JPB's major capital expenses for fiscal year 2021:

- Caltrain modernization program (\$323.6 million).
- Grade Separation and Grade Crossing (\$47.9 million).
- Station improvements and repairs (\$26.9 million).

Additional information about the JPB's capital activities appears in Note 6 – Capital Assets in the notes to the financial statements.

#### **Debt**

At the end of fiscal year 2021, the JPB had \$54.9 million in outstanding farebox revenue bonds, including the unamortized premium, \$0.3 million less than the bonds outstanding at the end of fiscal year 2020. During fiscal year 2008, the JPB issued \$23.1 million of farebox revenue bonds (2007 Series A Farebox Revenue Bonds) to finance the purchase of eight new passenger railcars and refinance the outstanding balance of the JPB's 1999 Series A Farebox Revenue Bonds. Principal payments were not scheduled to begin on the 2007 Series A Farebox Revenue Bonds until October 1, 2018. On January 14, 2015, the JPB issued an additional series of Farebox Revenue Bonds (2015 Series A Farebox Revenue Bonds) to finance a portion of the costs of the acquisition and rehabilitation of sixteen passenger rail cars and related capital improvements. Principal payments were not scheduled to begin on the 2015 Series A Farebox Revenue Bonds until October 1, 2019. In February, 2019, the JPB issued \$56,218,000 in 2019 Series A Farebox Revenue Bonds; this issuance used \$24,087,000 of the proceeds to fully pay and legally defease the 2007 Series A Farebox Revenue Bonds and \$11,363,000 used to fully payoff the 2015 Series A Farebox Revenue Bonds. In addition, \$20,768,000 of the proceeds were used for building acquisitions. Principal on the 2019 Series A Farebox Revenue Bonds is payable on October 1, 2021, and annually thereafter on October 1 of each year through 2049. More information regarding the JPB's long-term debt activity can be found in Note 9 – Farebox Revenue Bonds Payable in the notes to the financial statements.

#### **Economic Factors and Next Year's Budget**

The JPB Board of Directors (Board) approved the Fiscal Year 2022 Operating Budgets on June 3, 2021. The Fiscal Year 2022 Operating Budgets continue to support a high level of service and reliability that the community has come to expect from Caltrain, as it makes every effort to control costs.

## **PENINSULA CORRIDOR JOINT POWERS BOARD**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021 AND 2020**

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The Fiscal Year 2022 Operating Budget consists of \$161.9 million and \$176.7 million in revenues and expenditures, respectively. The major components of revenue include operating revenue of \$40.6 million, primarily from farebox, and \$121.3 million in contributed revenue, which includes Assembly Bill 434 and San Mateo County Transportation Authority shuttle funding, State Transit Assistance formula funds, Measure RR funds, and federal CRRSAA funds. Operating expenses are projected to be \$165.6 million with the Rail Operator Contract, insurance costs, security service costs, facilities and equipment maintenance costs, and fuel costs making up a significant part of the budget. Administrative expenses are projected to be \$28.8 million.

The Fiscal Year 2022 Capital Budget was also approved on June 3, 2021. The \$39.2 million Capital Budget consists primarily of critical infrastructure and equipment state of good repair (SOGR), legal mandates, and operational improvements. The fiscal year 2022 Capital Budget will be funded by federal, State, regional, and local grants as well as funds provided by Measure RR.

Some of the highlights of the capital budget include:

- Guadalupe River Bridge Replacement and Extension.
- Track SOGR.
- Signal SOGR.
- Historic Stations SOGR.
- Rail Program Integration and Transition.
- Next Generation Clipper Validators Site Prep.
- Mountain View Transit Center Grade Separation and Access Project.

#### ***Requests for Information***

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the JPB's finances and to demonstrate accountability for the funds it manages. Please direct any questions about this report or requests for additional information about the JPB's finances to: Peninsula Corridor Joint Powers Board, attn: Chief Financial Officer, 1250 San Carlos Avenue, San Carlos, California, 94070-1306.



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***BASIC FINANCIAL STATEMENTS***

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**PENINSULA CORRIDOR JOINT POWERS BOARD****STATEMENTS OF NET POSITION (in thousands)  
JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>ASSETS:</b>		
Current assets:		
Cash and cash equivalents (Note 3)	\$ 85,015	\$ 97,721
Restricted cash (Note 3)	11,057	9,316
Total cash and cash equivalents	96,072	107,037
Due from other governmental agencies	186,358	82,142
Receivables from member agencies (Note 15)	20,736	20,630
Accounts receivable - other, net of allowance	6,115	6,600
Inventory	8,110	7,962
Prepaid items	840	-
Commodity derivative contracts	2,155	249
Restricted investments with fiscal agents (Note 3)	2,283	2,283
Total current assets	<u>322,669</u>	<u>226,903</u>
Noncurrent assets:		
Capital assets (Note 6):		
Right-of-way improvements	1,188,736	1,192,985
Rail vehicles	337,025	333,025
Facilities and equipment	145,065	145,121
Office equipment	13,767	13,354
Capital assets, gross	1,684,593	1,684,485
Less accumulated depreciation and amortization	(1,063,334)	(1,008,480)
Construction in progress (Note 2L)	1,840,831	1,447,512
Right-of-way	236,968	236,340
Intangible assets - trackage rights (Note 6)	8,000	8,000
Total capital assets, net	<u>2,707,058</u>	<u>2,367,857</u>
Total noncurrent assets	<u>2,707,058</u>	<u>2,367,857</u>
Total assets	<u>3,029,727</u>	<u>2,594,760</u>

The accompanying notes are an integral part of the financial statements.

**PENINSULA CORRIDOR JOINT POWERS BOARD****STATEMENTS OF NET POSITION (in thousands) (Continued)**  
**JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>LIABILITIES:</b>		
Current liabilities:		
Accounts payable and accrued liabilities	130,143	68,892
Interest payable	1,000	1,000
Self-insurance claims liabilities (Note 10)	1,683	655
Unearned member contributions (Note 15)	36,277	34,756
Unearned revenue	18,389	52,947
Revolving credit facility (Note 16)	60,300	25,000
Farebox revenue bonds payable - short-term (Note 9)	1,384	-
Other	56	153
Total current liabilities	<u>249,232</u>	<u>183,403</u>
Noncurrent liabilities:		
Self-insurance claims liabilities - long-term (Note 10)	2,347	519
Farebox revenue bonds payable - long-term (Note 9)	53,506	55,153
Total noncurrent liabilities	<u>55,853</u>	<u>55,672</u>
Total liabilities	<u>305,085</u>	<u>239,075</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>		
Derivatives	1,346	-
Total deferred inflows of resources	<u>1,346</u>	<u>-</u>
<b>NET POSITION:</b>		
Net investment in capital assets	2,652,168	2,312,715
Unrestricted	71,128	42,970
Total net position	<u>\$ 2,723,296</u>	<u>\$ 2,355,685</u>

The accompanying notes are an integral part of the financial statements.

**PENINSULA CORRIDOR JOINT POWERS BOARD****STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
(in thousands)  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>OPERATING REVENUES:</b>		
Passenger fares	\$ 32,440	\$ 76,094
Parking, shuttle, and pass revenues	1,547	6,045
Advertising	114	1,469
Other	1,108	849
Total operating revenues	<u>35,209</u>	<u>84,457</u>
<b>OPERATING EXPENSES:</b>		
Contract services (Note 13A)	122,030	107,037
Insurance	8,473	4,166
Fuel	7,088	9,311
Parking, shuttle, and pass expenses	3,211	5,591
Professional services	11,061	5,535
Wages and benefits	13,068	17,355
Utilities and supplies	2,083	2,059
Maintenance services	503	1,391
Temporary services, rent, and other	3,330	4,579
Total operating expenses before depreciation and amortization	170,847	157,024
Depreciation and amortization	<u>63,606</u>	<u>66,966</u>
Total operating expenses	<u>234,453</u>	<u>223,990</u>
Operating loss	<u>(199,244)</u>	<u>(139,533)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Federal, state, and local operating assistance (Note 7)	129,634	63,044
Rental income	1,125	534
Investment income (loss)	334	495
Interest expense	(2,890)	(2,641)
Other income	4,085	1,201
Total nonoperating revenues, net	<u>132,288</u>	<u>62,633</u>
Loss before capital contributions	(66,956)	(76,900)
Capital contributions (Note 11)	<u>434,567</u>	<u>361,303</u>
Change in net position	367,611	284,403
<b>NET POSITION:</b>		
Beginning of year	<u>2,355,685</u>	<u>2,071,282</u>
End of year	<u>\$ 2,723,296</u>	<u>\$ 2,355,685</u>

The accompanying notes are an integral part of the financial statements.

**PENINSULA CORRIDOR JOINT POWERS BOARD****STATEMENTS OF CASH FLOWS (in thousands)  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 35,691	\$ 82,500
Rent and other cash receipts	5,209	1,734
Payments to vendors for services	(155,726)	(140,948)
Payments to employees	(13,068)	(17,355)
	<u>(127,894)</u>	<u>(74,069)</u>
Net cash used for operating activities		
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Operating grants received	<u>129,634</u>	<u>63,045</u>
Net cash provided by noncapital financing activities	<u>129,634</u>	<u>63,045</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition and construction of capital assets	(341,556)	(370,703)
Capital contributions from grants	297,210	417,721
Proceeds from (payments on) the revolving credit facility	35,300	-
Payment of capital debt	(264)	(55,479)
Proceeds from refunding of capital debt	-	55,747
Interest paid on capital debt	(2,889)	(3,420)
	<u>(12,199)</u>	<u>43,866</u>
Net cash provided by (used for) capital and related financing activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sales and maturities of investments	-	10,425
Purchase of investment	(840)	-
Investment income received	334	495
	<u>(506)</u>	<u>10,920</u>
Net cash used for investing activities		
Net increase (decrease) in cash and cash equivalents	(10,965)	43,762
Cash and cash equivalents, beginning of year	<u>107,037</u>	<u>63,275</u>
Cash and cash equivalents, end of year	<u>\$ 96,072</u>	<u>\$ 107,037</u>

The accompanying notes are an integral part of the financial statements.

**PENINSULA CORRIDOR JOINT POWERS BOARD****STATEMENTS OF CASH FLOWS (in thousands) (Continued)  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES:</b>		
Operating loss	\$ (199,244)	\$ (139,533)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation and amortization	63,606	66,966
Rent and other cash receipts	5,209	1,734
Effect of changes in:		
Receivables	485	(1,957)
Prepaid items	-	(241)
Inventory	(148)	-
Commodity derivative contracts	(561)	-
Accounts payable and accrued liabilities	-	-
Other liabilities	(97)	-
Claims liabilities	2,856	(437)
	<u>                    </u>	<u>                    </u>
Net cash used for operating activities	<u>\$ (127,894)</u>	<u>\$ (74,069)</u>
<b>NONCASH INVESTING AND CAPITAL ACTIVITIES:</b>		
Change in fair value of investments	\$ 1,346	\$ 8
Noncash capital contributions	-	78,539
	<u>                    </u>	<u>                    </u>
Net noncash investing and capital activities	<u>\$ 1,346</u>	<u>\$ 78,547</u>

The accompanying notes are an integral part of the financial statements.

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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Notes are essential to present fairly the information contained in the overview level of the basic financial statements. Narrative explanations are intended to communicate information that is not readily apparent or cannot be included in the statements and schedules themselves, and to provide additional disclosures as required by the Governmental Accounting Standards Board.

## **PENINSULA CORRIDOR JOINT POWERS BOARD**

### **NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020**

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#### **NOTE 1 – ORGANIZATION**

In 1987, representatives of the City and County of San Francisco (CCSF), the San Mateo County Transit District (District), and the Santa Clara Valley Transportation Authority (VTA) formed the Peninsula Corridor Joint Powers Board (JPB) to plan for the full transfer of administrative and financial responsibility for the Caltrain rail service from the State of California to the local level. In October 1991, a Joint Powers Agreement (Agreement) signed by the three parties (Member Agencies) stipulated the JPB membership and powers, specified financial commitments for each member, and detailed other administrative procedures, including designating the District as the Managing Agency.

The JPB acquired the rail corridor right-of-way between San Francisco and San Jose (Mainline) and perpetual trackage rights between San Jose and Gilroy (Gilroy Extension) from Southern Pacific Transportation Company in December 1991, with contributions provided by the District, the San Mateo County Transportation Authority, VTA for Gilroy trackage rights only, and the California Transportation Commission. The JPB holds title to the Mainline located in all three counties. Because the District advanced an initial contribution in the amount of \$82 million on behalf of all of the member agencies to complete the funding package to acquire the right-of-way, the JPB and the District are tenants in common as to all right-of-way property located in San Mateo County.

On October 31, 2008, all three of the JPB Member Agencies, together with the Metropolitan Transportation Commission (MTC), signed an agreement to fully resolve all outstanding financial issues related to the acquisition of the right-of-way. Both CCSF and VTA have agreed to reimburse the District using gasoline tax “spillover” funds. Population based “spillover” funds are to be paid directly to the District from the MTC and the revenue based “spillover” funds are to be paid to the District from the San Francisco Municipal Transportation Agency (SFMTA) and VTA. The parties have agreed to make best efforts to allocate the funds in full within two to four years and, in no event, later than ten years. When all payments have been received by the District, the District will reconvey to the JPB all of its interests in the title to the right-of-way in San Mateo County. This October 31, 2008 Agreement also designates the District as the Managing Agency of the JPB and further states that the District “will serve in that capacity unless and until it no longer chooses to do so.”

The JPB assumed an expanded role in July 1992 as the State of California Department of Transportation (Caltrans) and the District coordinated the transfer of Caltrain operations and administration to the JPB. The JPB selected the National Railroad Passenger Corporation (Amtrak) as the contract operator, and Amtrak operated the rail service from July 1, 1992, through May 25, 2012. TransitAmerica Services, Inc., (TASI) assumed operations and maintenance of the service on May 26, 2012.

The JPB is governed by a nine-member Board of Directors (Board) representing the three Member Agencies. The base term of the Agreement establishing the JPB expired in 2001, but the Agreement provides that it continues on a year-to-year basis, with a Member Agency’s withdrawal requiring a minimum one-year advance written notice to the JPB and the other Member Agencies.

To enhance public involvement, the JPB established a Citizen Advisory Committee (CAC) comprised of three representatives from each of the JPB counties. The CAC’s principal function is to assist the JPB by articulating the interests and needs of transit users and potential customers.



## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### A. Financial Reporting Entity

The accompanying financial statements include the financial activities of the JPB only.

##### B. Implementation of Governmental Accounting Standards Board (GASB) Statements

###### *Effective this Fiscal Year*

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this statement is to improve guidance related to fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this statement are effective for reporting periods beginning after December 15, 2019, or the fiscal year 2020/2021. There was no net effect to the financial statements.

GASB Statement No. 90 – In August 2018, GASB issued Statement No. 90, *Majority Equity Interests, an Amendment of GASB Statements No. 14 and No. 61*. The objective of this statement is to improve how a majority equity interest is reported. The statement specifies that a majority equity interest in a legally separate organization should be reported as an investment using the equity method if a government's holding of the equity interest meets the definition of an investment, and for all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit. The requirements of this statement are effective for reporting periods beginning after December 15, 2019, or fiscal year 2020/2021. There was no net effect to the financial statements.

###### *Effective in Future Fiscal Years*

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The statement is effective for the reporting periods beginning after December 15, 2020, or fiscal year 2021/2022. The JPB is evaluating the impact of this statement on the financial statements.

GASB Statement No. 89 – In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for certain interest costs. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### **B. Implementation of Governmental Accounting Standards Board Statements** (Continued)

###### *Effective in Future Fiscal Years* (Continued)

measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in the financial statements. The requirements of this statement are effective for reporting periods beginning after December 15, 2020, or fiscal year 2021/2022. The JPB is evaluating the impact of this statement on the financial statements.

GASB Statement No. 91 – In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2021, or fiscal year 2022/2023. The JPB is evaluating the impact of this statement on the financial statements.

GASB Statement No. 92 – In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this statement are to establish accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The requirements of this statement are effective for reporting periods beginning after June 15, 2021 or fiscal year 2021/2022, except for GASB Statement No. 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments, which are effective upon issuance. The JPB is evaluating the impact of this statement on the financial statements.

GASB Statement No. 93 – In May 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objectives of this statement are to address those and other accounting and reporting implications resulting from the replacement of an IBOR by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced and providing clarification to the hedge accounting termination provisions, removing LIBOR as a benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap and providing an exception to the lease modifications guidance in GASB Statement No. 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. The requirements of this statement are effective for reporting periods beginning after June 15, 2021, or fiscal year 2021/2022, except the removal of LIBOR as a benchmark interest rate which is effective for periods beginning after December 31, 2022, or fiscal year 2022/2023. The JPB is evaluating the impact of this statement on the financial statements.

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### **B. Implementation of Governmental Accounting Standards Board Statements** (Continued)

###### *Effective in Future Fiscal Years* (Continued)

GASB Statement No. 94 – In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objectives of this statement improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this statement are effective for reporting periods beginning after June 15, 2022, or fiscal year 2022/2023. The JPB is evaluating the impact of this statement on the financial statements.

GASB Statement No. 96 – In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for reporting periods beginning after June 15, 2022, or fiscal year 2022/2023. The JPB is evaluating the impact of this statement on the financial statements.

GASB Statement No. 97 – In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The objectives of this statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this statement are effective for reporting periods beginning after June 15, 2021, or fiscal year 2021/2022. The JPB is evaluating the impact of this statement on the financial statements.

##### **C. Basis of Accounting**

The JPB accounts for its transactions in a single enterprise fund and maintains its records using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Cash and Cash Equivalents**

For purpose of the statement of cash flows, the JPB considers all highly liquid investments with an initial maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents also include amounts invested in the Local Agency Investment Fund (LAIF) and the San Mateo County Pool (see Note 3).

**E. Accounts Receivable – Other**

During the course of normal operations, the JPB carries various receivable balances for services and rent. At June 30, 2021 and 2020, the allowances for doubtful accounts included in accounts receivable – other, were \$187,189 and \$413,499, respectively.

**F. Inventories**

Inventories consist principally of spare parts that are recorded when purchased and expensed when used. Inventories are stated at average cost which approximates market and are maintained by TASI as part of its contractual agreement.

**G. Investments**

Investment transactions are recorded on the trade date at fair value. Fair value is defined as the amount that the JPB could reasonably expect to receive for an investment in a current sale from a willing buyer and is based on current market prices.

**H. Restricted Investments with Fiscal Agents**

Provisions of the JPB's trust agreements related to its farebox revenue bonds require that certain restricted investments accounts be established. These accounts are held by the fiscal agent and include funds for payment of principal and interest on the farebox revenue bonds.

**I. Restricted and Unrestricted Resources**

When both restricted and unrestricted resources are available for the same purpose (e.g., construction projects), the JPB's policy is to use all available restricted resources first before unrestricted resources are utilized.

**J. Capital Assets**

Capital assets are recorded at historical cost or appraised value. However, donated capital assets are recorded at estimated acquisition value at the date of donation plus ancillary charges, if any. The JPB defines capital assets as assets with a cost greater than \$5,000 and an estimated useful life in excess of one year. Donated assets are recorded at acquisition value on the date donated. Major additions and replacements are capitalized. Maintenance repairs and additions of a minor nature are expensed as incurred.

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### **K. Depreciation and Amortization**

Depreciation and amortization are calculated using the straight-line method over the following estimated useful lives:

- Right-of-way improvements – 3 to 40 years
- Rail vehicles – 10 to 36 years
- Facilities and equipment – 4 to 35 years
- Office equipment – 3 to 5 years

##### **L. Construction in Progress**

(In thousands)	<u>2021</u>	<u>2020</u>
Caltrain Modernization program	\$ 1,533,748	\$ 1,210,803
Bridge improvements	5,712	3,702
Rolling stock - purchase/improvements	35,707	39,824
Grade crossing and separations	190,087	143,144
System-wide track improvements	3,295	2,218
Station improvements	68,323	43,793
Safety	3,703	3,731
Communications	256	297
Total Construction in Progress	<u>\$ 1,840,831</u>	<u>\$ 1,447,512</u>

Caltrain Modernization program includes purchases of new Electric Multiple Unit (EMU) trains.

##### **M. Bond Issuance Costs**

Bond issuance costs are expensed upon the issuance of related debt.

##### **N. Unearned Member Contributions**

Unearned member contributions are the result of advances from the Member Agencies. To the extent that these amounts exceed committed funds (see Note 15), they may be refunded to the Member Agencies or used to offset future required contributions.

##### **O. Unearned Revenue**

Unearned revenue represents fares, rents, and state assistance amounts received which have not yet been earned. Advance ticket sales are included as unearned revenue until earned.

##### **P. Member Agency Assistance**

Amounts received from Member Agencies for operations are recognized as revenues when operating and administrative expenses are incurred. Amounts received from Member Agencies for acquisition of assets or matching grants are recognized as capital contributions when capital expenses are incurred.

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### **Q. Federal, State, and Local Operating Assistance**

Federal, state, and local operating assistance are recorded as revenue when operating expenses are incurred.

##### **R. Wages and Benefits**

Personnel costs of the JPB represent the allocated costs of District employees addressing JPB functions in the District's capacity as Managing Agency. Participation in pension plans, compensated absences, and postretirement health care benefits for these employees are administered by the District.

##### **S. Operating/Nonoperating Revenues and Expenses**

The JPB distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from directly providing services in connection with the JPB's principal operations of commuter rail service. These revenues are primarily passenger fares, parking, shuttle, and pass revenues. Operating expenses include the cost of sales and services, administrative expenses, contracted services, and depreciation on capital assets. All other revenues and expenses (including member contributions) not meeting this definition are reported as nonoperating revenues and expenses.

##### **T. Use of Estimates**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures at the date of the financial statements.

##### **U. Deferred Outflows and Deferred Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

##### **V. Fair Value Measurements**

Accounting principles generally accepted in the United States of America provide guidance for determining a fair value measurement for reporting purposes, applying fair value to investments, and disclosures related to a hierarchy established by accounting principles generally accepted in the United States of America. The fair value hierarchy, which has three levels, is based on the valuation

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### V. Fair Value Measurements (Continued)

inputs used to measure fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs include inputs that are directly observable for the investment including quoted price for similar investments and inputs that are not directly observable but are derived from observable market data through correlation; and Level 3 inputs are significant unobservable inputs.

##### W. Reclassifications

For the year ended June 30, 2021, certain classifications have been changed to improve financial statement presentation. For comparative purposes, prior year balances have been reclassified to conform with the fiscal year 2021 presentation.

##### X. Subsequent Events

Subsequent events have been evaluated through October 11, 2021, the date these financial statements were available to be issued.

#### NOTE 3 – CASH AND INVESTMENTS

The JPB's investments are carried at fair value, as required by accounting principles generally accepted in the United States of America. The JPB adjusts the carrying value of its investments to reflect their fair value at each fiscal year-end and includes the effects of these adjustments in income for that fiscal year.

The JPB is in compliance with the Board approved Investment Policy and California Government Code requirements.

The JPB's cash and investments as of June 30 are classified in the statement of net position as follows (in thousands):

	2021	2020
Cash and cash equivalents	\$ 85,015	\$ 97,721
Restricted cash	11,057	9,316
Restricted investments with fiscal agents	2,283	2,282
Total Cash and Investments	<u>\$ 98,355</u>	<u>\$ 109,319</u>
	2021	2020
Cash on hand	\$ 4	\$ 36
Deposits with financial institutions	70,421	106,404
Investments	27,930	2,879
Total Cash and Investments	<u>\$ 98,355</u>	<u>\$ 109,319</u>

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

***Investments Authorized by the California Government Code and the JPB’s Investment Policy***

The table below identifies the investment types that are authorized for the JPB by the California Government Code or the JPB’s investment policy, when more restrictive, that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the JPB, rather than the general provisions of the JPB’s investment policy.

Authorized Investment Type	Minimum Credit Rating	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	15 years	100%	N/A
U.S. Agency Securities	None	15 years	100%	N/A
Banker's Acceptances	None	180 days	40%	30%
Commercial Paper (\$500 Mil. Min. Assets)				
Local Agencies with Less Than \$100 Million of Investment Assets Under Management May Invest No More Than 25% of the Agency's Money in Eligible Commercial Paper	A1/P1/F1	270 days	40%	10%
Negotiable Certificates of Deposit	None	5 years	30%	N/A
Repurchase Agreements	None	1 year	100%	N/A
Reverse Repurchase Agreements	None	92 days	20%	N/A
Medium-Term Notes	A	5 years	30%	10%
Shares of Beneficial Interest Issued by Diversified Management Companies	None	N/A	20%	10%
Local Government Investment Pools	None	N/A	100%	N/A
Asset-Backed and Mortgage-Backed Securities	AA	5 years	20%	N/A
Municipal Obligations	None	10 years	100%	N/A
Supranational Obligations	AA	5 years	30%	N/A
Local Agency Investment Fund (LAIF)	None	N/A	None	\$75 million
San Mateo County Investment Pool	None	N/A	Up to the current state limit	N/A

***Investments Authorized by Debt Agreements***

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California government code or the JPB’s investment policy. These provisions allow for the acquisition of investment agreements with maturities of up to 30 years and money market funds.

***Disclosure Relating to Interest Rate Risk***

Interest rate risk is the risk incurred when changes in market interest rates adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the JPB manages its exposure to interest rate risk is by purchasing a combination of short and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.



**PENINSULA CORRIDOR JOINT POWERS BOARD**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

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**NOTE 3 – CASH AND INVESTMENTS (Continued)**

*Disclosure Relating to Interest Rate Risk (Continued)*

The JPB's weighted average maturity of its investment portfolio at June 30, 2021, was as follows (in thousands):

Investment Type	Amount	Weighted Average Maturity (in years)
Local Agency Investment Fund (LAIF)	\$ 25,087	0.80
San Mateo County Investment Pool	560	1.81
Held by Bond Trustee:		
Money Market Mutual Fund	2,283	-
Total Investment Portfolio	\$ 27,930	
Portfolio Weighted Average Maturity		0.75

The JPB's weighted average maturity of its investment portfolio at June 30, 2020, was as follows (in thousands):

Investment Type	Amount	Weighted Average Maturity (in years)
Local Agency Investment Fund (LAIF)	\$ 37	0.52
San Mateo County Investment Pool	560	1.75
Held by Bond Trustee:		
Money Market Mutual Fund	2,282	-
Total Investment Portfolio	\$ 2,879	
Portfolio Weighted Average Maturity		0.35

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

*Disclosures Relating to Credit Risk*

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the JPB’s investment policy, or debt agreements, and the actual rating as of fiscal years ended June 30, 2021 and 2020, for each investment type (in thousands):

Investment Type	Amount	Rating as of June 30, 2021	
		S&P Rating AAA	Not Rated
Local Agency Investment Fund (LAIF)	\$ 25,087	\$ -	\$ 25,087
San Mateo County Pool	560	-	560
Held by Bond Trustee:			
Money Market Mutual Funds	2,283	2,283	-
<b>Total</b>	<b>\$ 27,930</b>	<b>\$ 2,283</b>	<b>\$ 25,647</b>

Investment Type	Amount	Rating as of June 30, 2020	
		S&P Rating AAA	Not Rated
Local Agency Investment Fund (LAIF)	\$ 37	\$ -	\$ 37
San Mateo County Pool	560	-	560
Held by Bond Trustee:			
Money Market Mutual Funds	2,282	2,282	-
<b>Total</b>	<b>\$ 2,879</b>	<b>\$ 2,282</b>	<b>\$ 597</b>

*Concentration of Credit Risk*

The investment policy of the JPB contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The JPB does not have any investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent five percent or more of the JPB’s total investments at June 30, 2021, or June 30, 2020.

*Fair Value Measurements*

Fair value measurements are categorized based on the valuation inputs used to measure fair value: Level 1 inputs are quoted prices in active markets for identical asset assets; Level 2 inputs include inputs that are directly observable for the investment including quoted price for similar investments and inputs that are not directly observable but are derived from observable market data through correlation; and Level 3 inputs are significant unobservable inputs. Investments in LAIF and the San Mateo County Investment Pool are uncategorized as deposits and withdrawals are made on the basis of \$1 and not fair value.

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 3 – CASH AND INVESTMENTS (Continued)

##### *Fair Value Measurements* (Continued)

The following is the JPB's fair value hierarchy table as of June 30, 2021 (in thousands):

<u>Investment Type</u>	<u>Total</u>	<u>Level 2 Inputs</u>	<u>Uncategorized</u>
Local Agency Investment Fund (LAIF)	\$ 25,087	\$ -	\$ 25,087
San Mateo County Pool	560	-	560
Money Market Mutual Funds	<u>2,283</u>	<u>2,283</u>	<u>-</u>
Total Investments by Fair Value Type	<u>\$ 27,930</u>	<u>\$ 2,283</u>	<u>\$ 25,647</u>

The following is the JPB's fair value hierarchy table as of June 30, 2020 (in thousands):

<u>Investment Type</u>	<u>Total</u>	<u>Level 2 Inputs</u>	<u>Uncategorized</u>
Local Agency Investment Fund (LAIF)	\$ 37	\$ -	\$ 37
San Mateo County Pool	560	-	560
Money Market Mutual Funds	<u>2,282</u>	<u>2,282</u>	<u>-</u>
Total Investments by Fair Value Type	<u>\$ 2,879</u>	<u>\$ 2,282</u>	<u>\$ 597</u>

##### *Custodial Credit Risk*

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the JPB will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counter party (e.g., broker-dealer) to a transaction, the JPB will not be able to recover the value of its investment or collateral securities that are in possession of another party. California Government Code and the JPB's Investment Policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure the JPB's deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits.

As of June 30, 2021 and 2020, the JPB had \$98,770,116 and \$110,799,573, respectively, of deposits with financial institutions. Additionally, the JPB is required to hold certain capital fund amounts in interest bearing accounts. These balances are in excess of the \$250,000 FDIC limit; however due to California State Law, the excess balances are collateralized with pledged securities by the financial institutions holding the JPB's deposits.

## **PENINSULA CORRIDOR JOINT POWERS BOARD**

### **NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020**

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#### **NOTE 3 – CASH AND INVESTMENTS (Continued)**

##### ***Investment in San Mateo County Investment Pool***

The JPB is a voluntary participant that invested in the San Mateo County Treasurer's Investment Pool (County Pool) at June 30, 2021 and 2020, in the amount of \$559,894 and \$559,771, respectively.

The County Pool is a governmental investment pool managed and directed by the elected San Mateo County Treasurer. It is not registered with the Securities and Exchange Commission. The fair value of JPB's investment in this pool is reported in the accompanying financial statements at amounts based upon JPB's pro-rata share of the fair value provided by the County Pool for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Pool, which are recorded on an amortized cost basis.

##### ***Investment in State Investment Pool***

The JPB is a voluntary participant in LAIF which is regulated by the California Government Code under the oversight of the Treasurer of the State of California. LAIF is not registered with the Securities and Exchange Commission. The fair value of the JPB's investment in this pool is reported in the accompanying financial statements at amounts based upon the JPB's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

As of June 30, 2021, the JPB had a contractual withdrawal value of \$25,087,225 in the pool. As of June 30, 2020, the JPB had a \$36,932 contractual withdrawal value in the pool.

#### **NOTE 4 – GILROY EXTENSION**

The JPB holds trackage rights that extend south from the end of its property ownership in San Jose to Gilroy over a rail line owned by the Union Pacific Railroad. Those rights include the rights to operate five two-way train pairs. In addition, the Santa Clara Valley Transportation holds the rights to operate five additional train pairs to Gilroy.

#### **NOTE 5 – CONTRIBUTED ASSETS FROM CALTRANS**

In order to facilitate the purchase of the Mainline and the Gilroy Extension on a timely basis, and to provide for an orderly transition to local administration in a manner that would assure no service interruption, Caltrans and the JPB executed an agreement memorializing various commitments. Caltrans granted the JPB the right to use and control various real and personal property. These properties included: stations, locomotives, passenger cars ("rolling stock"), inventories, and other property associated with Caltrain service. The agreement required that Caltrans transfer all of its rights, titles, and interests in these properties to the JPB, in accordance with Public Utilities Code Section 99234.7.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 5 – CONTRIBUTED ASSETS FROM CALTRANS (Continued)**

On April 4, 1996, the JPB’s Board approved a resolution accepting transfer of rolling stock and station sites subject to certain terms and conditions outlined in the resolution. The transfer of rolling stock to the JPB was completed in December 1996, and the transfer of station sites was completed in May 1997. The rolling stock and station sites transferred were recorded at their appraised value as contributed capital in the amount of \$106,710,000 and \$60,432,365, respectively. Station sites consist principally of land and were capitalized as right-of-way.

**NOTE 6 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2021, was as follows (in thousands):

	Balance June 30, 2020	Additions and Transfers	Deletions and Transfers	Balance June 30, 2021
Depreciable and amortized capital assets:				
Right-of-way improvements	\$ 1,192,985	\$ 731	\$ (4,980)	\$ 1,188,736
Rail vehicles	333,025	6,499	(2,499)	337,025
Facilities and equipment	145,121	1,020	(1,076)	145,065
Office equipment	13,354	606	(193)	13,767
Total depreciable and amortized capital assets	<u>1,684,485</u>	<u>8,856</u>	<u>(8,748)</u>	<u>1,684,593</u>
Accumulated depreciation for:				
Right-of-way improvements	666,115	49,478	(4,983)	710,610
Rail vehicles	258,607	9,031	(2,499)	265,139
Facilities and equipment	70,530	4,826	(1,077)	74,279
Office equipment	13,228	271	(193)	13,306
Total accumulated depreciation	<u>1,008,480</u>	<u>63,606</u>	<u>(8,752)</u>	<u>1,063,334</u>
Capital assets nondepreciable:				
Right-of-way	236,340	628	-	236,968
Construction in progress	1,447,512	402,803	(9,484)	1,840,831
Intangible asset - trackage rights	8,000	-	-	8,000
Total nondepreciable capital assets	<u>1,691,852</u>	<u>403,431</u>	<u>(9,484)</u>	<u>2,085,799</u>
Capital assets, net	<u>\$ 2,367,857</u>	<u>\$ 348,681</u>	<u>\$ (9,480)</u>	<u>\$ 2,707,058</u>

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 6 – CAPITAL ASSETS (Continued)**

Capital asset activity for the year ended June 30, 2020, was as follows (in thousands):

	Balance June 30, 2019	Additions and Transfers	Deletions and Transfers	Balance June 30, 2020
Depreciable and amortized capital assets:				
Right-of-way improvements	\$ 1,183,600	\$ 24,716	\$ (15,331)	\$ 1,192,985
Rail vehicles	333,787	402	(1,164)	333,025
Facilities and equipment	136,599	9,103	(581)	145,121
Office equipment	14,529	21	(1,196)	13,354
Total depreciable and amortized capital assets	<u>1,668,515</u>	<u>34,242</u>	<u>(18,272)</u>	<u>1,684,485</u>
Accumulated depreciation for:				
Right-of-way improvements	632,433	48,265	(14,585)	666,113
Rail vehicles	246,236	13,536	(1,164)	258,608
Facilities and equipment	66,271	4,840	(581)	70,530
Office equipment	13,928	326	(1,025)	13,229
Total accumulated depreciation	<u>958,868</u>	<u>66,967</u>	<u>(17,355)</u>	<u>1,008,480</u>
Capital assets nondepreciable:				
Right-of-way	233,711	2,629	-	236,340
Construction in progress	1,124,618	357,137	(34,243)	1,447,512
Intangible asset - trackage rights	8,000	-	-	8,000
Total nondepreciable capital assets	<u>1,366,329</u>	<u>359,766</u>	<u>(34,243)</u>	<u>1,691,852</u>
Capital assets, net	<u>\$ 2,075,976</u>	<u>\$ 327,041</u>	<u>\$ (35,160)</u>	<u>\$ 2,367,857</u>

**NOTE 7 – OPERATING ASSISTANCE**

Member Agencies provide funding to the JPB. Net operating and administrative costs are apportioned on the basis of mutually agreed contribution rates, updated on an annual basis. Funding allocations for the years ended June 30 were:

	<u>2021</u>	<u>2020</u>
District - Operating	31.10%	30.60%
VTA - Operating	41.45%	42.40%
CCSF - Operating	27.45%	27.00%

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 7 – OPERATING ASSISTANCE (Continued)

Federal, state, and local operating assistance revenue amounts included in the statements of revenues, expenses, and changes in net position for the years ended June 30 were (in thousands):

	2021	2020
Member Agency local funds	\$ 28,538	\$ 28,035
Assembly Bill 434 operating assistance	167	608
Federal CARES Act	41,510	23,128
Federal CRRSAA Act	46,692	-
State transit assistance	10,425	11,004
Other	2,302	269
	<hr/>	<hr/>
Total	\$ 129,634	\$ 63,044
	<hr/> <hr/>	<hr/> <hr/>

#### NOTE 8 – CAPITAL ASSISTANCE

Capital expenses are primarily funded by federal and state grants, equal annual contributions from all three Member Agencies, and proceeds from Farebox Revenue Bonds (See Note 9 – Farebox Revenue Bonds Payable). Costs of capital replacement and enhancement projects that are not covered by outside funding sources are allocated to the Member Agencies based upon the terms of the Joint Powers Agreement.

##### A. Member Agencies

On an annual basis, the Board determines the amount to be contributed to a Capital Contingency Fund (CCF) to cover unanticipated necessary capital improvements. The total amount contributed to the CCF was \$990,000 for each of the years ended June 30, 2021 and 2020.

In fiscal years 2021 and 2020, the JPB received capital reimbursements and capital advances from the Member Agencies totaling \$107,891,352 and \$62,536,053, respectively. The unexpended amounts at June 30, 2021 and 2020, are shown as Unearned Member Contributions. (See Note 15 – Related Parties.)

##### B. Federal and State Grants

At June 30, 2021, the JPB had federal, state, and local grants/allocations that provide funding for Caltrain capital projects. Capital additions for the years ended June 30, 2021 and 2020, applicable to these projects are \$434,567,214 and \$361,303,085, respectively. The related federal participation was \$179,027,224 and \$170,387,058 for fiscal years ended June 30, 2021 and 2020, respectively.

The JPB had receivables of \$40,422,077 and \$27,213,592 at June 30, 2021 and 2020, respectively, for qualifying capital project expenditures under Federal Transit Administration (FTA) grant contracts in excess of reimbursements, which is reported as due from other governmental agencies. In addition, the JPB has receivables of \$117,954,855 and \$39,709,705 at June 30, 2021 and 2020, respectively, for qualifying capital project expenditures under various state grants, which also is reported as due from other governmental agencies.

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 8 – CAPITAL ASSISTANCE (Continued)

##### B. Federal and State Grants (Continued)

Under the terms of the grants, proceeds from equipment sold during its useful life are refundable to the federal government in proportion to the related capital grant funds received, unless the net book value or proceeds from sale are under grant-prescribed limits.

#### NOTE 9 – FAREBOX REVENUE BONDS PAYABLE

##### Composition and Changes

The JPB generally incurs long-term debt to finance projects or purchase assets, which will have useful lives equal to or greater than the related debt. The JPB's debt issues and transactions are summarized below and discussed in detail thereafter.

Long-term debt activity for the year ended June 30, 2021, is as follows (in thousands):

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Current Portion
2019 Series A Farebox Revenue Bonds	\$ 47,635	\$ -	\$ -	\$ 47,635	\$ 1,120
Add: Unamortized premium, net	7,518	-	263	7,255	264
Total long-term debt	<u>\$ 55,153</u>	<u>\$ -</u>	<u>\$ 263</u>	<u>\$ 54,890</u>	<u>\$ 1,384</u>

Long-term debt activity for the year ended June 30, 2020, is as follows (in thousands):

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020	Current Portion
2019 Series A Farebox Revenue Bonds	\$ 47,635	\$ -	\$ -	\$ 47,635	\$ -
Add: Unamortized premium, net	7,782	-	264	7,518	-
Total long-term debt	<u>\$ 55,417</u>	<u>\$ -</u>	<u>\$ 264</u>	<u>\$ 55,153</u>	<u>\$ -</u>

##### Description of the JPB's Long-Term Debt Issues

###### A. 2007 Series A Farebox Revenue Bonds

In October 2007, the JPB issued \$23,140,000 in 2007 Series A Farebox Revenue Bonds with \$2,117,000 used to fully pay and legally defease the 1999 Series A Farebox Revenue Bonds. The balance, net of cost of issuance, was used to finance the acquisition of eight new rail cars. The refinancing of the 1999 Series A Farebox Revenue Bonds extended the length of the existing debt service obligations by 12 years, from 2016 to 2028.

The 2007 Series A Farebox Revenue Bonds carry coupon rates ranging from 4.0 to 5.0 percent with interest due on April 1 and October 1 of each year through October 1, 2037. Principal on the 2007 Series A Farebox Revenue Bonds is payable on October 1, 2018, and annually thereafter on October 1 of each year through 2037.



## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 9 – FAREBOX REVENUE BONDS PAYABLE (Continued)

##### Description of the JPB's Long-Term Debt Issues (Continued)

###### A. 2007 Series A Farebox Revenue Bonds (Continued)

The 2007 Series A Farebox Revenue Bonds are special obligations of the JPB payable from and secured by a pledge of farebox revenues, which also secures the 2015 Series A Farebox Revenue Bonds. For pledge purposes, the term “farebox revenues” means the amounts generated and collected in connection with the operation of Caltrain, including passenger fares, parking, shuttle, and pass revenues, and other revenues from operations. The term excludes grants from the state or the federal government or any Member Agency. The 2007 Series A Farebox Revenue Bonds were refunded by the 2019 Series A Farebox Revenue Bonds in February 2019.

###### B. 2015 Series A Farebox Revenue Bonds

On January 14, 2015, the JPB issued \$11,000,000 in 2015 Series A Farebox Revenue Bonds to finance a portion of the costs of the acquisition and rehabilitation of sixteen passenger railcars. The 2015 Series A Farebox Revenue Bonds were issued in a bank term rate which is subject to adjustment from time to time as provided in the trust agreement (Trust Agreement) pursuant to which the Series 2015 Series A Farebox Revenue Bonds were issued. Interest payments are due on April 1 and October 1 of each year. Annual principal payments commenced on October 1, 2019, and continue through the maturity date of October 1, 2033 (19 years repayment).

The 2015 Series A Farebox Revenue Bonds are special obligations of the JPB payable from and secured by a pledge of farebox revenues which also secures the 2007 Series A Farebox Revenue Bonds. For pledge purposes, the term “farebox revenues” means the amounts generated and collected in connection with the operation of Caltrain, including passenger fares, parking, shuttle, and pass revenues, and other revenues from operations. Farebox revenues does not include grants from the state or the federal government. The amount and terms of pledged revenue are the outstanding secured debt service as noted on the debt service requirement schedule in the following paragraph. The 2015 Series A Farebox Revenue Bonds were refunded by the 2019 Series A Farebox Revenue Bonds in February 2019.

###### C. 2019 Series A Farebox Revenue Bonds

In February 2019, the JPB issued \$47,635,000 in 2019 Series A Farebox Revenue Bonds along with a premium of \$8,111,446 and other sources related to the defeasance of prior bond issuances netted proceeds of \$56,217,759; \$24,087,000 of the proceeds were used to fully pay and legally defease the 2007 Series A Farebox Revenue Bonds and \$11,363,000 were used to fully payoff 2015 Series A Farebox Revenue Bonds. \$20,768,000 of the proceeds are allocated for building acquisitions or to finance other improvements to Caltrain. The 2019 Series A Farebox Revenue Bonds carry a fixed coupon of 5.0 percent with interest due on April 1 and October 1 of each year through October 1, 2037. Principal on the 2019 Series A Farebox Revenue Bonds is payable on October 1, 2021, and annually thereafter on October 1 of each year through 2049.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

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**NOTE 9 – FAREBOX REVENUE BONDS PAYABLE (Continued)**

**Description of the JPB’s Long-Term Debt Issues (Continued)**

**C. 2019 Series A Farebox Revenue Bonds (Continued)**

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$84,342. The JPB completed the refunding to reduce its total debt service payments over the next 11.9 years (average life of the refunded 2007 Series A Farebox Revenue Bonds) by \$3.4 million and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$3.6 million (present value of prior debt and net present value savings).

The 2019 Series A Farebox Revenue Bonds are special obligations of the JPB payable from and secured by a pledge of farebox revenues. For pledge purposes, the term “farebox revenues” means the amounts generated and collected in connection with the operation of Caltrain, including passenger fares, parking, shuttle, and pass revenues, and other revenues from operations. Farebox revenues does not include grants from the state or the federal government. The amount and terms of pledged revenue are the outstanding secured debt service as noted on the debt service requirement schedule in the following paragraph.

**D. Pledged Revenues and Annual Debt Service Payments**

The amount of farebox pledged revenues recognized during the fiscal years ended June 30, 2021 and 2020, were \$35,905,814 and \$84,675,137, respectively. The total debt service requirement for the 2019 Series A Farebox Revenue Bonds for the fiscal years ended June 30, 2021 and 2020, was \$2,381,750 and \$2,639,773, respectively; the first payment on 2019 Series A Farebox Revenue Bonds debt was scheduled for October 1, 2019. Annual principal and interest payments for the 2019 Series A Farebox Revenue Bonds are as follows (in thousands):

<u>Year Ending June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,120	\$ 2,354	\$ 3,474
2023	1,175	2,296	3,471
2024	1,235	2,236	3,471
2025	1,300	2,173	3,473
2026	1,365	2,106	3,471
2027-2031	7,955	9,406	17,361
2032-2036	10,205	7,146	17,351
2037-2041	8,480	4,587	13,067
2042-2046	7,395	2,812	10,207
2047-2050	7,405	763	8,168
Total	<u>\$ 47,635</u>	<u>\$ 35,879</u>	<u>\$ 83,514</u>

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

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**NOTE 10 – INSURANCE PROGRAMS**

The JPB is exposed to various risks of loss including, but not limited to, those related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The JPB is self-insured for a portion of its public liability and damage to property. As of June 30, 2021 and 2020, coverage provided by self-insurance and excess coverage (purchased by or for the JPB) is generally summarized as follows:

Type of Coverage	Self-Insured Retention	Excess Insurance
Railroad Liability	\$2,000,000 Self-Insured Retention	\$300,000,000 Per Occurrence / Annual Aggregate \$200,000,000 carried by the JPB and \$100,000,000 carried by the Caltrain operator, TASI
Real and Personal Property	\$100,000 Maximum Self-Insured Retention	\$400,000,000
Public Official Liability	\$75,000 Self-Insured Retention	\$15,000,000 Aggregate
Special Events	\$25,000 Self-Insured Retention Per Occurrence	\$2,000,000 Per Occurrence / \$4,000,000 Aggregate
Environmental Liability	\$50,000 Self-Insured Retention	\$10,000,000 2-Year Policy Aggregate (FY21-FY22)

All rolling stock is insured at full replacement value. Total insurable values (TIV) covering all rolling stock, real and personal property, tunnels, bridges, and stations exceeds \$1 billion. The JPB carries a \$400,000,000 loss limit per occurrence. Terrorism coverage is included. JPB owns four parcels of vacant property that do not require flood insurance. Earthquake coverage remains cost prohibitive; as such, it is not procured. To date, there have been no significant reductions in any of the JPB’s insurance coverage. Settlements have not exceeded coverages for each of the past three fiscal years.

The unpaid claims liabilities are based on the results of actuarial studies and include amounts for claims incurred but not reported. Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. Annual expense is charged using various allocation methods that include actual costs, trends in claims experience, and number of participants. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expense regardless of whether allocated to specific claims. It is the JPB’s practice to obtain full actuarial studies annually. Changes in the balances of self-insured claims liabilities for public liability and property damage for the years ended June 30, 2021 and 2020, are as follows (in thousands):

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 10 – INSURANCE PROGRAMS (Continued)

	2021	2020
	<u>          </u>	<u>          </u>
Self-insured claims liabilities, beginning of year	\$ 1,174	\$ 1,611
Incurred claims and changes in estimates	2,935	(359)
Claim payments and related costs	<u>(79)</u>	<u>(78)</u>
Total self-insured claims liabilities	4,030	1,174
Less current portion	<u>1,683</u>	<u>655</u>
Noncurrent portion	<u><u>\$ 2,347</u></u>	<u><u>\$ 519</u></u>

#### NOTE 11 – CAPITAL CONTRIBUTIONS

The JPB receives capital grants and contributions from the federal, state, and local governments for the acquisition and improvement of capital assets. Capital grants and contributions used for capital purposes are recorded as capital contributions and the cost of the related assets is included in capital assets.

Depreciation and amortization on assets acquired with capital contributions is included in the statement of revenues, expenses, and changes in net position. Capital contributions earned for the years ended June 30 are as follows (in thousands):

	2021	2020
	<u>          </u>	<u>          </u>
Contributions from the federal government	\$ 179,027	\$ 170,386
Contributions from the state	192,977	148,421
Contributions from local governments	<u>62,563</u>	<u>42,496</u>
Total	<u><u>\$ 434,567</u></u>	<u><u>\$ 361,303</u></u>

#### NOTE 12 – HEDGE PROGRAM

In order to create more certain future diesel fuel costs and to manage the budget risk caused by uncertain future diesel fuel prices, the JPB established a diesel fuel hedging program. The hedging instruments used are New York Harbor Ultra Low Sulfur Diesel (NYHRBRULSD) futures contracts with a notional amount of 42,000 gallons each as listed on the NYMEX. As of June 30, 2021, the JPB had 82 futures contracts. As of June 30, 2021, the aggregate fuel hedge contracts covered a period from July 2021 through December 2022.

The JPB enters into futures contracts to hedge its price exposures to diesel fuel which is used in its vehicles to provide transportation. These contracts are derivative instruments. The effectiveness of the hedge is determined according to GASB Statement No. 53 (*Accounting and Financial Reporting for Derivative Instruments*) rules, which require a statistically strong relationship between the price of the futures contracts and the JPB's cost of diesel fuel from its supplier in order to insure that the futures

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 12 – HEDGE PROGRAM (Continued)

contracts effectively hedge the expected cash flows associated with diesel fuel purchases/exposures. The JPB applies hedge accounting for derivatives that are deemed effective hedges. Under hedge accounting, the increase (decrease) in the fair value of a hedge is reported as a deferred cash flow on the statement of net position. For the reporting period, all of the JPB's derivatives meet the effectiveness tests. Net gains/losses from completed hedges become an element of diesel fuel cost.

For diesel fuel futures contracts, the fair values are determined according to exchange settlement prices and the prices at which the futures contracts were purchased where each contract has a volume of 42,000 gallons. The following is a summary of the fair values and notional amounts of derivative instruments (diesel futures contracts) outstanding as of June 30, 2021 (in thousands).

	2021 Change in Fair Value		Fair Value June 30, 2021		Notional
	Classification	Amount	Classification	Amount	
<b>Effective Cash Flow Hedges</b>					
Futures contracts	Deferred Inflow	\$ 1,346	Derivative Instruments	\$ 1,346	3,444 Gallons

#### **Credit Risk**

The JPB is exposed to credit risk in the amount of the derivative's fair value. When the fair value of any derivative has a positive market value, the risk is that the Counterparty will not fulfill its obligations. The counterparty for diesel futures contracts is the New York Mercantile Exchange Clearinghouse. Futures do not have credit risk because the clearing house guarantees against default risk by taking both sides of all transactions where positions are marked-to-market on a daily basis. Futures contracts are highly regulated by the Commodity Futures Trading Commission.

#### **Basis Risk**

The JPB is exposed to basis risk on its expected fuel hedge contracts because the future fuel purchases are based on a pricing point different from the pricing point at which the future contracts are expected to settle NYHRBRULSD.

#### **Market Risk**

The JPB is exposed to market risk arising from adverse changes in the market prices of the commodity.

#### NOTE 13 – COMMITMENT AND CONTINGENCIES

##### **A. Operating Contract**

The JPB Board awarded a contract to TASI of St. Joseph, MO, at the September 1, 2011 board meeting. TASI provides rail operations, maintenance, and support services for a base term of five years plus five months of mobilization, with five, one-year option terms. Mobilization efforts began on October 1, 2011, and TASI began its service on May 26, 2012. Amtrak continued to provide services through the mobilization period.

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 13 – COMMITMENT AND CONTINGENCIES (Continued)

##### A. Operating Contract (Continued)

This is a Cost Plus Performance Fee based contract. All direct costs are reimbursable and TASI has the opportunity to earn up to \$4.5 million per year as a performance fee. The first year budget plus mobilization costs were negotiated prior to contract award. A performance fee program and quantifiable metrics are discussed and agreed upon annually by the parties in key areas such as safety and on-time performance. These metrics are measured quarterly with the exception of adherence to the budget which will be measured annually. TASI's reported results are also independently verified and validated by a third party consultant. The expenses billed to the JPB by TASI for providing rail operation services for the years ended June 30, 2021 and 2020 are recorded as Contract Services in the statements of revenues, expenses, and changes in net position.

##### B. Litigation

As of June 30, 2021 and 2020, the JPB had accrued amounts that management believes are adequate to resolve claims and lawsuits which arose during the normal course of business. A few claims and lawsuits remain outstanding for which the JPB cannot determine the ultimate and resulting liability, if any. However, the JPB's management and its counsel believe the ultimate outcome of these claims and lawsuits will not materially impact the JPB's financial position.

##### C. Lawsuit between Peninsula Corridor Joint Powers Board v. Parsons Transportation Group, Inc., Zurich American Insurance Company, Federal Insurance Company, Fidelity, and Deposit Company America Maryland (collectively, Parsons)

The JPB and Parsons sued each other for breach of contract among other claims related to Parsons' provision of the JPB's Positive Train Control System. The lawsuits were consolidated in San Mateo County Superior Court. The JPB and Parsons entered into a settlement agreement, effective September 23, 2021, pursuant to which the parties agreed to dismiss their claims against the other with no payment to the other party.

##### D. PTMISEA Grants

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B on November 7, 2006, includes a program of funding in the amount of \$4 billion to be deposited in the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA). Of this amount, \$3.6 billion in the PTMISEA is available to project sponsors in California for allocation to eligible public transportation projects. The following table shows the changes in activity related to the PTMISEA grant funds during the fiscal years as well as the remaining commitment as of June 30, 2021 and 2020 (in thousands):

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 13 – COMMITMENT AND CONTINGENCIES (Continued)**

**D. PTMISEA Grants**

	PTMISEA South Terminal Project (Fund 3605)	PTMISEA Community Based Overlay Signal System (Fund 3607)	PTMISEA Rolling Stock State of Good Repair (Fund 3623)	PTMISEA Rolling Stock State of Good Repair (Fund 3634)
Total Allocations as of June 30, 2020	\$ 959	\$ 359	\$ 807	\$ 527
Adjustments	-	-	-	-
Net Expenditures	-	(14)	(37)	(63)
Unspent balance at June 30, 2021	<u>\$ 959</u>	<u>\$ 345</u>	<u>\$ 770</u>	<u>\$ 464</u>

	PTMISEA Electrification Improvements (Fund 3638)	PTMISEA Community Based Overlay Signal System (Fund 3647)	PTMISEA Interest Earned (Fund 3636)
Total Allocations as of June 30, 2020	\$ 36	\$ 2,216	\$ 310
Adjustments	-	-	-
Interest Earned, Net of Bank Charges	-	-	3
Net Expenditures	-	(902)	-
Unspent balance at June 30, 2021	<u>\$ 36</u>	<u>\$ 1,314</u>	<u>\$ 313</u>

	PTMISEA South Terminal Project (Fund 3605)	PTMISEA Community Based Overlay Signal System (Fund 3607)	PTMISEA Rolling Stock State of Good Repair (Fund 3623)	PTMISEA Rolling Stock State of Good Repair (Fund 3634)
Total Allocations as of June 30, 2019	\$ 997	\$ 478	\$ 822	\$ 871
Net Expenditures	(39)	(119)	(15)	(345)
Unspent balance at June 30, 2020	<u>\$ 958</u>	<u>\$ 359</u>	<u>\$ 807</u>	<u>\$ 526</u>

	PTMISEA Electrification Improvements (Fund 3638)	PTMISEA Community Based Overlay Signal System (Fund 3647)	PTMISEA Interest Earned (Fund 3636)
Total Allocations as of June 30, 2019	\$ 35	\$ 3,957	\$ 267
Adjustments	1	-	-
Interest Earned, Net of Bank Charges	-	-	44
Net Expenditures	-	(1,741)	-
Unspent balance at June 30, 2020	<u>\$ 36</u>	<u>\$ 2,216</u>	<u>\$ 311</u>

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

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**NOTE 14 – LEASING TRANSACTIONS**

In February 2002, the JPB entered into a leasing transaction (the 2002 Lease Transaction) with respect to 38 Nippon Sharyo trailer cars, 14 Nippon Sharyo cab cars, and 13 GM F40PH-2 locomotives (collectively, the “Equipment”). The JPB leased the Equipment to a trust under a Head Lease and simultaneously leased back the Equipment under a Sublease. The leasing transaction terminated and restructured a portion of “a 1996 leasing transaction” (the “1996 Transaction”) that had not been previously terminated. The JPB received net proceeds in the amount of \$2,392,510, which represents the difference between the appraised value of the Equipment and termination costs associated with the remaining portion of the 1996 Transaction, and certain required deposits and expenses. The Equipment remains on the books of the JPB at its original cost and is being depreciated over the original useful life determined at the date of acquisition. The net proceeds have been recorded as Lease-Leaseback income for the year ended June 30, 2002. The JPB has an option to purchase the Equipment for an agreed upon purchase price in January 2026.

**NOTE 15 – RELATED PARTIES**

**A. Operating Expenses Paid to the District**

The District serves as the Managing Agency of the JPB, providing management and administrative personnel and facilities (see Note 1). The District is compensated based on actual costs incurred and administrative overhead. Total expenses billed to the JPB by the District, which are included as operating expenses in the accompanying statements of revenues, expenses, and changes in net position, are as follows (in thousands):

	<u>2021</u>	<u>2020</u>
Wages and fringe benefits	\$ 10,993	\$ 12,879
Overhead	2,075	4,476
Total	<u>\$ 13,068</u>	<u>\$ 17,355</u>

**B. Receivables from Member Agencies**

The JPB is owed amounts from Member Agencies for grants and prior obligations. The balances at June 30 are as follows (in thousands):

	<u>2021</u>	<u>2020</u>
District	\$ 7,145	\$ 9,647
VTA	6,783	5,145
CCSF	6,808	5,838
Total	<u>\$ 20,736</u>	<u>\$ 20,630</u>

**C. Payables to the District**

Amounts due to the District as Managing Agency at June 30, 2021 and 2020, total \$3,588,288 and \$7,089,280, respectively, and are included in accrued liabilities.



## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 15 – RELATED PARTIES (Continued)

##### **D. Unearned Member Contributions**

The JPB recognizes Member Agencies' advances as contributed capital when expenses are incurred or assets are purchased. Accordingly, some Member Agencies' payments are classified as Unearned Member Contributions. The balances at June 30 are as follows (in thousands):

	2021	2020
District	\$ 21,295	\$ 17,512
VTA	13,590	15,852
CCSF	1,392	1,392
Total	<u>\$ 36,277</u>	<u>\$ 34,756</u>
Committed for:		
Centralized traffic control system	\$ 1	\$ 1
Farebox capital	1	1
Capital contingency fund	2,602	1,991
Capital contribution, Member's local match	33,673	32,763
Total Committed	<u>36,277</u>	<u>34,756</u>
Uncommitted funds:		
District	-	-
VTA	-	-
CCSF	-	-
Total Uncommitted	<u>-</u>	<u>-</u>
Total	<u>\$ 36,277</u>	<u>\$ 34,756</u>

#### NOTE 16 – REVOLVING CREDIT FACILITY

Cash flow projections for the Peninsula Corridor Electrification Project (PCEP) forecast funding gaps between the time payments are due for work performed and the timing of receipts from the funding sources associated with such work, most of which are available on a reimbursement basis. At its highest point, the funding gap is currently projected to be approximately \$120 million.

In December 2016, the JPB secured the 2016 Credit Facility to assist the JPB in meeting its cash flow needs in connection with the PCEP Project. The amount outstanding under the 2016 Credit Facility may not exceed \$170 million at any one time. This Credit Facility commitment was reduced March 31, 2019 to a level not to exceed \$120 million. Funds drawn will be applied to fund cash flow mismatch with respect to the PCEP Project and the 2018 TIRCP Grant Projects and/or to enable the JPB to access the 2018 TIRCP Grant awarded to the JPB to fund a portion of the 2018 TIRCP Grant Projects. Funds drawn by the JPB pursuant to the 2016 Credit Facility constitute loans made to the JPB by the provider of the

## PENINSULA CORRIDOR JOINT POWERS BOARD

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

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#### NOTE 16 – REVOLVING CREDIT FACILITY (Continued)

2016 Credit Facility. Such loans are secured by funds received by the JPB from funding sources identified in the 2017 Funding Plan and from the 2018 TIRCP Grant to reimburse the JPB for its prior payment of PCEP Project expenditures and 2018 TIRCP Grant Projects expenditures and by a pledge of farebox revenues subordinate to the pledge which will secure the 2019 Series A Bonds, any other Bonds issued pursuant to the Trust Agreement and any Parity Obligations.

In January 2019, the JPB secured the Additional Credit Facility to provide interim funding for a portion of the PTC Project, including cash flow mismatch, and to provide for working capital needs for the Caltrain system. The amount outstanding under the Additional Credit Facility may not exceed \$30 million at any one time. Funds drawn by the JPB pursuant to the Additional Credit Facility constitute loans made to the JPB by the provider of the Additional Credit Facility. Such loans are secured by a pledge of farebox revenues on a parity with the pledge of farebox revenues which secures the 2016 Credit Facility and subordinate to the pledge which will secure the 2019 Series A Bonds, any other Bonds issued pursuant to the Trust Agreement and any Parity Obligations.

Any funds drawn by the JPB pursuant to the 2016 Credit Facility and/or the Additional Credit Facility are due and payable on December 31, 2022. In the event any funds drawn under the 2016 Credit Facility and/or the Additional Credit Facility have not been repaid prior to December 31, 2022, the JPB may issue additional Bonds or incur other debt in order to refinance any obligations incurred and outstanding under the 2016 Credit Facility and/or the Additional Credit Facility. At the present time, the JPB anticipates that the amount of debt, if any, to be issued to refinance any obligations incurred and outstanding under the 2016 Credit Facility and/or the Additional Credit Facility will not exceed \$30 million.

Fees are set forth in the Fee and Pricing Agreement. The one-month LIBOR resets on a daily basis. The Fee and Pricing Agreement also specifies closing costs payable to the Lender and Lender's Counsel. As of June 30, 2021 and 2020, \$60,300,000 and \$25,000,000 of the revolving credit facilities balance were outstanding, respectively.

Subsequent to fiscal year end, on August 16, 2021, the JPB replaced the existing Credit Facilities with two new Credit Facilities. The new Credit Facilities were issued in the amounts of \$100 million each for PCEP project funding (PCEP Credit Facility) and Working Capital funding (Working Capital Facility). The terms on the new Credit Facilities is set forth in the Fee and Pricing Agreements for each credit line. There are two ongoing fees associated with the revolving credit facilities: an undrawn and a draw fee. For those amounts available to the JPB but undrawn and not used at a particular time, the Lender will charge a commitment fee equal to 0.23 percent times the undrawn amount. For those amounts drawn and used under the revolving credit facility, the Lender will charge a draw fee (i.e., and interest rate). The draw fee for Tax Exempt draws is equal to the following formula: 0.80 percent times one month London Interbank Offered Rate (LIBOR), plus an Applicable Tax Exempt Margin times the Margin Rate Factor. (At close of the Facilities, the Applicable Tax Exempt Margin was 0.29% and the Margin Rate Factor was 1.0. The draw fee for Taxable draws is equal to the Applicable Taxable Margin plus one month London Interbank Offered Rate (LIBOR). As of August 16, 2021, the outstanding (drawn) revolving credit line balances were \$60.164 million for the PCEP Credit Facility and \$35.552 million for the Working Capital Facility.

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***SUPPLEMENTARY INFORMATION***

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**PENINSULA CORRIDOR JOINT POWERS BOARD**

**SUPPLEMENTARY SCHEDULE OF REVENUES AND EXPENSES –  
COMPARISON OF BUDGET TO ACTUAL (BUDGETARY BASIS)**

(in thousands)

**FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Budget (Unaudited)</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>OPERATING REVENUES:</b>			
Passenger fares	\$ 32,029	\$ 32,440	\$ 411
Parking, shuttle, and pass revenues	2,404	1,547	(857)
Advertising	970	114	(856)
Other	1,173	1,108	(68)
Total operating revenues	<u>36,576</u>	<u>35,209</u>	<u>(1,370)</u>
<b>OPERATING EXPENSES:</b>			
Contract services	99,752	122,030	(22,278)
Insurance	6,370	8,473	(2,103)
Fuel	5,969	7,088	(1,119)
Parking, shuttle, and pass expenses	5,281	3,211	2,070
Professional services	2,141	11,061	(8,920)
Wages and benefits	14,534	13,068	1,467
Utilities and supplies	2,163	2,083	80
Maintenance services	1,065	503	563
Temporary services, rent, and other	3,311	3,330	(18)
Total operating expenses	<u>140,586</u>	<u>170,847</u>	<u>(30,258)</u>
Operating loss	<u>(104,010)</u>	<u>(135,638)</u>	<u>(31,628)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Federal, state, and local operating assistance	83,691	129,634	45,944
Rental income	1,112	1,125	13
Investment income	385	77	(307)
Interest expense	(3,902)	(2,890)	1,012
Other income	409	4,085	3,676
Total nonoperating revenues, net	<u>81,695</u>	<u>132,031</u>	<u>50,338</u>
Net income (loss)	<u>(22,315)</u>	<u>(3,607)</u>	<u>18,710</u>
<b>CAPITAL OUTLAY:</b>			
Capital assistance	112,560	434,567	322,007
Capital debt financing	-	(31,135)	(31,135)
Capital expenditures	(112,560)	(403,432)	(290,872)
Net capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Nonoperating Income over Expenses, Capital Outlay, and Debt Principal Payment	<u>\$ (22,315)</u>	<u>\$ (3,607)</u>	<u>\$ 18,710</u>

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**NOTES TO SUPPLEMENTARY SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2021**

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**NOTE 1 – BUDGETARY BASIS OF ACCOUNTING**

The Peninsula Corridor Joint Powers Board (JPB) prepares its budget on a basis of accounting that differs from accounting principles generally accepted in the United States of America (GAAP). The actual results of operations are presented in the supplementary schedule on the budgetary basis to provide a meaningful comparison of actual results with budget. In addition, certain budget amounts have been reclassified to conform to the presentation of actual amounts in the supplementary schedule. Budgeted amounts presented are the final adopted budget. The primary difference between the budgetary basis of accounting and GAAP concerns capital assets. Depreciation and amortization expense per GAAP is not budgeted and budgeted capital expenses are not recorded as an expense per GAAP. In addition, unrealized gains and losses under Governmental Accounting Standards Board (GASB) Statement No. 31 are not recognized on a budgetary basis as well as some long-term expenses such as bond related payments. The capital expense budget does not include the carry-over budget from 2020.

**NOTE 2 – RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS**

Excess of operating revenues and nonoperating revenues over expenses and capital outlay		\$	(3,607)
Reconciling Items			
Capital expenditures	\$	403,432	
Depreciation and amortization		(63,606)	
Capital debt financing		31,135	
GASB 31 unrealized gain/loss		(7)	
Bond premium amortization		264	
		<hr/>	
Subtotal reconciling items			<hr/> 371,218
Change in net position, GAAP basis		\$	<hr/> <hr/> 367,611

# *Section III*

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## **STATISTICAL**

### Financial Trends

- Net Position and Changes in Net Position

### Revenue Capacity

- Revenue Base and Revenue Rate
- Principal Revenue Payers

### Debt Capacity

- Ratio of Outstanding Debt
- Bonded Debt
- Direct and Overlapping Debt
- Debt Limitations
- Pledged Revenue Coverage

### Demographics and Economic Information

- Population, Income, and Unemployment Rates
- Principal Employers

### Operating Information

- Farebox Recovery and Passenger Miles
- Employees (Full-Time Equivalents)
- Capital Assets

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## **PENINSULA CORRIDOR JOINT POWERS BOARD**

### **STATISTICAL SECTION**

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#### **STATISTICAL SECTION**

The Statistical Section of the Peninsula Corridor Joint Powers Board (JPB) Annual Comprehensive Financial Report represents detailed information as a context for understanding the information in the financial statements, note disclosures, and supplementary information for assessing the JPB's economic condition.

#### **Financial Trends**

These schedules contain trend information to assist readers in understanding and assessing how the JPB's financial position has changed over time.

#### **Revenue Capacity**

These schedules contain information to assist readers in understanding and assessing the factors affecting the JPB's ability to generate passenger fares.

#### **Debt Capacity**

These schedules assist readers in understanding and assessing the JPB's debt burden and its capacity to issue future debt.

#### **Demographic and Economic Information**

These schedules present socioeconomic indicators to assist readers in understanding the environment within which the JPB's financial activities take place.

#### **Operating Information**

These schedules contain contextual information about the JPB's operations and resources to assist readers in using financial statement information as a tool to understand and assess the JPB's economic condition.

## PENINSULA CORRIDOR JOINT POWERS BOARD

### FINANCIAL TRENDS – NET POSITION AND CHANGES IN NET POSITION FISCAL YEARS 2012 THROUGH 2021 (in thousands)

	2021	2020	2019	2018
<b>OPERATING REVENUES:</b>				
Passenger fares	\$ 32,440	\$ 76,094	\$ 102,668	\$ 97,050
Parking, shuttle, and pass revenues	1,547	6,045	7,894	7,790
Advertising	114	1,469	1,050	1,016
Other	1,108	849	1,165	1,180
Total operating revenues	<u>35,209</u>	<u>84,457</u>	<u>112,777</u>	<u>107,036</u>
<b>OPERATING EXPENSES:</b>				
Contract services	122,030	107,037	99,541	92,899
Insurance	8,473	4,166	4,129	1,188
Fuel	7,088	9,311	11,184	10,322
Parking, shuttle, and pass expenses	3,211	5,591	5,280	5,916
Professional services	11,061	5,535	2,068	2,178
Wages and benefits	13,068	17,355	16,765	13,911
Utilities and supplies	2,083	2,059	2,189	2,063
Maintenance services	503	1,391	1,643	1,668
Temporary services, rent, and other	3,330	4,579	4,528	2,782
Total operating expenses	<u>170,847</u>	<u>157,024</u>	<u>147,327</u>	<u>132,927</u>
Operating loss before depreciation and amortization	(135,639)	(72,567)	(34,550)	(25,891)
Depreciation and amortization	<u>(63,606)</u>	<u>(66,966)</u>	<u>(78,890)</u>	<u>(100,097)</u>
Operating loss	<u>(199,244)</u>	<u>(139,533)</u>	<u>(113,440)</u>	<u>(125,988)</u>
<b>NONOPERATING REVENUES:</b>				
Federal, state, and local operating assistance	129,634	63,044	35,070	25,346
Rental income	1,125	534	1,901	2,070
Investment income (loss)	334	495	714	93
Other income	4,085	1,201	3,210	1,198
Total nonoperating revenues	<u>135,178</u>	<u>65,274</u>	<u>40,895</u>	<u>28,707</u>
<b>NONOPERATING EXPENSES:</b>				
Interest expense	<u>(2,890)</u>	<u>(2,642)</u>	<u>(3,222)</u>	<u>(1,501)</u>
Total nonoperating expenses	<u>(2,890)</u>	<u>(2,642)</u>	<u>(3,222)</u>	<u>(1,501)</u>
Net loss before capital contributions	(66,956)	(76,901)	(75,767)	(98,782)
Capital contributions	<u>434,567</u>	<u>361,303</u>	<u>405,162</u>	<u>321,303</u>
Change in net position	367,611	284,402	329,393	222,521
<b>NET POSITION:</b>				
Beginning of year	2,355,685	2,071,282	1,741,889	1,519,366
Prior period adjustment per GASB 65 <sup>[1]</sup>	-	-	-	-
Beginning of year, as restated	<u>2,355,685</u>	<u>2,071,282</u>	<u>1,741,889</u>	<u>1,519,366</u>
End of year	<u>\$ 2,723,296</u>	<u>\$ 2,355,685</u>	<u>\$ 2,071,282</u>	<u>\$ 1,741,889</u>
<b>COMPONENTS OF NET POSITION:</b>				
Net investment in capital assets	\$ 2,652,168	\$ 2,312,715	\$ 2,030,255	\$ 1,707,243
Restricted	-	-	-	-
Unrestricted	<u>71,128</u>	<u>42,970</u>	<u>41,027</u>	<u>34,646</u>
Net position, end of year	<u>\$ 2,723,296</u>	<u>\$ 2,355,685</u>	<u>\$ 2,071,282</u>	<u>\$ 1,741,889</u>

[1] Per Governmental Accounting Standards Board (GASB) Statement No. 65 effective as of fiscal year 2012, certain items, deferred outflows/inflows of resources, were reclassified from assets and liabilities. Deferred bond issuance costs previously recognized were restated to reflect the change.

Source: Current and prior years' Annual Comprehensive Financial Reports.

This table presents revenues and expenses, contributions, depreciation and amortization, and net position components.

<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
\$ 92,429	\$ 86,959	\$ 83,351	\$ 74,846	\$ 68,767	\$ 59,891
7,911	7,226	5,990	5,859	5,275	4,411
370	190	227	86	308	176
1,321	1,057	1,194	1,354	1,196	206
<u>102,031</u>	<u>95,432</u>	<u>90,762</u>	<u>82,145</u>	<u>75,546</u>	<u>64,684</u>
89,639	82,942	78,240	75,238	65,485	65,882
7,105	35	6,593	3,874	5,186	4,783
8,613	8,312	12,118	14,797	15,350	15,288
5,629	6,104	5,316	5,476	5,756	4,183
1,514	1,618	1,255	1,322	1,098	885
13,561	12,943	11,501	10,668	9,322	5,731
2,179	2,172	2,068	1,524	1,726	1,520
1,508	1,054	1,039	1,007	1,011	1,070
2,886	2,664	1,981	1,854	2,117	1,833
<u>132,634</u>	<u>117,844</u>	<u>120,110</u>	<u>115,760</u>	<u>107,051</u>	<u>101,175</u>
(30,603)	(22,412)	(29,348)	(33,616)	(31,506)	(36,490)
<u>(83,922)</u>	<u>(93,540)</u>	<u>(75,300)</u>	<u>(73,452)</u>	<u>(59,968)</u>	<u>(62,724)</u>
<u>(114,525)</u>	<u>(115,952)</u>	<u>(104,648)</u>	<u>(107,068)</u>	<u>(91,474)</u>	<u>(99,214)</u>
25,489	25,078	27,578	29,522	39,165	35,282
1,861	1,781	1,764	1,728	1,783	1,760
28	111	242	206	128	193
2,413	613	1,007	4,044	2,137	2,555
<u>29,791</u>	<u>27,583</u>	<u>30,590</u>	<u>35,500</u>	<u>43,213</u>	<u>39,790</u>
(1,302)	(1,301)	(1,192)	(1,120)	(1,120)	(1,123)
<u>(1,302)</u>	<u>(1,301)</u>	<u>(1,192)</u>	<u>(1,120)</u>	<u>(1,120)</u>	<u>(1,123)</u>
(86,036)	(89,670)	(75,250)	(72,688)	(49,383)	(60,549)
<u>246,767</u>	<u>131,329</u>	<u>115,225</u>	<u>111,349</u>	<u>87,385</u>	<u>81,375</u>
160,731	41,659	39,975	38,661	38,002	20,827
1,358,635	1,316,975	1,277,001	1,238,339	1,200,336	1,180,185
-	-	-	-	-	(676)
<u>1,358,635</u>	<u>1,316,975</u>	<u>1,277,001</u>	<u>1,238,339</u>	<u>1,200,336</u>	<u>1,179,509</u>
<u>\$ 1,519,366</u>	<u>\$ 1,358,635</u>	<u>\$ 1,316,975</u>	<u>\$ 1,277,001</u>	<u>\$ 1,238,339</u>	<u>\$ 1,200,336</u>
\$ 1,484,730	\$ 1,323,485	\$ 1,282,932	\$ 1,246,218	\$ 1,208,591	\$ 1,181,995
-	-	-	-	-	-
<u>34,636</u>	<u>35,150</u>	<u>34,043</u>	<u>30,783</u>	<u>29,748</u>	<u>18,341</u>
<u>\$ 1,519,366</u>	<u>\$ 1,358,635</u>	<u>\$ 1,316,975</u>	<u>\$ 1,277,001</u>	<u>\$ 1,238,339</u>	<u>\$ 1,200,336</u>

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**REVENUE CAPACITY – REVENUE BASE AND REVENUE RATE  
FISCAL YEARS 2012 THROUGH 2021**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Passenger fares (in thousands)	\$ 32,440	\$ 76,094	\$ 102,668	\$ 97,050
<b>Revenue Base</b>				
Number of passengers (in thousands)	1,296	13,684	17,797	18,944
Source: National Transit Database (NTD)				
Four-zone fare structure				
Full adult fare:				
One-way	\$ 10.50	\$ 10.50	\$ 10.50	\$ 10.50
Day pass	21.00	21.00	21.00	21.00
8-ride <sup>[1]</sup>	-	-	-	-
Monthly pass	298.50	298.50	298.50	278.60
Eligible discount fare:				
One-way	\$ 4.75	\$ 4.75	\$ 4.75	\$ 4.75
Day pass	10.50	10.50	10.50	10.50
8-ride <sup>[1]</sup>	-	-	-	-
Monthly pass	138.00	138.00	138.00	128.80

[1] 8-ride tickets replaced 10-ride tickets effective on March 2, 2009. 8-ride tickets were discontinued on October 1, 2017.

Source: Annual Comprehensive Financial Reports, Caltrain codified tariff, and Caltrain board reports on passenger counts; National Transit Database.

This table presents passenger fares, number of passengers, and four-zone revenue fare structure.

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<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
\$ 92,429	\$ 86,959	\$ 83,351	\$ 74,846	\$ 68,767	\$ 59,891
18,743	19,233	18,567	17,029	15,596	14,134
\$ 9.75	\$ 9.75	\$ 9.25	\$ 9.25	\$ 8.75	\$ 8.75
19.50	19.50	18.50	18.50	17.50	17.50
68.10	68.10	64.75	64.75	59.50	59.50
243.80	243.80	232.00	232.00	232.00	232.00
\$ 4.75	\$ 4.75	\$ 4.50	\$ 4.50	\$ 4.25	\$ 4.25
9.75	9.75	9.25	9.25	8.75	8.75
34.05	34.05	32.25	32.25	29.75	29.75
121.90	121.90	116.00	116.00	116.00	116.00

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**REVENUE CAPACITY – PRINCIPAL REVENUE PAYERS  
FISCAL YEAR ENDED JUNE 30, 2021**

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The JPB does not have major revenue payers as most of the operating revenues are derived from passenger fares.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**DEBT CAPACITY – RATIO OF OUTSTANDING DEBT  
FISCAL YEARS 2012 THROUGH 2021 (in thousands)**

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<u>Fiscal Year</u>	<u>Farebox Revenue Bonds for JPB (in thousands)<sup>[1]</sup></u>	<u>Personal Income for San Mateo County<sup>[2]</sup></u>	<u>As a Percent of Personal Income</u>
2021	\$ 54,890	\$ 95,598,314	0.057%
2020	55,153	92,813,897	0.059%
2019	55,417	102,803,127	0.054%
2018	34,496	98,568,258	0.035%
2017	34,514	90,766,229	0.038%
2016	34,532	82,680,553	0.042%
2015	34,551	78,524,600	0.044%
2014	23,564	71,027,331	0.033%
2013	23,569	65,680,513	0.036%
2012	23,140	65,112,565	0.036%

[1] Source: Current and prior years' Annual Comprehensive Financial Reports.

[2] U.S. Department of Commerce, Bureau of Economic Analysis, and calendar year figures. Personal Income data for 2020 and 2021 are based on an estimated three percent annual increase over 2019.

This table presents the capacity of the JPB to issue Farebox Revenue Bonds based on the total personal income for San Mateo County.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**DEBT CAPACITY – BONDED DEBT  
FISCAL YEARS 2012 THROUGH 2021 (in thousands)**

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<b>Fiscal Year</b>	<b>Farebox Revenue Bonds</b>	<b>Member Agency Operating Contributions</b>	<b>As a Percent of Member Agency's Contributions</b>
2021	\$ 54,890	\$ 28,538	192.3%
2020	55,153	28,035	196.7%
2019	55,417	25,448	217.8%
2018	34,496	20,448	168.7%
2017	34,514	20,448	168.8%
2016	34,532	19,727	175.0%
2015	34,551	19,829	174.2%
2014	23,564	17,236	136.7%
2013	23,569	33,500	70.4%
2012	23,140	25,030	92.4%

Source: Current and prior years' Annual Comprehensive Financial Reports.

This table presents the capacity of the JPB to issue Farebox Revenue Bonds based on the total member contributions from the District, VTA, and CCSF.



**PENINSULA CORRIDOR JOINT POWERS BOARD**

**DEBT CAPACITY – DIRECT AND OVERLAPPING DEBT  
FISCAL YEAR ENDED JUNE 30, 2021**

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The JPB does not have overlapping debt with other governmental agencies.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**DEBT CAPACITY – DEBT LIMITATIONS  
FISCAL YEAR ENDED JUNE 30, 2021**

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The JPB does not have a legal debt limit.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**DEBT CAPACITY – PLEDGED REVENUE COVERAGE  
FISCAL YEARS 2012 THROUGH 2021 (in thousands)**

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<b>Fiscal Year</b>	<b>Pledged Revenue</b>	<b>Debt Service</b>			<b>Debt Coverage</b>
		<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
2021	\$ 35,906	\$ -	\$ 2,382	\$ 2,382	15
2020	84,458	-	2,283	2,283	37
2019	112,777	-	1,451	1,451	78
2018	107,036	-	1,282	1,282	83
2017	102,031	-	1,292	1,292	79
2016	95,433	-	1,282	1,282	74
2015	90,763	-	1,148	1,148	79
2014	82,145	-	1,103	1,103	74
2013	75,546	-	1,103	1,103	68
2012	64,684	-	1,103	1,103	59

Source: Current and prior years' Annual Comprehensive Financial Reports.

This table presents the relationship between total farebox revenue and total principal and interest payments, as well as the JPB's ability to meet its debt obligations.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**DEMOGRAPHICS AND ECONOMIC INFORMATION – POPULATION, INCOME, AND  
UNEMPLOYMENT RATES – COUNTY OF SAN MATEO  
FISCAL YEARS 2012 THROUGH 2021**

<b>Fiscal Year</b>	<b>Population <sup>[1]</sup></b>	<b>Total Personal Income (in millions) <sup>[2]</sup></b>	<b>Per Capita Personal Income <sup>[2]</sup></b>	<b>Average Unemployment Rates <sup>[3]</sup></b>
2021	776,337 *	\$ 109,064 *	\$ 142,274 *	5.0%
2020	773,244	105,887	138,130	10.8%
2019	774,485	102,803	134,107	2.2%
2018	772,372	98,568	128,230	2.5%
2017	770,256	90,766	118,047	2.9%
2016	765,895	82,046	107,670	3.3%
2015	759,155	78,607	102,639	3.3%
2014	758,581	71,111	93,802	4.2%
2013	750,489	65,656	87,501	5.7%
2012	740,738	64,765	87,523	7.0%

[1] Data include retroactive revisions by the State of California Department of Finance, Demographic Research Unit.

[2] Data include retroactive revisions by the U.S. Department of Commerce Bureau of Economic Analysis.

[3] Data include retroactive revisions by the State of California Employment Development Department. Unemployment rates are non-seasonally adjusted for June.

\*2021 Population growth is based on 0.4% growth from 2020.

\*Personal Income and Per Capita Personal Income data for 2020 and 2021 is based on an estimated three percent annual increase over 2019. Source data for table is fiscal year 2020 San Mateo County Annual Comprehensive Financial Report.

Source: County of San Mateo fiscal year 2020 Annual Comprehensive Financial Report.

This table highlights San Mateo County’s total population, total personal and per capita income, and percentage of unemployed residents.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**DEMOGRAPHICS AND ECONOMIC INFORMATION – POPULATION, INCOME, AND  
UNEMPLOYMENT RATES – CITY AND COUNTY OF SAN FRANCISCO  
FISCAL YEARS 2012 THROUGH 2021**

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<b>Fiscal Year</b>	<b>Population <sup>[1]</sup></b>	<b>Total Personal Income (in millions) <sup>[2]</sup></b>	<b>Per Capita Personal Income <sup>[2]</sup></b>	<b>Average Unemployment Rates <sup>[3]</sup></b>
2021	886,615 *	\$ 127,789 *	\$ 144,131 *	5.4%
2020	883,083	124,067	140,493	4.8%
2019	881,549	120,945	137,196	2.3%
2018	880,696	115,445	131,083	2.6%
2017	879,166	106,007	120,576	3.1%
2016	876,103	96,161	109,760	3.4%
2015	862,004	89,533	103,867	4.0%
2014	852,469	77,233	90,600	5.2%
2013	841,138	72,858	86,619	6.5%
2012	825,863	70,574	85,455	8.1%

[1] Data include retroactive revisions by the State of California Department of Finance, Demographic Research Unit.

[2] Data include retroactive revisions by the U.S. Department of Commerce Bureau of Economic Analysis.

[3] Data include retroactive revisions by the State of California Employment Development Department. Unemployment rates are non-seasonally adjusted for June.

\*2021 Population growth is based on 0.4% growth from 2020.

\*Personal Income and Per Capita Personal Income data for 2021 is based on an estimated three percent annual increase over 2020. Source data for table is fiscal year 2020 San Francisco County Annual Comprehensive Financial Report.

This table highlights the City and County of San Francisco’s total population, total personal and per capita income, and percentage of unemployed residents.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**DEMOGRAPHICS AND ECONOMIC INFORMATION – POPULATION, INCOME, AND  
UNEMPLOYMENT RATES – COUNTY OF SANTA CLARA  
FISCAL YEARS 2012 THROUGH 2021**

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<b>Fiscal Year</b>	<b>Total Personal Income (in millions) <sup>[1, 2]</sup></b>	<b>Per Capita Personal Income <sup>[2]</sup></b>	<b>Average Unemployment Rates <sup>[3]</sup></b>
2021	\$ 215,353	\$ 111,146	5.1%
2020	213,221	110,046	10.7%
2019	211,110	108,956	2.7%
2018	209,020	107,877	2.9%
2017	190,002	98,032	3.5%
2016	170,673	88,920	4.0%
2015	158,729	82,756	3.9%
2014	141,874	74,883	5.2%
2013	130,624	70,151	6.8%
2012	122,259	66,535	8.7%

[1] Bureau of Economic Analysis U.S. Department of Commerce.

[2] Actual data is available through 2018. Years 2019, 2020, and 2021 data are preliminary and assume a 1% increase over prior year.

[3] California Employment Development Department. Not seasonally adjusted.

This table highlights Santa Clara County's total personal and per capita income, and percentage of employed residents.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**DEMOGRAPHICS AND ECONOMIC INFORMATION – PRINCIPAL EMPLOYERS –  
COUNTY OF SAN MATEO  
FISCAL YEARS 2019 AND 2011**

Employers in San Mateo County	Business Type	2019*			2011		
		Number of Employees	Rank	Percent of Total County Employment	Number of Employees	Rank	Percent of Total County Employment
Facebook Inc.	Social Network	15,407	1	3.91%	2,000	10	0.57%
Genentech Inc.	Biotechnology	10,023	2	2.54%	8,600	1	2.43%
Oracle Corp.	Hardware and Software	7,656	3	1.94%	7,000	3	1.98%
County of San Mateo	Government	5,640	4	1.43%	5,979	2	1.69%
Gilead Sciences Inc	Biotechnology	4,000	5	1.02%			
YouTube	Online Video-Streaming Platform	2,384	6	0.61%			
Sony Interactive Entertainment	Interactive Entertainment	1,650	7	0.42%			
Robert Half International Inc.	Personnel Services	1,642	8	0.42%			
Electronic Arts Inc.	Interactive Entertainment	1,478	9	0.38%	2,000	9	0.57%
SRI International	Nonprofit Research Institute	1,418	10	0.36%			
Kaiser Permanente	Health Care				3,855	4	1.09%
Visa Inc	Global Payments Technology				3,100	5	0.88%
Mills-Peninsula Health Services	Health Care				2,500	6	0.71%
San Mateo Community College District	Public Education				2,115	7	0.60%
Safeway Inc	Retail Grocer				2,075	8	0.59%
Total		51,298		13.03%	39,224		11.11%

\* The latest information available for principal employers in San Mateo County.

Source: San Francisco Business Times - 2020 Book of Lists; California Employment Development Department (provided by San Mateo County Controller's office) from the fiscal year 2020 County of San Mateo Annual Comprehensive Financial Report.

This table presents the top 10 principal employers in San Mateo County for 2019 and 2011.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**DEMOGRAPHICS AND ECONOMIC INFORMATION – PRINCIPAL EMPLOYERS – CITY  
AND COUNTY OF SAN FRANCISCO  
FISCAL YEARS 2019 AND 2010**

Employers in San Francisco City and County	2019*			2010		
	Number of Employees	Rank	Percent of Total City Employment	Number of Employees	Rank	Percent of Total City Employment
City and County of San Francisco	36,910	1	6.68%	25,488	1	5.59%
University of California, San Francisco	34,690	2	6.28%	11,639	2	2.55%
San Francisco Unified School District	10,257	3	1.86%			0.00%
Salesforce	9,100	4	1.65%			0.00%
Wells Fargo & Co	7,296	5	1.32%	9,089	3	1.99%
Kaiser Permanente	6,659	6	1.20%	3,490	9	0.77%
United	6,153	7	1.11%			0.00%
Sutter Health	6,134	8	1.11%			0.00%
Uber Technologies Inc.	5,500	9	1.00%			0.00%
Gap, Inc.	4,500	10	0.81%	3,783	8	0.83%
California Pacific Medical Center				6,600	4	1.45%
State of California				5,465	5	1.20%
United States Postal Service				4,369	6	0.96%
PG&E Corporation				4,080	7	0.90%
San Francisco State University				3,243	10	0.71%
Total	<u>127,199</u>		<u>23.02%</u>	<u>77,246</u>		<u>16.95%</u>
Total City and County Employment	<u>552,650</u>		<u>455,683</u>			

\* The latest information available for principal employers in San Francisco County.

Source: Fiscal year 2020 County of San Francisco Annual Comprehensive Financial Report. Total City and County of San Francisco employee count is obtained from the State of California Employee Development Department. City and County of San Francisco data provided by Office of the Controller's Payroll and Personnel Services. All other data is obtained from the San Francisco Business Times Book of Lists.

This table presents the top 10 principal employers in San Francisco County for 2019 and 2010.



**PENINSULA CORRIDOR JOINT POWERS BOARD**

**DEMOGRAPHICS AND ECONOMIC INFORMATION – PRINCIPAL EMPLOYERS –  
COUNTY OF SANTA CLARA  
FISCAL YEARS 2020 AND 2011**

Employers in Santa Clara County	Nature of Operatins	2020		2011	
		Estimated Number of Employees	Rank	Estimated Number of Employees	Rank
Apple Inc.	Computer Electronics	25,000	1	10,000	5
Alphabet Inc./Google Inc.	Search, Advertising and Web Software	23,000	2	7,700	7
County of Santa Clara	County Government	18,570	3	15,481	2
Stanford University	Research University	15,576	4	11,569	4
Facebook Inc.	Online Social Networking Service	15,407	5		
Tesla Motors Inc.	Electric Vehicle Designer & Manufacturer	15,000	6		
Stanford Health Care	Health System	14,143	7	5,775	11
Cisco Systems Inc.	Computer Network Equipment Manufacturer	13,683	8	17,335	1
Kaiser Permanente	Integrated Healthcare Delivery Plan	12,500	9	13,500	3
University of California Santa Cruz	Public University	8,915	10	4,252	16
Safeway	Supermarket Chain	8,509	11		
Gilead Sciences Inc.	Biotechnology Company	8,268	12		
Intel Corporation	Semiconductor	7,975	13	5,241	13
City of San Jose	City Government	7,728	14	5,910	10
Applied Materials Inc	Semiconductor Equipment Manufacturer	6,200	15		
Nvidia Corp	Graphics and Digital Media Processors	6,000	16		
Target Corp	Merchandise Retailer	5,500	17		
Juniper Networks Inc	Computer Network Equipment Manufacturer	5,130	18	3,040	25
San Mateo County	County Government	5,103	19	5,495	12
Stanford Children's Health	Specializes in the Care of Babies, Children, Adolescents, and Expectant Mothers	5,005	20	3,500	24
Lockheed Martin Space Systems Co.	Aerospace	4,300	21	7,600	8
Pajaro Valley Unified School District	Public School District	4,108	22		
Department of Veterans Affairs, Palo Alto Health Care System	Veterans Hospital	3,900	23	3,587	23
San Jose State University	Public University	3,727	24		
SAP	Cloud Business Software Company	3,500	25		
Total		<u>246,747</u>		<u>119,985</u>	
Total County Employment		<u>1,024,900</u>		<u>780,100</u>	

Source: Silicon Valley/San Jose Business Journal July 2020 from the fiscal year 2020 County of Santa Clara Annual Comprehensive Financial Report.

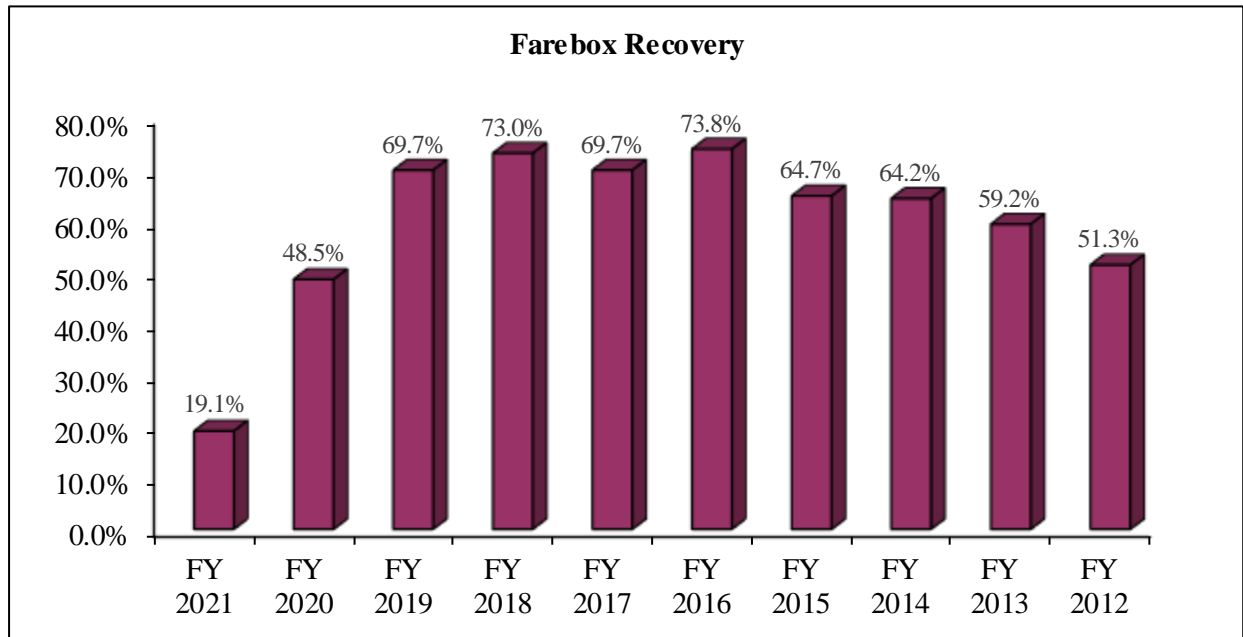
This table lists the largest employers in the Silicon Valley, which encompass Santa Clara County and the surrounding areas.

## PENINSULA CORRIDOR JOINT POWERS BOARD

### OPERATING INFORMATION – FAREBOX RECOVERY AND PASSENGER MILES FISCAL YEARS 2012 THROUGH 2021

#### FAREBOX RECOVERY

Farebox recovery table shows the relationship between total passenger fares and operating expenses. The Board of Directors (Board) adopted a farebox recovery rate goal minimum of 65 percent effective December 2018.

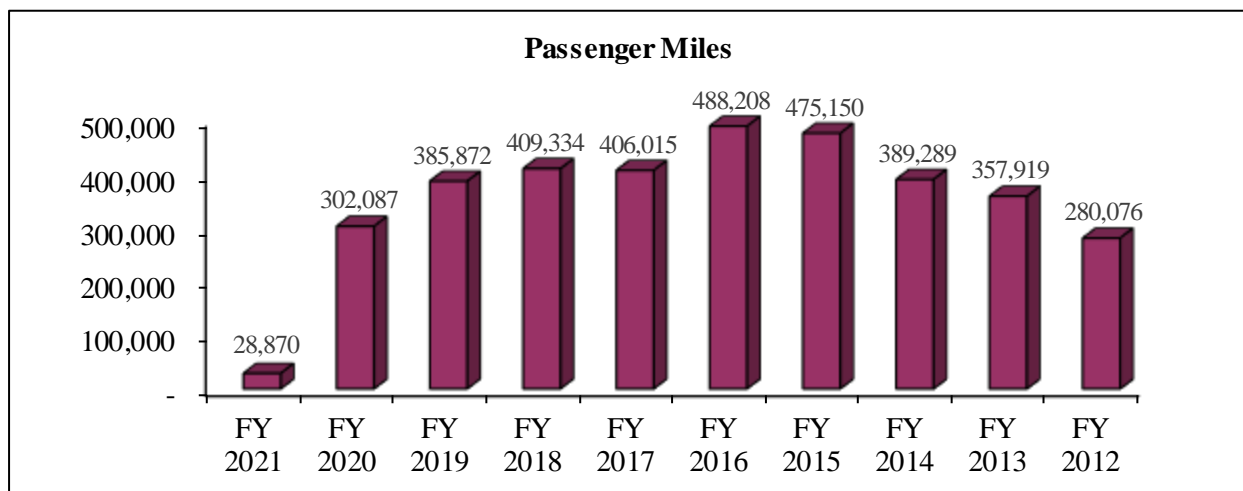


#### PASSENGER MILES

(in thousands)

Total passenger miles (weekday and weekend)

The number of weekday trains was increased from 86 to 92 on October 1, 2012. In response to the COVID-19 pandemic and shelter in place orders in March of 2020, train service reduced from 92 weekday trains to 70 on March 17, 2020, reduced to 42 trains on March 30, 2020, and increased back to 70 trains on June 25, 2020. In fiscal year 2021, small adjustments were made to service, but essentially the 70 weekday trains schedule remained the same throughout the year.



Source: The JPB's National Transportation Database.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**OPERATING INFORMATION – EMPLOYEES (FULL-TIME EQUIVALENTS)  
FISCAL YEARS 2012 THROUGH 2021**

Division	Full-Time Equivalents (FTEs)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Executive	0.90	0.90	6.76	0.52	0.56	0.70	0.76	0.85	0.87	0.91
Public Affairs	-	-	-	-	-	5.35	4.80	4.80	4.00	4.46
Operations, Engineering, and Construction	95.19	79.13	74.44	62.60	42.88	51.64	49.64	47.81	43.35	46.75
Planning and Development	8.08	8.09	7.00	6.70	8.45	6.43	5.95	6.40	3.04	5.09
Finance and Administration	27.74	28.96	21.34	29.86	33.71	29.44	29.40	31.00	33.71	33.10
Caltrain Modernization Program	9.00	9.00	9.00	17.45	8.25	9.95	5.95	4.95	3.50	-
Customer Service and Marketing	18.41	17.34	15.09	16.79	24.01	11.27	11.14	14.61	12.56	11.40
Total FTEs	<u>159.32</u>	<u>143.42</u>	<u>133.63</u>	<u>133.92</u>	<u>117.85</u>	<u>114.78</u>	<u>107.64</u>	<u>110.42</u>	<u>101.03</u>	<u>101.71</u>

Note: The JPB went through a reorganization in fiscal year 2010; Caltrain Modernization Program division was added in fiscal year 2013 as a replacement for the Peninsula Rail department.

Source: The JPB’s annual capital and operating budget.

This table presents the total full-time equivalents (FTEs) by division.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**OPERATING INFORMATION – CAPITAL ASSETS (in thousands)  
FISCAL YEARS 2012 THROUGH 2021**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Depreciable and amortized capital assets				
Right-of-way improvements	\$ 1,188,736	\$ 1,192,985	\$ 1,183,600	\$ 1,170,025
Rail vehicles	337,025	333,025	333,787	333,572
Facilities and equipment	145,065	145,121	136,599	130,231
Office equipment	13,767	13,354	14,529	18,129
Total depreciable and amortized capital assets	<u>1,684,593</u>	<u>1,684,485</u>	<u>1,668,515</u>	<u>1,651,957</u>
Accumulated depreciation and amortization				
Right-of-way improvements	(710,610)	(666,113)	(632,433)	(579,398)
Rail vehicles	(265,140)	(258,608)	(246,236)	(230,537)
Facilities and equipment	(74,279)	(70,530)	(66,271)	(61,357)
Office equipment	(13,305)	(13,229)	(13,927)	(9,105)
Total accumulated depreciation and amortization	<u>(1,063,334)</u>	<u>(1,008,480)</u>	<u>(958,867)</u>	<u>(880,397)</u>
Nondepreciable capital assets				
Right-of-way	236,968	236,340	233,711	226,973
Construction in progress	1,840,831	1,447,512	1,124,618	735,025
Intangible asset - Trackage Rights*	8,000	8,000	8,000	8,000
Total nondepreciable capital assets	<u>2,085,799</u>	<u>1,691,852</u>	<u>1,366,329</u>	<u>969,998</u>
Capital assets, net	<u>\$ 2,707,058</u>	<u>\$ 2,367,857</u>	<u>\$ 2,075,977</u>	<u>\$ 1,741,558</u>

\*Per GASB Statement No. 51 effective as of fiscal year 2009, Trackage Rights are a nondepreciable capital asset. The activity for fiscal year 2009 has been restated to reflect the change.

Source: Annual Comprehensive Financial Reports.

This table presents the total nondepreciable capital assets, total depreciable capital assets, and total accumulated depreciation and amortization.

<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
\$ 1,131,890	\$ 1,033,142	\$ 972,866	\$ 804,003	\$ 739,383	\$ 719,324
312,738	300,680	284,023	284,128	285,040	285,125
130,942	128,365	128,584	127,653	127,568	128,428
2,669	1,085	1,084	869	860	875
<u>1,578,239</u>	<u>1,463,272</u>	<u>1,386,557</u>	<u>1,216,653</u>	<u>1,152,851</u>	<u>1,133,752</u>
(515,275)	(452,151)	(399,280)	(341,424)	(293,985)	(264,091)
(206,161)	(190,840)	(161,494)	(149,882)	(137,309)	(126,011)
(57,522)	(52,459)	(48,396)	(43,790)	(39,743)	(34,820)
(1,342)	(928)	(854)	(648)	(672)	(751)
<u>(780,300)</u>	<u>(696,378)</u>	<u>(610,024)</u>	<u>(535,744)</u>	<u>(471,709)</u>	<u>(425,673)</u>
226,972	226,972	226,972	226,893	226,893	226,893
486,333	356,152	305,977	354,256	316,125	261,771
8,000	8,000	8,000	8,000	8,000	8,000
<u>721,305</u>	<u>591,124</u>	<u>540,949</u>	<u>589,149</u>	<u>551,018</u>	<u>496,664</u>
<u>\$ 1,519,244</u>	<u>\$ 1,358,017</u>	<u>\$ 1,317,482</u>	<u>\$ 1,270,058</u>	<u>\$ 1,232,160</u>	<u>\$ 1,204,743</u>

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**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Casey Fromson  
Chief Communications Officer, Acting

SUBJECT: **STATE AND FEDERAL LEGISLATIVE UPDATE**

Finance Committee  
Recommendation

Work Program-  
Legislative-Planning

Staff Coordinating  
Council Reviewed

Staff Coordinating Council  
Recommendation

**ACTION**

Staff recommends that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) receives the attached memos. Staff will provide regular updates to the Board in accordance with the Legislative Program.

**SIGNIFICANCE**

The 2021 Legislative Program establishes the principles that will guide the legislative and regulatory advocacy efforts. Based on those principles, staff coordinates closely with our Federal and State advocates on a wide variety of issues that are considered in Congress and the State legislature. The attached reports highlight the recent issues and actions that are relevant to the Board.

Prepared By: Lori Low  
Government & Community Affairs Officer

650.508.6391



October 11, 2021

TO: Caltrain Board of Directors

FM: Joshua W. Shaw, Matt Robinson & Michael Pimentel, Shaw Yoder Antwih Schmelzer & Lange  
Mike Robson & Bridget McGowan, Edelstein Gilbert Robson & Smith LLC

RE: **STATE LEGISLATIVE UPDATE – November 2021**

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### **General Update**

Governor Newsom had until October 10 to act on the bills that were transmitted to him by the Legislature. In the first year of the 2021-2022 legislative session the Legislature sent the Governor 835 bills with the Governor signing 769 and vetoing 66 bills. Below is an update on the outcomes of the legislation that Caltrain followed closely or took a position on this year.

On Tuesday, September 14, voters in California rejected the petition to recall Governor Newsom from office by an overwhelming margin. With 32 days left for Secretary of State Weber to certify the election results, early tallies indicate that approximately 7.9 million votes were cast to reject the recall while 4.9 million votes were cast in favor of removing Governor Newsom from office. As of October 11, there were still about 75,000 ballots left to process.

### **Bills of Interest**

**AB 361 (R. Rivas) – Open Meetings: Teleconference.** This bill would require a local agency to use teleconferencing without complying with the Brown Act when holding a meeting to declare or ratify a local emergency when state/local health officials have required or recommended social distancing. The bill would require that teleconferenced meetings provide notice of the meeting, post agendas, and means for public comment. Further, the bill prohibits local bodies from requiring public comment in advance of the meeting and require the body to make a series of findings related to the emergency 30 days after each meeting and every 30 days thereafter.

Amendments near the end of session added an urgency clause so the bill will go into effect immediately after it is signed.

The Governor signed this bill into law on September 16. Because the existing Brown Act Executive Order expired on September 30, the Governor also issued an Executive Order to make the provisions of AB 361 effective October 1, so the two standards do not conflict. *Caltrain was watching this bill.*

**AB 629 (Chiu) – Seamless Bay Area.** This bill would require MTC to consult with transit agencies, local jurisdictions, county transportation agencies, and the public to establish and maintain a transit priority network for the San Francisco Bay area that designates corridors that can best support transit service



and require MTC to submit a copy of *the Fare Coordination and Integration Study and Business Case* to the Legislature by February 1, 2022, as well as a follow up report on the progress of implementing the recommendations in the study by January 1, 2023. The bill would also require MTC to create a pilot program for an “accumulator pass” among operators providing service in at least three adjacent counties by July 1, 2023 and would require MTC in consultation with transit agencies to develop a standardized regional transit mapping and wayfinding system. The bill would require a transit operator in the Bay area to use open data standards to make available all routes, schedules, and fares in a specified data format and to track actual transmission of real-time information by transit vehicles and report that information to the commission to ensure that schedule predictions are available. The bill would require the commission to coordinate these activities and to develop an implementation and funding plan for deployment of real-time information. Finally, this bill would require MTC, Caltrans, and the operators of managed lanes in the Bay Area to take specified steps to ensure the regional managed lanes network supports seamless operation of high-capacity transit.

The bill is a two-year bill. The author was recently appointed as San Francisco’s next City Attorney, so it remains to be seen what will happen with this bill when the Legislature returns in January. *Caltrain was watching the bill.*

**SB 44 (Allen) – CEQA Streamlining for Transit.** This bill would allow certain transit projects that meet environmental and labor requirements to have a streamlined judicial review period for CEQA. The bill was amended out of the Assembly Judiciary Committee to narrow the bill to Los Angeles projects or projects that connect to projects in Los Angeles.

The Governor signed this bill into law on October 7. *Caltrain supported this bill.*

**SB 339 (Weiner) – Road Usage Pilot Program.** This bill extends the Road Usage Charge Technical Advisory Committee until January 1, 2027 and requires the state Transportation Agency to implement a pilot program to test a road usage charge.

The Governor signed the bill into law on September 24. *Caltrain supported this bill.*

**ACA 1 (Aguiar-Curry) – Local Government Financing.** This constitutional amendment is a reintroduced version of ACA 1 (Aguiar-Curry) from last session, which failed to pass off the Assembly Floor 44-20. The measure would reduce the voter-approval threshold from two-thirds to 55 percent for cities and counties to issue bonds or raise taxes for public infrastructure, affordable housing or permanent supportive housing for the homeless.

The bill was never set for hearing, so it is a two-year bill. *Caltrain supported this bill.*

## **Grants**

***Transit and Intercity Rail Capital Program (\$500 million - \$600 million in Cycle 5)*** – The Transit and Intercity Rail Capital Program (TIRCP) provides grants from the Greenhouse Gas Reduction Fund to fund transformative capital improvements that will modernize California’s intercity, commuter, and urban rail systems, and bus and ferry transit systems, to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. Eligible projects include zero-emission vehicles and associate fueling or charging infrastructure of facility modifications.

On August 9, the California State Transportation Agency (CalSTA) released the [Transit and Intercity Rail Capital Program's](#) (TIRCP) Cycle 5 discussion [draft guidelines](#). CalSTA kicked off the TIRCP guideline development process for the 2022 cycle with a workshop on August 12, 2021 and noted it anticipates approximately \$500-600 million of new funding for projects statewide through Fiscal Year 2026-27.

The CTC is hosting workshops in Fall 2021 for the three SB 1 program – the Solutions for Congested Corridors Program (SCCP), Local Partnership Program (LPP), and the Trade Corridor Enhancement Program (TCEP). The CTC will solicit applications for the next round of funding in Summer 2022. As a reminder, in late-2020, the California Transportation Commission [awarded grants](#) for three SB 1 programs – the [Solutions for Congested Corridors Program](#), [Local Partnership Program](#), and the [Trade Corridor Enhancement Program](#). In total, approximately \$2 billion was awarded for 56 new projects throughout the state to reduce traffic, improve goods movement, increase transit service, expand California's managed lanes network, and invest in bicycle and pedestrian improvements.

**Grade Separation Funding** - Below is a list of the funding sources that we are aware of and/or that have been used to fund grade separations in the recent years. The funding sources below are managed across various state agencies and departments, including the Public Utilities Commission (PUC), the California State Transportation Agency (CalSTA), the California Transportation Commission (CTC), and Caltrans.

PUC Section 190 Grade Separation Program – The Program is a [state funding program](#) to grade separate crossings between roadways and railroad tracks and provides approximately \$15 million annually, transferred from Caltrans. Agencies apply to the PUC for project funding.

State Transportation Improvement Program – The STIP, managed by Caltrans and programmed by the CTC, is primarily used to fund highway expansion projects throughout the state, but also supports grade separations. The STIP is programmed every two years (currently the 2018 STIP added \$2.2 billion in new funding). Local agencies receive a share of STIP funding, as does the State. The STIP is funded with gasoline excise tax revenues.

Transit and Intercity Rail Capital Program – As discussed above, the TIRCP is managed by CalSTA and is available to fund rail and transit projects that reduce greenhouse gas emissions. The program receives funding from Cap and Trade and the recently created Transportation Improvement Fee to the tune of approximately \$500 million per year. The TIRCP is programmed over five years, with the most recent cycle beginning in May 2018. Caltrain received \$160 million for the CalMod project.

Proposition 1A – This \$9.9 billion Bond Act is the primary funding source for the high-speed rail project and has been used to fund a very limited number of grade separation projects in the past, including in the City of San Mateo.

# Caltrain

## State Legislative Matrix 10/7/2021

Active Bills			
Bill Number (Author)	Summary	Location	Position
<a href="#">AB 339</a> (Lee D)  Local government: open and public meetings.	Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. Under existing law, a member of the legislative body who attends a meeting where action is taken in violation of this provision, with the intent to deprive the public of information that the member knows the public is entitled to, is guilty of a crime. This bill would require local agencies to conduct meetings subject to the act consistent with applicable state and federal civil rights laws, as specified. This bill contains other related provisions and other existing laws.  Enrollment: 9/17/2021	Assembly Vetoed	Watch
<a href="#">AB 361</a> (Rivas, Robert D)  Open meetings: state and local agencies: teleconferences.	(1) Existing law, the Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act contains specified provisions regarding the timelines for posting an agenda and providing for the ability of the public to directly address the legislative body on any item of interest to the public. The act generally requires all regular and special meetings of the legislative body be held within the boundaries of the territory over which the local agency exercises jurisdiction, subject to certain exceptions. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. The act authorizes the district attorney or any interested person, subject to certain provisions, to commence an action by mandamus or injunction for the purpose of obtaining a judicial determination that specified actions taken by a legislative body are null and void. This bill, until January 1, 2024, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting during a declared state of emergency, as that term is defined, when state or local health officials have imposed or recommended measures to promote social distancing, during a proclaimed state of emergency held for the purpose of determining, by majority vote, whether meeting in person would present imminent risks to the health or safety of attendees, and during a proclaimed state of emergency when the legislative body has determined that meeting in person would present imminent risks to the health or safety of attendees, as provided. This bill contains other related provisions and other existing laws.	Assembly Chaptered	Watch

	Chaptered: 9/16/2021		
<a href="#">AB 1157 (Lee D)</a> Controller: transportation funds: distribution and reporting requirements.	Existing law, for purposes of the State Transit Assistance Program, requires local transportation agencies to report to the Controller by June 15 of each year the public transportation operators within its jurisdiction that are eligible to claim specified local transportation funds. This bill would instead require local transportation agencies to report this information within 7 months after the end of each fiscal year. This bill contains other related provisions and other existing laws.  Chaptered: 9/22/2021	Assembly Chaptered	Watch
<a href="#">SB 44 (Allen D)</a> California Environmental Quality Act: streamlined judicial review: environmental leadership transit projects.	The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA establishes a procedure by which a person may seek judicial review of the decision of the lead agency made pursuant to CEQA. This bill would, until January 1, 2025, establish specified procedures for the administrative and judicial review of the environmental review and approvals granted for an environmental leadership transit project, as defined, proposed by a public or private entity or its affiliates that is located wholly within the County of Los Angeles or connects to an existing transit project wholly located in that county and that is approved by the lead agency on or before January 1, 2024. The bill would require the project applicant of the environmental leadership transit project to take certain actions in order for those specified procedures to apply to the project. The bill would require the Judicial Council, on or before January 1, 2023, to adopt rules of court establishing procedures requiring actions or proceedings seeking judicial review of the certification of an environmental impact report for an environmental leadership transit project or the granting of any project approval, including any appeals to the court of appeal or the Supreme Court, to be resolved, to the extent feasible, within 365 calendar days of the filing of the certified record of proceedings with the court to an action or proceeding seeking judicial review of the lead agency's action related to an environmental leadership transit project. The bill would require the environmental leadership transit project to meet certain labor requirements. The bill would require the lead agency to prepare the EIR for an environmental leadership transit project in a specified manner and would require the concurrent preparation of the record of proceedings. The bill would specify that these requirements would only apply to the first 7 environmental leadership transit projects obtaining a certified environmental impact report. Because the bill would impose additional duties on the lead agency, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.  Enrollment: 9/9/2021	Senate Chaptered	Support February 2021
<a href="#">SB 339 (Wiener D)</a> Vehicles: road usage charge pilot program.	Existing law requires the Chair of the California Transportation Commission to create a Road Usage Charge (RUC) Technical Advisory Committee in consultation with the Secretary of Transportation. Under existing law, the purpose of the technical advisory committee is to guide the development and evaluation of a pilot program to assess the potential for mileage-based revenue collection as an alternative to the gas tax system. Existing law requires the technical advisory committee to study RUC alternatives to the gas tax, gather public comment on issues and concerns related to the pilot program, and make recommendations to the Secretary of Transportation on the design of a pilot program, as specified. Existing law repeals these provisions on January 1, 2023. This bill would extend the operation of these provisions until	Senate Chaptered	Support April 2021

	<p>January 1, 2027. The bill would require the Transportation Agency, in consultation with the California Transportation Commission, to implement a pilot program to identify and evaluate issues related to the collection of revenue for a road charge program, as specified. The bill would require the RUC Technical Advisory Committee to make recommendations to the Transportation Agency on the design of the pilot program, including the group of vehicles to participate. The bill would require that if a group of vehicles other than state-owned vehicles is selected, that participation in the program be voluntary. The bill would require the Transportation Agency to consult with appropriate state agencies to implement the pilot program and to design a process for collecting road charge revenue from vehicles. The bill would require that participants in the program be charged a mileage-based fee, as specified, and receive a credit or a refund for fuel taxes or electric vehicle fees, as specified. The bill would require that the pilot program not affect funding levels for a program or purpose supported by state fuel tax and electric vehicle fee revenues. The bill would require the Transportation Agency to submit reports to the Legislature, as specified.</p> <p>Chaptered: 9/24/2021</p>		
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**Inactive Bills**

<p><a href="#">AB 5 (Fong R)</a></p> <p>Greenhouse Gas Reduction Fund: High-Speed Rail Authority: K–12 education: transfer.</p>	<p>The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include in its regulation of those emissions the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund. Existing law continuously appropriates 25% of the annual proceeds of the fund to the High-Speed Rail Authority for certain purposes. This bill would suspend the appropriation to the High-Speed Rail Authority for the 2023–24 and 2024–25 fiscal years and would require the transfer of those amounts from moneys collected by the state board to the General Fund. The bill would specify that the transferred amounts shall be available, upon appropriation, to augment funding for K–12 education and to support full-time in-person instruction for all students.</p> <p>Amended: 3/17/2021</p>	<p>Assembly 2 year</p>	<p>Watch</p>
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<p><a href="#">AB 476 (Mullin D)</a></p> <p>Department of Transportation: state highways: part-time transit lane pilot program.</p>	<p>Existing law vests the Department of Transportation with full possession and control of the state highway system and associated real property. Existing law generally requires vehicles to be driven upon the right 1/2 of a roadway, defined to include only that portion of a highway improved, designed, or ordinarily used for vehicular travel. Existing law generally prohibits the driver of a vehicle from overtaking and passing another vehicle by driving off the paved or main-traveled portion of the roadway. This bill would require the Department of Transportation to establish a pilot program to authorize a transit operator or operators, in partnership with an eligible transportation agency, to operate part-time transit lanes, defined as designated highway shoulders that support the operation of transit vehicles during specified times. The bill would require the department by January 1, 2024, to develop guidelines for the safe operation of part-time transit lanes, as provided, a training program for transit operators to operate transit buses on the shoulders of highways within the state, and a program to identify transit buses authorized to be used or operated in part-time transit lanes within the state. The bill would require the eligible transportation agency to be responsible for all costs attributable to the project. Two years after commencing a project, the bill would require an operator or operators, in conjunction with the eligible transportation agency, to submit a report to the Legislature that includes certain</p>	<p>Assembly 2 year</p>	<p>Watch</p>
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	<p>information about the project. This bill contains other existing laws.</p> <p>Amended: 9/7/2021</p>		
<p><a href="#">AB 629</a> (<a href="#">Chiu D</a>)</p> <p>San Francisco Bay area: public transportation.</p>	<p>(1) Existing law creates the Metropolitan Transportation Commission as a local area planning agency for the 9-county San Francisco Bay area with comprehensive regional transportation planning and other related responsibilities. Existing law creates various transit districts located in the San Francisco Bay area, with specified powers and duties relative to providing public transit services. This bill would require the commission on or before February 1, 2022, to submit a copy of a specified transit fare study undertaken by the commission to certain committees of the Legislature. The bill would require the commission to submit a report on or before January 1, 2023, to those entities on the progress of implementing the recommendations of that study. This bill contains other related provisions and other existing laws.</p> <p>Amended: 3/22/2021</p>	Assembly 2 year	Watch
<p><a href="#">AB 703</a> (<a href="#">Rubio, Blanca D</a>)</p> <p>Open meetings: local agencies: teleconferences.</p>	<p>Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act contains specified provisions regarding the timelines for posting an agenda and providing for the ability of the public to observe and provide comment. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. This bill would remove the notice requirements particular to teleconferencing and would revise the requirements of the act to allow for teleconferencing subject to existing provisions regarding the posting of notice of an agenda, provided that the public is allowed to observe the meeting and address the legislative body directly both in person and remotely via a call-in option or internet-based service option, and that a quorum of members participate in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the jurisdiction. The bill would require that, in each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the local agency also give notice of the means by which members of the public may observe the meeting and offer public comment and that the legislative body have and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with the federal Americans with Disabilities Act, as provided. This bill contains other related provisions and other existing laws.</p> <p>Amended: 4/29/2021</p>	Assembly 2 year	Watch
<p><a href="#">AB 823</a> (<a href="#">Gray D</a>)</p> <p>High-Speed Rail Authority: trains powered by fossil fuel combustion engines.</p>	<p>The California High-Speed Rail Act creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law requires the high-speed rail system to be designed to use electric trains. Existing law authorizes the authority, upon receiving legislative or voter approval, to enter into contracts with private or public entities for the design, construction, and operation of high-speed trains. This bill would prohibit the authority from directly or indirectly using local, state, federal, or any other public or private funding to purchase, lease, operate, or maintain a passenger or freight train powered by a</p>	Assembly 2 year	Watch

	<p>diesel engine or other type of fossil fuel combustion engine, and from enabling such a train to operate on authority-owned rail infrastructure designed for speeds in excess of 125 miles per hour, except as specified.</p> <p>Introduced: 2/16/2021</p>		
<p><a href="#">AB 1116</a> (<a href="#">Friedman D</a>)</p> <p>High-Speed Rail Authority: oversight: Legislative Analyst's Office.</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties related to the development and implementation of a high-speed train system. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, statewide general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related rail purposes. This bill would require the Legislative Analyst's Office, for the purpose of reviewing the planning, financing, expenditures, and other elements of the statewide high-speed rail system, to review any materials submitted to the authority and documents the authority requests from contractors, consultants, or external parties, as specified, and to provide recommendations to the policy and budget committees of the Legislature regarding the statewide high-speed rail system and the development of shared mobility systems statewide. The bill would require the authority, and any entity contracting with the authority, to provide to the Legislative Analyst's Office any information that it requests and to permit representatives of the Legislative Analyst's Office to attend the authority's internal meetings. The bill would repeal these requirements on January 1, 2031.</p> <p>Introduced: 2/18/2021</p>	Assembly 2 year	Watch
<p><a href="#">AB 1235</a> (<a href="#">Patterson R</a>)</p> <p>High-speed rail: legislative oversight.</p>	<p>The California High-Speed Rail Act creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law requires the authority, on or before March 1, 2017, and every 2 years thereafter, to provide a project update report, approved by the Secretary of Transportation as consistent with specified criteria, to the budget committees and the appropriate policy committees of both houses of the Legislature, on the development and implementation of intercity high-speed train service, as provided. This bill would create the Joint Legislative High-Speed Rail Oversight Committee consisting of 3 Members of the Senate and 3 Members of the Assembly to provide ongoing and independent oversight of the high-speed rail project by performing specified duties, and would require the committee to make recommendations to the appropriate standing policy and budget committees of both houses of the Legislature to guide decisions concerning the state's programs, policies, and investments related to high-speed rail. The bill would require the authority to provide the committee with certain documents and information within prescribed timelines, and would require the authority to permit the chairperson of the committee, or the chairperson's designee, to attend meetings of any internal governance committees related to project oversight, as provided.</p> <p>Introduced: 2/19/2021</p>	Assembly 2 year	Watch
<p><a href="#">AB 1260</a> (<a href="#">Chen R</a>)</p> <p>California Environmental Quality Act: exemptions: transportation-related projects.</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would further exempt from the requirements of CEQA projects by a</p>	Senate 2 year	Watch

	<p>public transit agency to construct or maintain infrastructure to charge or refuel zero-emission trains, provided certain requirements are met, including giving prior notice to the public and holding a noticed public meeting, as provided. This bill contains other existing laws.</p> <p>Amended: 7/6/2021</p>		
<p><a href="#">ACA 1 (Aguiar-Curry D)</a></p> <p>Local government financing: affordable housing and public infrastructure: voter approval.</p>	<p>(1)The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements. The measure would specify that these provisions apply to any city, county, city and county, or special district measure imposing an ad valorem tax to pay the interest and redemption charges on bonded indebtedness for these purposes that is submitted at the same election as this measure. This bill contains other related provisions and other existing laws.</p> <p>Introduced: 12/7/2020</p>	Assembly Local Government	Support February 2021
<p><a href="#">SB 674 (Durazo D)</a></p> <p>Public Contracts: workforce development: covered public contracts.</p>	<p>Existing law establishes the Labor and Workforce Development Agency, under the supervision of the Secretary of Labor and Workforce Development. Existing law establishes within the Labor and Workforce Development Agency, the Department of Industrial Relations, to foster, promote, and develop the welfare of the wage earners of California and to advance their opportunities for profitable employment, among other duties. This bill would require the Labor and Workforce Development Agency to create 2 programs, to be known as the California Jobs Plan Program and the United States Jobs Plan Program. The bill would require the programs to meet specified objectives, including supporting the creation and retention of quality, nontemporary full-time jobs, as specified, and the hiring of displaced workers and individuals facing barriers to employment. The bill would require, as a component of applications for covered public contracts, as defined, the creation of forms for each program that state the minimum numbers of proposed jobs that are projected to be retained and created if the applicant wins the covered public contract. These components of the application would be known as the California Jobs Plan and the United States Jobs Plan, which the bill would define. Pursuant to these definitions, applicants for covered public contracts would state the minimum number of jobs, proposed wages, benefits, investment in training, specific protections for worker health and safety, and targeted hiring plans for displaced workers and individuals facing barriers to jobs, as specified, in exchange for covered public contracts. The bill would require an applicant for a covered public contract that uses entirely state and local funds to complete a California Jobs Plan form, while applicants for covered public contracts that use any amount of federal funds would complete the United States Jobs Plan. This bill contains other related provisions and other existing laws.</p> <p>Amended: 8/30/2021</p>	Assembly 2 year	Watch
<p><a href="#">SB 771 (Becker D)</a></p> <p>Sales and Use Tax Law: zero emissions vehicle exemption.</p>	<p>Existing state sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. The Sales and Use Tax Law provides various exemptions from those taxes. This bill, on or after January 1, 2022, would provide an exemption from those taxes with respect to the sale in this state of, and the storage, use, or other consumption in this state of,</p>	Assembly 2 year	Watch



	<p>a qualified motor vehicle, as defined, sold to a qualified buyer, as defined. The bill would provide that this exemption does not apply to specified state sales and use taxes from which the proceeds are deposited into the Local Revenue Fund, the Local Revenue Fund 2011, or the Local Public Safety Fund. This bill contains other related provisions and other existing laws.</p> <p>Amended: 5/11/2021</p>		
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## Caltrain As of October 13, 2021 Federal Transportation Report

### Democrats Examine Path Forward for Infrastructure, Reconciliation

- The August deal with House Democratic moderates dictated a vote on the bipartisan infrastructure bill, the *Infrastructure Investment and Jobs Act* (H.R. 3684), to be held the week of September 27. In essence, the deal sought to uncouple the timing of the infrastructure bill with the reconciliation package.
- However, as the week progressed, it was clear the House Democratic leadership did not have the votes to pass the infrastructure bill without more work being done on the reconciliation package.
- On October 1, President Biden met with the House Democratic conference to discuss a path forward on these two bills. The President encouraged them to stick together, compromise, and find a way to complete the work. Majority Leader Chuck Schumer (D-NY) agreed with the President's sentiment. In a Dear Colleague letter, Schumer said that passing the legislation, "Will require sacrifice. Not every member will get everything he or she wanted. But at the end of the day, we will pass legislation that will dramatically improve the lives of the American people". Sen. Schumer also noted that he believes this can be done in the month of October.
- On Saturday, October 2, House Speaker Nancy Pelosi (D-CA) reset the clock, giving her chamber until October 31 to negotiate an agreement on the infrastructure bill and the reconciliation bill.
- Also on October 2, Congress quickly passed a 30-day extension of the expiring surface transportation authorization (the FAST Act) that was included in the Infrastructure Investment and Jobs Act. The legislation authorizes spending from highway and mass transit accounts of the Highway Trust Fund and the general fund of the Treasury based on amounts appropriated in fiscal 2021 for surface transportation programs.
- Now, the goal is to enact the infrastructure bill as well as the reconciliation bill by the end of October. However, time is limited. House and Senate committees still need to draft the final reconciliation bill. They will then take the bill text to the Senate parliamentarian for approval. This means both chambers must agree on a topline funding number on the reconciliation bill soon.

### **Debt Ceiling Standstill**

- Another major challenge facing Congress is addressing the impending debt ceiling, which Treasury Secretary Janet Yellen has said will be reached on October 18.
- On Tuesday, October 12, the House passed the short-term extension of the debt limit, which the Senate passed late last week.
  - The extension is through December 3, which is also the deadline for funding of key programs such as flood insurance extended under the FY 2022 continuing resolution (CR).
- Republicans have called on Democrats to make a long-term increase to the debt ceiling using the budget reconciliation process that does not require GOP support. Both chambers and the White House are continuing negotiations on the reconciliation bill as well as the Infrastructure Investment and Jobs Act..

### **Congress Passes Stopgap Funding**

- Following weeks of tense negotiations, President Biden signed a continuing resolution (CR) on Thursday, September 30, to continue appropriations for federal programs, averting a government shutdown. The bill extends funding until December 3, giving Congress nine weeks to negotiate longer-term spending agreements.
- The bill also includes \$28.6 billion in disaster relief funding and \$6.3 billion in support for the resettlement of Afghan refugees.

### **Fall Agenda for Congress**

- The next few weeks and months are widely seen as pivotal for President Biden and the White House. But first, Democrats are seeking a deal to enact the bulk of President Joe Biden's economic agenda.

- Democrats want action on four major issues this fall:

<b>Issue</b>	<b>Status</b>	<b>Deadline &amp; What's At Stake</b>
Government funding	A CR gave appropriators more time to negotiate a spending total and the 12 annual appropriations bills	Failure to extend past the CR deadline of December 3 would result in a partial government shutdown
Debt limit	Parties agreed to increase limit by \$480 billion, giving time to pass longer-term measure using reconciliation	Amount estimated to last until December could collide with other deadlines; risk of default would return
Infrastructure bill	Senate's bipartisan \$1 trillion package remains stuck as progressives demand path forward on reconciliation package	The surface transportation authorization extension expires October 31, the new deadline for a vote
Social spending, climate and tax plan (reconciliation)	Democrats have not agreed on how much to spend – and how to trim the package if they agree on less than \$3.5 trillion	Progressives want a vote on reconciliation alongside the infrastructure bill

- 2021 Key Deadlines and Expirations:

<b>Date</b>	<b>Event</b>
Oct. 31	<ul style="list-style-type: none"> <li>• Surface transportation authorization extension expire, following one-month extension</li> <li>• New deadline for House consideration of the Senate-passed bipartisan infrastructure bill</li> </ul>
Dec. 3	<ul style="list-style-type: none"> <li>• Estimated end date for Treasury to meet debt obligations under short-term debt limit hike</li> <li>• Government funding and other major programs expire, including: National Flood Insurance Program; Temporary Assistance for Needy Families (TANF); and mandatory livestock price reporting</li> </ul>
Dec. 31	<ul style="list-style-type: none"> <li>• Several Covid-19 relief provisions expire, including: expansion of earned income tax, child tax, and child and dependent care tax credits; employee retention credit; Medicare sequestration suspension; and several tax extenders, including for energy and mortgage insurance premiums</li> </ul>

## **House T&I Advances Sustainability Priorities for Reconciliation**

- On September 10, the House Transportation and Infrastructure (T&I) Committee released [their portion](#) of the \$3.5 trillion reconciliation bill (Build Back Better), which was marked up on September 14.
- Following an extensive markup, the committee voted to advance a \$60 billion dollar investment in infrastructure sustainability and resiliency as part of the Build Back Better plan.
- This legislation included:
  - \$10 billion for grants that will be administered through a competitive process jointly established by the Housing and Urban Development (HUD) and the Federal Transit Administrator(FTA) to support projects that provide access to affordable housing, improve mobility for low-income riders, and enhance access to job and educational opportunities and community services. Funds provided under the program will support the establishment of new transit routes; the expansion of service areas; improved frequency on existing routes; the provision of fare-free and reduced-fare transit service; state of good repair for transit facilities; research and workforce activities; route planning; and projects to improve accessibility.
  - \$4 billion for reducing carbon pollution from surface transportation for the Federal Highway Administration (FHWA) to establish an incentive structure for states that demonstrate significant carbon and issue requirements, guidance, and regulations necessary to ensure the reduction of on road greenhouse gas emissions; and \$950 million for incentive grants to states that make significant progress in reducing emissions or that adopt strategies to achieve net-zero surface transportation emissions by 2050.
  - \$4 billion for Neighborhood Access and Equity Grants to reconnect communities divided by existing infrastructure barriers, mitigate negative impacts of transportation facilities or construction projects on disadvantaged or underserved communities, and support equitable transportation planning and community engagement activities.
- A [section-by-section summary](#) of the bill can be found here.
- As the budget reconciliation negotiations are ongoing, these programs could possibly be cut or funding levels reduced.

## **DOT Releases Agency Climate Resilience Plan**

- The Department of Transportation (DOT) released details on its plan to address climate change and promote climate resilience on October 7.
- Priorities include:
  - Incorporate resilience into DOT grant programs
  - Enhance resilience through the project planning and development process
  - Ensure resiliency of DoT facilities and thousands of operational assets
  - Ensure climate-ready services and supplies
  - Improve climate education and research on resilience
- More detailed information can be found on the DOT [website](#).

## **Round-Up of Open Grant Opportunities**

- **American Rescue Plan (ARP) Additional Assistance:** \$2,207,561,294 available. Applications due by November 8, 2021.
- **FY 2021 Competitive Funding Opportunity: Route Planning Restoration Program:** \$25 million available. Applications due by November 15, 2021.
- **Fiscal Year 2021 Competitive Funding Opportunity; Grants for Buses and Bus Facilities Program:** \$409,590,000 available. Applications due by November 19, 2021.
- **FY21-CRS-Consolidated Rail Infrastructure and Safety Improvements:** \$361,978,796 available. Applications due by November 29, 2021.

**Caltrain Earmarks Submitted for Consideration:**

*As of October 15, 2021*

Please note, negotiations continue on the inclusion of earmarks in a variety of key federal legislative packages. Earlier this year, Senate leadership announced that earmarks will not be included in the Senate’s version of the surface transportation reauthorization package, which has been folded into the Senate-led bipartisan infrastructure package, known as the Infrastructure Investment and Jobs Act (IIJA). On the Appropriations side, negotiations regarding the inclusion of earmarks for the Transportation, Housing and Urban Development and Related Agencies Subcommittee Appropriations Bill (THUD) continue. The House and Senate passed a Continuing Resolution (CR) to fund the government through December 3, 2021.

THUD Appropriations

House:

<b>Project</b>	<b>Submitted By</b>	<b>Amount</b>
Additional Mini-highs (Speier)	Caltrain	\$460,000

Surface Transportation Reauthorization (House T&I):

<b>Project</b>	<b>Submitted By</b>	<b>Amount</b>
Additional Mini-highs (Eshoo)	Caltrain	\$306,000
Additional Mini-highs (Lofgren)	Caltrain	\$550,000
Caltrain Optimization Project (Lofgren)	Caltrain	\$315,000

Other Caltrain relevant projects:

<b>Project</b>	<b>Submitted By</b>	<b>Amount</b>
Middle Avenue Pedestrian/Bicycle Rail Crossing (Eshoo)	City of Menlo Park	\$6.5M
At-grade Caltrain Crossing Safety Project—E. Bellevue Avenue and Villa Terrace (Speier)	City of San Mateo	\$3M

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Casey Fromson  
Acting Chief Communications Officer

SUBJECT: **MTC/REGIONAL UPDATE**

Finance Committee  
Recommendation

Work Program-  
Legislative-Planning

Staff Coordinating  
Council Reviewed

Staff Coordinating Council  
Recommendation

**ACTION**

None

**SIGNIFICANCE**

The Metropolitan Transportation Commission (MTC) provides planning, funding, coordination, and technical assistance to cities, counties, transit agencies, and other partners to bring the region together. The California Legislature created the MTC in 1970 to plan and provide a cohesive vision for the Bay Area's transportation system. The Commission's scope over the years has expanded to address other regional issues, including housing and development.

MTC is actively considering several key policy and funding decisions that affect Caltrain, and staff wants to ensure the Board is apprised of these decisions.

**BUDGET IMPACT**

No budget impact.

**BACKGROUND**

Key Regional Items This Month:

**Final Allocation of American Rescue Plan Federal Emergency Relief Funding**

In the Bay Area, federal emergency relief funds flow through MTC. We have worked closely with MTC throughout the pandemic to ensure Caltrain receives as much emergency funding as possible; Caltrain's revenue source pre-pandemic is based on fare revenues, and it was also receiving operating subsidy from its three partners (SamTrans, SFMTA, and VTA). Our farebox revenue has dropped and we are not currently receiving partner contributions; this funding is critical to maintaining our service.



To date, Caltrain has received \$155M in federal emergency relief funding and expects to receive \$33.16M in additional funding in Tranche 2 from the American Rescue Plan (ARP), which was allocated at the full MTC Commission on October 27<sup>th</sup>.

While MTC originally planned to allocate these funds in early 2022, a new FTA federal funding opportunity with a deadline of November 8 required MTC to distribute these funds by the end of October. Caltrain is supportive of the process MTC has undertaken to distribute the ARP Tranche 2 funds in order for Caltrain to apply for additional federal funding.

### **MTC Commissioner Workshop on the Bay Area Transit Transformation Action Plan**

Following its April 2020 action to approve federal emergency funds for public transit, MTC released on May 7, 2020, a framework for creating a 32-member Blue Ribbon Transit Recovery Task Force, which Acting Executive Director Michelle Bouchard sits on.

The Task Force assisted MTC in understanding the scale of the crisis facing Bay Area transit systems because of the COVID-19 pandemic. It helped guide MTC's regional response through the expedited distribution of federal Coronavirus Aid, Relief and Economic Security (CARES) Act Phase 2 funds.

The Task Force in July 2021 approved 27 specific near-term actions to re-shape the region's transit system into a more connected, more efficient, and more user-focused mobility network across the entire Bay Area. This set of actions forms the cornerstone of a formal [Bay Area Transit Transformation Action Plan](#) was considered by the Commission in a two-day workshop October 27-28. As part of the Action Plan effort, consultants to the Task Force also prepared a [Regional Network Management Structures Evaluation Report](#).

Of the 27 near-term actions, fare coordination, mapping and wayfinding, and transit priority have been identified as "accelerated priorities."

Caltrain staff are actively involved in this process and are working closely with MTC on the implementation of the priority action items and the development of the Regional Transit Network Manager structure.

### Background / Status on Other Regional Items

**Blue Ribbon Task Force** – In early 2020, MTC established a 32-person task force to set a course of public transit recovery through the pandemic, and to recommend long term improvements to reshape the region's transit system to be more connected and efficient.

The Final Blue Ribbon Transit Recovery Task Force (BRTRTF) Meeting was held in July 2021. Future work (part of the Transformation Action Plan) will now be overseen by the MTC Commission instead of through the BRTRTF.

**Clipper Executive Board** - The Clipper Executive Board provides policy, oversight, direction and authorization of significant business matters for the Clipper fare payment system. The Clipper Executive Board works by consensus to establish goals, a budget, and work plan, and provide policy, oversight, direction and authorization of significant business matters for the Clipper fare payment system. The Clipper Executive Board meets monthly. Caltrain is not yet a member, although the request to become a member has been made.

### **Transit Network Manager Business Case (TNM)**

The Transit Network Manager will provide a detailed analysis of network management and governance options, building on the initial assessment of network management options developed through the BTRTF work in 2020-2021. The work will be led by MTC staff, and an advisory committee, which includes seven representatives from transit operators including Caltrain's Acting Executive Director and seven representatives from stakeholder organizations, have been appointed to review the results and recommendations from the study. Solicitation processes for consultant procurement are underway, and it is anticipated that the study will commence in winter 2022 and be completed by summer 2022.

### **Regional Fare Coordination and Integration Study**

The Regional Fare Coordination and Integration Study was launched in 2020 as a collaborative study between transit operators and MTC to identify strategies to improve fare coordination and integration in the region. The study is overseen by the Fare Integration Task Force, a committee appointed by the Clipper Executive Board that includes the general managers from multiple transit operators, including Caltrain's Acting Executive Director. After presenting the draft recommendations to regional boards in the Bay Area (including the Caltrain Board at the October JPB meeting), the project management team has shifted its focus towards refining the recommendations and finishing the study's final report. It is anticipated that the Fare Integration Task Force may endorse a Bay Area Transit Fare Policy Vision Statement at a meeting later this fall.

### **Clipper START**

Clipper START is the region's means-based fare pilot program. The pilot launched in July 2020 and has been extended through June 2023, and it has been expanded from the original four operators (Caltrain, BART, SFMTA, and Golden Gate Transit) to include many other operators in the region. The program is centrally administered for the region by MTC. Caltrain continues to offer a 50 percent discount off one-way adult Clipper Card fares to participants enrolled in the program.

### **Bay Area Regional Rail Partnerships Study**

This new study is being led by MTC staff and will study different options for regional rail governance, as well as different approaches to delivering rail megaprojects in the region. The study will analyze both issues and develop recommendations for the region. At this time, consultant procurement has been completed, and MTC staff is in the process of finalizing the scope and determining the roles and responsibilities for the project, including how to involve stakeholders such as Caltrain. We anticipate the study will launch in winter 2022.

### **Regional Wayfinding and Mapping Efforts**

MTC and operators are working to finalize regional mapping and wayfinding standards for application across all operator service areas by mid-2023. The effort will include developing a regional mapping data services digital platform, to enable standardization and routine updating of digital and paper maps across all transit services by late 2023. By late 2024, MTC and operators expect to complete 1 – 3 consistently branded and wayfinding pilot projects.

### **Plan Bay Area 2050**

On October 21, 2021, the Metropolitan Transportation Commission and the Association of Bay Area Governments adopted Plan Bay Area 2050 and its associated Environmental Impact Report. Required by the State of California, Plan Bay Area 2050 is the region's long-range housing and transportation planning document. The Plan includes 35 strategies to improve housing, the economy, transportation, and the environment in the Bay Area's nine counties. Individual transportation projects that are included in the Plan are organized by the strategies. Strategy T11 to "expand and modernize the regional rail network" includes Caltrain's Enhanced Growth Scenario project in the 2036-2050 period, to advance the railroad's long-

range service vision by growing Caltrain service to 8 trains per peak hour per direction. Inclusion of Caltrain's Enhanced Growth Scenario project in Plan Bay Area 2050 is a crucial foundation for eventually funding and implementing this future growth in Caltrain service.

### **State Funding**

Caltrain is working closely with MTC and other operators to compile a comprehensive Bay Area transportation ask. This would help unify the region and be better prepared to negotiate a potential transportation package in early 2022.

Prepared By: Jadie Wasilco  
Caltrain Government & Community Affairs Manager

650.465.6301

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: Joint Powers Board

FROM: Michelle Bouchard  
Acting Executive Director

SUBJECT: **DRAFT GOVERNANCE RECOMMENDATION FOR DISCUSSION**



Finance Committee  
Recommendation



Work Program-  
Legislative-Planning



Staff Coordinating  
Council Reviewed



Staff Coordinating Council  
Recommendation

**ACTION**

Staff recommends that the Board consider a motion providing direction to staff regarding the preparation of a resolution setting forth the Board's recommendation regarding a governance structure, as provided in JPB Resolution No. 2020-42, for the Board's consideration at its December 2, 2021 meeting.

**SIGNIFICANCE**

The Peninsula Corridor Joint Powers Board (JPB) has committed to developing and approving a governance recommendation by December 31, 2021. At its fifth special meeting on governance on September 30, 2021, the JPB requested that the Acting Executive Director develop a straw proposal that could be discussed as a draft recommendation on governance at the JPB's regular November meeting.

A draft recommendation for discussion is included as an attachment to this staff report. This recommendation has been developed using the analytical work and discussions that have occurred at the JPB over the course of 2021 and through ongoing engagement with staff from the Joint Powers Agreement member agencies.

**BUDGET IMPACT**

There is no budget impact associated with receiving this report or taking any actions.

Prepared by: Sebastian Petty, Deputy Chief, Caltrain Planning

## ATTACHMENT A

### DRAFT GOVERNANCE RECOMMENDATION FOR DISCUSSION

November 2021

*The following draft document outlines a potential recommendation related to Caltrain's governance for initial consideration and discussion by the JPB at its November 2021 meeting.*

*This draft recommendation attempts to chart a path forward that addresses the major considerations raised by Board members and stakeholders throughout the governance process. Staff believes that the provided recommendation can help Caltrain function and succeed as a regional, three-county system and will provide the organizational stability and focus needed for the railroad to both address pressing near-term challenges while also working toward the achievement of its Long Range Vision.*

#### **PART A: AFFIRMATIONS & STATEMENTS**

- 1) **Affirmation of SMCTD as the Managing Agency for Caltrain.** The San Mateo County Transit District (SMCTD) will remain as the managing agency for Caltrain.
- 2) **Affirmation of JPB Appointment of General Counsel and Auditor.** The JPB has appointed, and will maintain, its own general counsel and auditor separate from those of the Joint Powers Agreement (JPA) Member Agencies.
- 3) **Statement Related to Regional Governance.** The following recommendation does not preclude Caltrain's ongoing participation in processes related to potential regional governance changes. Rather, Caltrain and its staff should strive to constructively participate in such processes and should seek to vigorously assert the interests of the railroad, its customers and its corridor.

#### **PART B: BASIC RECOMMENDATION**

- 1) **Caltrain Executive Director**
  - a) SMCTD will designate a separate, permanent Caltrain Executive Director position ("Caltrain ED"), who will remain an SMCTD employee. This position will exclusively report to, and take direction from, the JPB.
  - b) SMCTD will delegate authority over the hiring, annual goal setting, performance review, compensation, and termination of the Caltrain ED position to the JPB, subject to the following conditions:
    - i) The general managers of SFMTA, VTA, SMCTD will participate in the selection process for the Caltrain ED position along with members of the JPB and will

offer their technical expertise, but will not participate in the vote to hire the Caltrain ED.

- ii) The decision to hire and fire the Caltrain Executive Director shall be subject to a supermajority vote of six members of the JPB, including at least one member appointed from each county.

## 2) Staff Reporting

a) As the managing agency, SMCTD will provide all staff support to the JPB. This support will come in two forms;

- i) Direct Support will include SMCTD staff who work exclusively on Caltrain and who have a reporting relationship that ultimately runs through the Caltrain ED. The Caltrain ED will have full authority over these staff within the parameters set by SMCTD employment policy – including the ability to hire, fire or modify positions. The following functions will be provided as direct support through dedicated staff.

(1) All functions and staff already providing direct support within the existing “Rail Division” including;

- (a) Rail Operations and Maintenance
- (b) Rail Planning
- (c) Rail Contracts and Budgets
- (d) Rail Development (capital program management, capital program delivery, engineering, and quality assurance/ quality control)
- (e) The PCEP (CalMod) Program

(2) Additional direct support will be provided through dedicated staff in the following areas

- (a) Financial Planning and Budgets
- (b) Grants
- (c) Real Estate
- (d) Government and External Affairs

- ii) Shared Services will include SMCTD staff who support the railroad under the terms of a service agreement to be negotiated between SMCTD and the JPB whereby a portion of their time is allocated to Caltrain. Staff working under this arrangement will report through the SMCTD General Manager. The following functions will be included in the shared services category.

- (1) Human Resources
- (2) Contracts and Procurement
- (3) Information Technology
- (4) Civil Rights
- (5) Communications, Marketing and Customer Service
- (6) Accounting and Treasury

## **PART C: RIGHT OF WAY REPAYMENT AND REVERSION**

## 1) Right of Way Repayment

The above recommendation and the continued effectiveness of any enacting agreements will be contingent on the repayment to SMCTD of monies advanced for the purchase of the Caltrain right of way (ROW) in a full and timely manner. Repayment discussions are ongoing with the JPA Member Agencies and the Metropolitan Transportation Commission (MTC). Once agreed to, repayment shall occur as described below.

- a) All repayment of both principal and interest to SMCTD will be from non-San Mateo County sources.
- b) SMCTD will be repaid the principal amount owed under the terms of the 2008 Real Property Ownership Agreement (RPOA) - \$19.8 million- in full by January 1, 2023.
- c) SMCTD will be paid interest (to be calculated based on the principal from 2008 through the date of repayment) in full by January 1, 2024.

## 2) Reversion

If the repayment of both the principal and interest owed has not occurred in full by the dates specified, the above recommendation and any enacting agreements will be void and the managing agency arrangement will revert to the written terms of the Joint Powers Agreement and the 1991 Real Property Ownership Agreement, as amended in 2008. Critically, this includes having the SMCTD General Manager serve as Executive Director of Caltrain with full authority over the appointment and organization of all staff supporting the railroad.

## **PART D: IMPLEMENTATION**

### 1) Form of Agreements:

Should the JPB reach agreement on a governance recommendation similar to the one described above, implementation would occur through a series of actions and agreements.

- a) The JPB would first adopt a resolution on governance that outlines the details of its recommendation before January 1, 2022 and would delegate to the Acting Executive Director the authority to negotiate a detailed Memorandum of Understanding (MOU) with SMCTD that enacts the recommended changes to the management structure of Caltrain.
- b) The SMCTD Board would consider the JPB adopted recommendation, and provided that it agrees, would delegate to its Acting General Manager the authority to negotiate the MOU with the Caltrain Acting ED. The MOU, which would be completed no more than six months from delegation to the Acting General Manager, would address:
  - i) The process and procedures related to the appointment, evaluation and termination of the Caltrain ED position
  - ii) The reporting structure and details of the revised direct and shared services staffing arrangements for those areas of the organization supporting Caltrain

- iii) The negotiation of a shared services agreement in which shared services provided to Caltrain by SMCTD would be defined, periodically evaluated, and adjusted as agreed.
- iv) A timeline and process whereby both the assets of the JPB and the provision of shared services would be documented for the JPB and the JPA member agencies
- c) In consideration of these changes, the JPB would agree to;
  - i) Secure the repayment of the principal and interest owed to SMCTD in accordance with the amounts and timeframes described in Part 2
  - ii) Acknowledge that should this repayment not occur as agreed to that the management of Caltrain would revert to original arrangement as described in the JPA
- d) The JPB and SMCTD would enter into a shared services agreement to define the types and levels of services to be provided by SMCTD to the JPB, cost allocation for shared employees, performance metrics, and rates.

## **2) Timeframe and Evaluation:**

It is contemplated that the term of the agreement between SMCTD and the JPB described above would run through January 1, 2024, when all monies owed to SMCTD including both principal and interest will have been repaid. At that time, the JPB and JPA members would reconvene to consider whether to either modify the terms of the agreement, including whether to proceed with formal modifications to the JPA and RPOA. If the parties do not reach agreement with respect to changes to the agreement, the agreement would automatically be extended for another five-year period. This re-evaluation would occur every five years.



**CITIZENS ADVISORY COMMITTEE (CAC)  
PENINSULA CORRIDOR JOINT POWERS BOARD (JPB)  
SAN MATEO COUNTY TRANSIT DISTRICT ADMINISTRATIVE BUILDING**

Bacciocco Auditorium, 2<sup>nd</sup> Floor  
1250 San Carlos Avenue, San Carlos CA 94070

**DRAFT MINUTES OF OCTOBER 20, 2021**

**MEMBERS PRESENT:** A. Brandt (Vice Chair), R. Jaques (Alternate), L. Klein, R. Kutler, P. Leung, JP. Torres, D. Tuzman, E. Shapiro, B. Shaw (Chair)

**MEMBERS ABSENT:** P. Flautt, M. Pagee (Alternate), N. Mathur (Alternate)

**STAFF PRESENT:** J. Lipps, R. McCauley, J. Navarro, S. Wong

Due to COVID-19, this meeting was conducted as a teleconference pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, which suspends certain requirements of the Ralph M. Brown Act.

Chair Brian Shaw called the meeting to order at 5:40 p.m. and led the Pledge of Allegiance.

**APPROVAL OF MINUTES OF SEPTEMBER 15, 2021**

Motion/Second: Klelin / Brandt

Ayes: Leung, Shapiro, Shaw, Torres, Tuzman

Abstain: Kutler

Absent: Flautt

**PUBLIC COMMENT**

Jeff Carter, Millbrae, via Zoom Q&A, mentioned that the bathrooms at 4<sup>th</sup> and King are closed and stated that a member of the Board stated that they would be open for the play-offs. He then expressed concerns with two items on the Work Plan that have not been agendized: Integrated Fares and Clipper data availability.

Aleta Dupree, via Zoom Q&A, emphasized the importance of Clipper and Clipper start and expressed that Caltrain should move to an all Clipper based system. She then stated that Caltrain is for everyone to ride, so long as they follow the Rules of Conduct.

Roland Lebrun, San Jose, via Zoom Q&A, requested staff to begin Zoom meetings for the public before the Pledge of Allegiance. He then asked why Samtrans needs Board approval to live stream Zoom on YouTube.

### **CHAIRPERSON'S REPORT**

Chair Brian Shaw reported that he and the Vice Chair, Adrian Brandt, have shared the importance of having the MTC Fare Study presented to the CAC; however, MTC's decided to present to the Board first. The presentation will be at the November meeting and the Citizen's Advisory Committee will have an opportunity to provide feedback then.

#### Public Comments:

Roland Lebrun, San Jose, via Zoom Q&A, provided background on the Blue-Ribbon Taskforce and an update.

### **COMMITTEE COMMENTS**

Member David Tuzman stated that he attended the last Board meeting and reported that no decisions had been made. He said that the MTC would return to the Board in December, which will provide the CAC an opportunity to comment in November. He then shared feedback from riders while on the train and suggested Caltrain make more announcements regarding face coverings and for conductors to provide more guidance to customers.

Member Rosalind Kutler suggested that staff report back on the impact of a schedule change to riders, specifically regarding equity. She then shared her experience riding the Giants special event train and suggested having a commuter car.

Vice Chair, Adrian Brandt, shared that when Ticket Vending Machines are out of order, it may be a potential problem if the fare system accepts only Clipper fare. He then suggested that riders to have access to the 4th & King Station restrooms and requested staff to address them. Vice Chair Brandt recommended that Caltrain enforce vaccine mandates for their contracted staff. He then talked about his concerns with Dual Speed Solution and referred to public member's PRR in the correspondence packet.

Chair Shaw stated that his place of employment, as a recipient of federal grants, is to comply with the Federal requirement to be vaccinated by December and is surprised that it is not the same for Caltrain.

#### Public Comments:

Aleta Dupree, via Zoom Q&A, stated that it is important to keep public bathrooms open and serviced. She then suggested that staff take action to ensure all employees get vaccinated. Lastly, she recommended that staff impress on the public to never go around the gates, no matter how long they are down.

Roland Lebrun, San Jose, via Zoom Q&A, suggested mentioning VTA's "No Mask, No Ride" policy to the Board to address riders not wearing masks on trains. He then said that the new Rapid 568 takes an hour to get from Gilroy to Diridon. He suggested alternate restrooms available at 4<sup>th</sup> & King. He then referred to his public comment in the correspondence packet and talked about the Dual Speed Check Solutions.

Jeff Carter, Millbrae, via Zoom Q&A, emphasized the importance of addressing and providing solutions to the Dual Speed Check. He then requested staff to ensure the bathrooms always remain open at 4<sup>th</sup> & King.

### **APPROVAL OF THE 2022 CAC MEETING CALENDAR**

Public Comments:

None

Motion/Second: Kutler / Brandt

Ayes: Klelin, Leung, Shapiro, Shaw, Torres, Tuzman

Absent: Flautt

### **SOUTHEAST RAIL STATION STUDY UPDATE**

Anna Harvey, San Francisco Planning Department Representative, presented the Southeast Rail Station Study Update.

The full presentation can be found on [caltrain.com](http://caltrain.com)

Committee Comments:

Member Kutler asked whether there is a consensus from the community on the Oakdale Ave stop. Ms. Harvey confirmed and stated that it is a significant driver of why her team is conducting public outreach.

Vice Chair Brandt asked whether it is possible to move the Oakdale station to a more accessible neighborhood friendly location versus the industrial zone. Ms. Harvey responded that it is partly why the Williams Ave option was added. However, she also stated that the Paul ST option could not accommodate Caltrain's current design guidelines.

Member Kutler mentioned that one's "industrial" zone may be another's neighborhood.

Member Emilia Shapiro asked, with the Mariposa ST station being so close to Chase Center and UCSF, and just the sheer number of people who use both of those spaces, does that influence on choosing that location over others. Ms. Harvey confirmed and shared that her team conducts stakeholder interviews with some of those entities for feedback.

Public Comments:

Aleta Dupree, via Zoom Q&A, shared her support and expressed the need for a new 22<sup>nd</sup> ST station because it is not ADA compliant. However, she also mentioned that deep stations are not a new idea and have been done already. She then stated that Transit Oriented Developments should be affordable. Lastly, she mentioned that equity needs to be broad based and consider those that do not fit the established definitions.

Jeff Carter, Millbrae, via Zoom Q&A, expressed his support of a station at Oakdale. He then stated that the 22<sup>nd</sup> ST station should remain where it is and be made ADA accessible. Lastly, he shared his concerns about the costs of additional grade separations.

Roland Lebrun, San Jose, via Zoom Q&A, made several comments on the presentation. He also suggested that staff consider BART's crossing from Alameda to near the Chase Center.

Drew, via Zoom Q&A, asked whether there is a three-station option.

### **WEBSITE REPLACEMENT PROJECT UPDATE**

Jeremy Lipps, Digital Communications Manager, presented an update on the Website Replacement Project.

The full presentation can be found on [caltrain.com](http://caltrain.com)

#### Committee Comments:

Vice Chair, Brandt, asked staff to reconsider removing documents older than five years from the website. He then requested that the website detect whether the user is on their mobile device or desktop. Mr. Lipps stated that staff has a retention policy and that it would be up to the respective departments. Lastly, Mr. Lipps clarified that the website will detect mobile and/or desktop access and will display webpages accordingly.

Member Tuzman asked whether the SMCTD website would clearly identify the Caltrain logo to navigate to Caltrain webpages easily. Mr. Lipps stated that due to the Governance situations, staff has requested to separate Caltrain out from the combined website look. Member Tuzman then asked whether riders would be able to test the website prior to it going live. Mr. Lipps confirmed and would like the CAC to provide feedback. He also mentioned that there may be a live Zoom for the public so that they may also share their feedback prior to it going live.

Member Shapiro asked whether Caltrain will develop an app rather than have a mobile responsive site. Mr. Lipps responded that the staff is considering that idea.

Member Larry Klein asked how the pass through to other Transit agencies for riders using various transit connections, will be. Mr. Lipps stated that the goal is to be seamless. He stated that the trip planner would continue to be universal. Member Klein also shared his concerns with documents older than five years, no longer being available to the public.

Member Kutler mentioned that there is a Los Angeles Transportation Archive, if helpful. She then asked whether the new website would help with shuttles as the current

website is not very helpful. Mr. Lipps stated that he would work with the Shuttles department to help with mapping and schedules.

Vice Chair Brandt asked what languages are being translated. Mr. Lipps stated that staff is translating to Spanish and simplified Chinese.

Member Patricia Leung shared that as a native Cantonese speaker, she is unable to read simplified Chinese and can read traditional. Mr. Lipps stated that he would pass that information along.

Chair Shaw asked whether the Twitter feed would be incorporated into the new website, as the delay notifications are helpful. Mr. Lipps confirmed and stated that there will be a "Service Alerts" section on the new website.

#### Public Comments:

Jeff Carter, Millbrae, via Zoom Q&A, expressed his concerns with the five-year retention policy. He asked how long other transit agencies keep their documents on their websites. He also mentioned that the SMCTD branding will not be familiar with users and suggested using the Caltrain name and logo upfront. He then requested details for the date on ridership and tickets sold.

Aleta Dupree, via Zoom Q&A, stated that she likes both the trip planner and the PDF format of schedules. She then stated that it would be easier to have all documents available on the website, than having to make a request for older documents.

Roland Lebrun, San Jose, via Zoom Q&A, suggested the staff look at sfcta.org and mtc.ca.gov as examples to follow. He then stated that the website would not look like what has been presented because the backend systems will be changed. He then stated that translation is important and looks forward to text to speech translations in real time.

#### **STAFF REPORT UPDATE**

Joe Navarro, Deputy Chief, Rail Operations reported:  
(The full report can be found on caltrain.com)

#### **On-time Performance (OTP) –**

- **September:** The September 2021 OTP was 96.6% compared to 97.5% for September 2020.
  - **Vehicles on Tracks** – There were two days, September 2 and 19, with a vehicle on the tracks that caused train delays.
  - **Mechanical Delays** – In September 2021, there were 255 minutes of delay due to mechanical issues compared to 479 minutes in September 2020.

- **Trespasser Strikes** – There was one trespasser strike on September 29, resulting in a fatality.
  
- **August:** The August 2021 OTP was 94.3% compared to 95.7% for August 2020.
  - **Vehicle Strike** – There was one vehicle strike on August 17, resulting in a fatality.
  
  - **Trespasser Strikes** – There were three trespasser strikes on August 2, 25 and 26, resulting in fatalities.

Mr. Navarro reported that the restrooms at 4<sup>th</sup> & King station are opened permanently and during the playoffs were maintained clean as designed. He then that stated staff is working on Clipper data availability, and hopefully, a dashboard will be available to roll out. Next, Mr. Navarro addressed Member Tuzman's rider feedback. He requested the complaints be made through to Customer Service, the website, or social media, firsthand so that they can be investigated and addressed for resolution. He then reported that staff would be conducting a rider survey regarding the new schedule within the next two months. Mr. Navarro then addressed the gate down time and said that the trains approaching grade crossings are required by FRA to sound horns. He said that he could not speak to people that go around the gates and violate the rule. Mr. Navarro then shared the Ridership statistics chart. Lastly, Mr. Navarro reported that he observed the Giant's special event train and that the face covering is being enforced and that no one without a mask is let on the train. He stated that it is challenging to police those riders once they get on the train.

Committee Comment:

Member Kutler shared her experience riding the Giants special event train and stated that it is challenging for conductors.

Member Brandt asked whether the bathrooms are always open or just during games. Mr. Navarro responded that the bathrooms are now open to the public, unless they are being cleaned or maintained. Vice Chair, Brandt, then stated that he hopes Caltrain can get a resemblance of Constant Warning Time to avoid what happened in Denver.

Member Tuzman shared his concerns with crowded trains and reiterated his suggestion that more face covering announcements be made on the train.

Public Comments:

Jeff Carter, Millbrae, via Zoom Q&A, expressed his appreciation for the staff's efforts on obtaining Clipper data and the efforts of the TASI staff with Giants special event train.

Roland Lebrun, via Zoom Q&A, expressed his disappointment with the PDF correspondence packet and stated that it was not searchable and requested it is fixed.

He then referred to page 22 of the correspondence packet that shows how other transit agencies report their ridership data. Lastly, he spoke about gate down time.

Aleta Dupree, via Zoom Q&A, is interested in seeing the 4<sup>th</sup> & King station. She then stated that enforcing face covering is challenging.

### **JPB CAC Work Plan**

#### November 17, 2021

- Brown Act Training
- Fair Coordination / Integration Study

#### December 15, 2021

- Customer Experience Completions & Recommendations
- Construction Obstacles

#### January 19, 2022

- Code of Conduct

#### Suggested Items:

- Go Pass cost per ride factors – requested by Chair, Brian Shaw on 6/19/19
- San Mateo County Climate Action Plan – requested by Member Rosalind Kutler on 10/16/19
- MTC Means-Based Discount Fare program update
- Caltrain connections with other agencies – requested by Member Rosalind Kutler on 12/18/19
- Update on grade crossing pilot six months after installation – requested by Member, Patrick Flautt on 12/18/19
- Summary video of the CAC meetings by the Social Media Officer – requested by Chair, Brian Shaw on 12/18/19
- Operating Costs – requested by Member Adrian Brandt on 2/13/20
- Rail Corridor Use Policy – requested by Member Anna Dagum on 10/21/20
- Industry Safe Functionality
- Regional Fare Integration Task Force – requested by Member David Tuzman on 6/1/21
- Blue Ribbon Task Force
- Clipper Data Availability

#### **DATE, TIME, AND LOCATION OF NEXT REGULAR MEETING:**

November 17, 2021 at 5:40 p.m., San Mateo County Transit District Administrative Building, 2<sup>nd</sup> Floor Bacciocco Auditorium, 1250 San Carlos Avenue, San Carlos, CA.

Adjourned at 8:17 pm



## **Memorandum**

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

MICHELLE BOUCHARD  
ACTING EXECUTIVE DIRECTOR

**Date:** October 25, 2021  
**To:** Board of Directors  
**From:** Michelle Bouchard, Acting Executive Director  
**Subject:** November, 2021, JPB Board Meeting Executive Director's Report

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- **On-time Performance**
  - **Through October 24:** The preliminary October 2021 OTP was 93.6 percent compared to 97.4 for October 2020.
  - **September:** The September 2021 OTP was 96.6 percent compared to 97.5 percent for September 2020.
    - **Trespasser Strikes** – There was one trespasser strike on September 29, resulting in a fatality.
- **CAC Meeting** – The Citizens Advisory Committee met on Wednesday, October 20, via teleconference. Anna Harvey, Rail Program Manager – San Francisco Planning Department, presented the Southeast Rail Station Study Update. Jeremy Lipps, Manager – Digital Communications, provided a presentation on the Website Replacement Project. Joe Navarro, Deputy Chief – Rail Operations, provided the Staff Report. The next CAC meeting is scheduled for Wednesday, November 17, via teleconference or in San Carlos.



- **BATAC Meeting** – The next Bicycle & Active Transportation Advisory Committee meeting is scheduled for Thursday, November 18, via teleconference or in San Carlos.
- **Holiday Service** – During the following days and Holidays, Caltrain will operate the following schedules:
  - Veterans Day – Thursday, November 11, 2021 – **Weekday Schedule**
  - Thanksgiving Day – Thursday, November 25, 2021 – **Weekend Schedule**
  - Day After Thanksgiving – Friday, November 26, 2021 – **Modified Schedule**
  - Christmas Eve (Christmas Day Observed) – Friday, December 24, 2021 – **Weekend Schedule**
  - Christmas Day – Saturday, December 25, 2021 – **Weekend Schedule**
  - New Year’s Eve (New Year’s Day Observed) – Friday, December 31, 2021 – **TBD**
  - New Year’s Day – Saturday, January 1, 2022 – **Weekend Schedule**
  - MLK Day Service – Monday, January 17, 2022 – **Modified Schedule**
  - President’s Day – Monday, February 21, 2022 – **Modified Schedule**

- **Special Event Service**

**Services Performed:**

October special events ridership will be reported in the December Executive Director’s Report.

- **SF Giants** – The SF Giants hosted 15 home games in September. The additional average ridership per game, boarding and alighting at San Francisco station, was 3,136, a decrease of 14% compared to August 2021. The total additional ridership for September was 47,033. Year-to-date additional ridership is 175,234.

The SF Giants hosted 3 regular season and 3 playoff games in October. For weekday playoff games, Caltrain provided regular pre-game service and two additional post-game trains. On Saturday, service was augmented with additional two pre-game and two post-game trains.

- **San Francisco 49ers** – The 49ers hosted one game in September at Levi’s Stadium with no capacity restrictions. Caltrain operated regular weekend service. The total riders alighting and boarding at Mountain View station was 1,488, a decrease of 31% compared to September 2019. Total

additional ridership for the season is 2,233, a reduction of 35% compared to 2019.

The 49ers hosted two games in October at Levi's Stadium.

- **Stanford Football** – The Stanford Cardinal hosted one weekend home game in September (vs. UCLA). Eight trains stopped at Stanford Stadium. The total riders alighting and boarding at Stanford Station was 469, a 50% decrease compared to 2019 average ridership per game.

The Stanford Cardinal hosted two games in October.

- **Golden State Warriors** – The Warriors hosted three regular season games in October. Staff will continuously monitor service with Chase Center.
- **San Jose Sharks** – The Sharks hosted one pre-season home game in September. Total post game additional riders boarding at San Jose Diridon was 35.

The Sharks hosted two preseason and three regular season games in October.

### **Services Scheduled:**

- **SF 49ers Regular Season** – The 49ers will host three regular season games in November. Caltrain will operate regular weekend service and is coordinating with VTA and Levi's Stadium regarding the connecting services.
- **Stanford Football** – The Stanford Cardinal will host three regular season games in November. Weekend regular service will stop at the Stanford Stadium station. Fans can tag on and tag off using their Clipper cards at the Stanford Stadium station for all weekend home games.
- **San Jose Sharks** – The SJ Sharks will host seven regular season games in November. Staff will continuously monitor service with SAP Center.
- **Golden State Warriors** – The Warriors will host nine regular season games in November. Staff will continuously monitor service with Chase Center.
- **Holiday Train** – Caltrain will operate the Holiday Train on Saturday, December 4, and Sunday, December 5. This dazzling show-train will visit nine Caltrain stations between San Francisco and Santa Clara over two

nights in December with glittering lights and holiday decorations. We provide holiday entertainment and collect toys for local children who otherwise might not receive a gift during the holidays. More information on the event will be available soon.

## Capital Projects

The Capital Projects information is current as of October 15, 2021 and is subject to change between October 15 and November 4, 2021 (Board Meeting).

- **San Mateo 25th Avenue Grade Separation Project:** This project raises the elevation of the alignment from Hillsdale Boulevard to the south of Highway 92 Overcrossing in the city of San Mateo. The project created a grade separation at 25th Avenue, relocated the Hillsdale Station to the north. In addition, it made two new east-west street grade-separated connections at 28th and 31st Avenues in San Mateo. A celebratory ribbon cutting event for the project was held on September 17.

Major project milestones include:

- 28<sup>th</sup> Avenue Underpass opened for traffic on March 5, 2021
- New Hillsdale Station opened for service on April 26, 2021.
- Lowered 25<sup>th</sup> Avenue opened for traffic on August 2, 2021
- 31<sup>st</sup> Avenue Underpass opened for traffic on August 27, 2021

The contractor is currently working on remaining work items such as grading and landscaping of the slopes of the MSE walls north of 25<sup>th</sup> Avenue to Borel Creek and miscellaneous drainage and ramp modifications.

JPB will meet with the executive management of the contractor, Shimmick/Disney Joint Venture (SDJV), by the end of October to discuss negotiating a consolidated resolution to all outstanding commercial issues required to close out the contract.

- **South San Francisco Station Improvements:** This project replaces the existing side platforms with a new centerboard platform, construction of a new connecting pedestrian underpass to the two new plazas in downtown South San Francisco to the west, and the shuttle area to the east. Upon completion, the hold-out rule at this station will be removed that currently impacts overall system operational efficiency.

On September 20<sup>th</sup>, passengers began boarding and disembarking from the new centerboard platform so that the temporary platform could be demolished. The contractor (PMI) continued with architectural and electrical finishes for the station's ramps and continued work on roadway at Poletti

Way on the east side. The project completion date remains forecasted for November 2021. A Ribbon Cutting event is being planned for the week of November 15th.

The project team completed negotiations with the contractor for a comprehensive settlement on remaining commercial issues such that cost certainty was attained.

- **Marin and Napoleon Bridge Rehabilitation Project:** This state of good repair project performed repairs at the Marin St. Bridge and replaced the Napoleon St. Bridge. Both bridges are in the City of San Francisco, located south of the 22nd Street Station. In addition, the project installed security fencing to deter encampments and also included track improvements.

Construction was substantially completed in late July 2021 and accepted in late August. Closeout of the construction contract is now in process. Therefore, this will be the final report for this project.

- **Burlingame Broadway Grade Separation Project:** This project will grade separate the railroad alignment at Broadway, between Carolan and California Avenues, in the City of Burlingame and remove the current at-grade crossing. As part of this project, the Broadway Station will become elevated, and the hold out rule at this station will be eliminated, impacting operational efficiency. Currently, this project is funded for the design phase through local funds (San Mateo County Transportation Agency Measure A and City of Burlingame). The City of Burlingame is the project sponsor, with Caltrain acting as the lead agency for implementation.

Currently, the project continues to address the City of Burlingame's comments to their review of the value engineering of the preliminary design to optimize cost, schedule, and construction efficiency. Concurrent with the value engineering efforts, detailed design efforts are underway, such as geotechnical engineering and utility coordination. A September 2, 2021, JPB board action was related to requesting approval of additional funding from the San Mateo County Transportation Authority (SMCTA) and increasing the FY22 Capital Budget for the additional design and construction costs associated with the relocation of Paralleling Station #3 (PS3) to the east side of the alignment. The current schedule forecasts advertisement for the construction contract by late-2023. Construction is scheduled to occur from early 2024 to mid-2027. Advance utility relocations are expected to begin in late 2022. Team is evaluating the potential use of alternative contract delivery methods to address project risk and site constraints.

- **Guadalupe River Bridge Replacement:** JPB proposes to replace the MT-1 railroad bridge and extend the MT-2 railroad bridge over the Guadalupe River in the City of San Jose, Santa Clara County, California. The proposed project is located north of Willow Street and east of State Route (SR) 87 between Tamien & Diridon stations.

The 1935 MT-1 Bridge urgently needs to be replaced with a new structure to maintain safe and reliable operations. The MT-1 bridge does not meet current railroad structural design standards (including seismic criteria). And as a result, is vulnerable in the event of a significant earthquake. In addition, the timber structure of MT-1 has been further damaged by multiple fires, most recently a large fire in November 2017 with temporary remedial measures in place to ensure safety.

The proposed project entails the replacement of the existing 187-foot MT-1 bridge with a 265-foot pre-cast concrete structure; channel widening under the south side of the MT-1 bridge to reduce scour/increase flow capacity. The extension of the existing MT-2 bridge from 195-foot to 250 feet by replacing the south abutment and modifying the last pier, and relocating Fiber Optic cables and the existing overhead catenary system (OCS) pole.

The total project cost is estimated at \$45 million and is nearing design completion by October-November and bid advertisement in early 2022 with an expected Board award in April 2022.

Major issues facing this project are the resolution with the UPRR on scope and budget issues, now entering an arbitration process, and advance relocation of the Fiber Optic cable & communication lines before bridge construction commencement.

- **Rengstorff Avenue Grade Separation:** JPB, in partnership with the City of Mountain View, propose to grade separate the existing at-grade Caltrain tracks from the roadway crossing at Rengstorff Avenue in the City of Mountain View. This project will help improve public safety for pedestrians, cyclists, vehicles, and trains while improving the overall traffic flow and travel reliability.

The project entails constructing a new full depressed intersection approximately 20 feet deep with horizontal transition curves of approximately 1/2 mile long on Central Expressway & 1/4 mile long on Rengstorff at Caltrain railroad crossing. Major grading work, new paving & bicycle lanes with special barriers, retaining walls, new elevated railroad tracks & pedestrian bridges, utility relocation, drainage & pump station facilities, and landscaping.

The project is currently in preliminary design and had expected 35% design submittal for later this year. However, this submittal delivery has been delayed to March 2022 due to additional geotechnical investigation & traffic studies, the County's review of geometric design layout for sight & stopping distances, and changes to transition grades. The preliminary total budgeted estimate for this project is around \$280 million. Most of the funds will come from the City of Mountain View (thru VTA-Measure "B" sales tax), State, Federal, local, and other grants.

Currently, construction is expected to start in early 2025, pending securing funds, and complete in late 2027.

- **Ticket Vending Machine (TVM) Rehabilitation:** This project will upgrade the existing TVM Server and retrofit and refurbish existing TVM machines so that the machines can perform the functions planned for the current Clipper program. The new machines will be able to dispense new Clipper cards (excluding discount Clipper cards that require verification of eligibility) and have the ability to increase the cash values of existing Clipper cards. In addition, the scope of the original contract was increased to include upgrades to the credit card reader and database.

Phase 1 was completed in October 2020 to develop a prototype Clipper TVM. Phase 2 for the retrofitting of 12 additional TVM's was completed in March 2021. The agreement for the award of Phase 3 for upgrading another 21 TVM's was executed in late September. The completion of Phase 3 is expected by early 2022. Phase 4 for upgrading of another 27 TVM's will be added to the project as the approved FY21 capital funding has just recently become available. Phase 5 funds to upgrade the remaining 27 TVM's (contained in the FY22 Capital Budget) are not yet available.

- **Mary and Evelyn Avenue Traffic Signal Preemption Project:** This project will perform upgrades to train approach warning systems at Mary Avenue and Evelyn Avenue crossings in Sunnyvale. The project will improve vehicle safety at the at-grade crossings by increasing traffic signal advance warning times for approaching trains in order to clear vehicles at the crossings. The project will mimic the 2014 completed traffic signal preemption project in Redwood City, Palo Alto, and Mountain View. This project is being funded through the State of California Public Utilities Commission Section 130 program to eliminate hazards at grade crossings.

The Notice to Proceed for construction was issued to the Caltrain contract operator, TASI, in February 2021. TASI completed the installation of new traffic signal preemption equipment, and advance signal preemption was successfully cutover and tested in July 2021. Integrated testing with the City

of Sunnyvale's traffic controller will be done when the City is ready in late 2021.

- **FY19/FY20 Grade Crossing Improvements:** This project is a continuation of the ongoing grade crossing program to improve safety at grade crossings in accordance with Grade Crossing Hazards Analysis for the entire corridor. This analysis prioritized crossings and we have proceeded with the work in phases based on funding availability. Ten crossings were improved in 2018 under the FY16 budget authorization. Due to budget constraints, the FY19/FY20 scope is limited to five (5) crossings to be improved. The five crossings selected in this phase are 1st, 2nd, and 3rd Avenues in San Mateo and Glenwood and Oak Grove Avenues in Menlo Park. Work items include the installation of signals, gates, curbs, and signs.

Construction began in April 2021, and all construction was substantially completed in July 2021. In September, the contractor's punch list work and reflectors installed by TASI at the crossings were completed. Project closeout is now in progress. This will be the final report for this project.

- **Churchill Avenue Grade Crossing Improvements:** This project will improve safety, pedestrian, and bicycle access to the Churchill Avenue crossing in the City of Palo Alto. The project scope includes:
  - widening sidewalks.
  - associated relocation of pedestrian gates
  - installing new vehicle pavement markings and markers.

This project is coordinated with the City of Palo Alto's design for the crossing.

The project began in December 2019. The 95% design is currently in progress. The City's 100% design is now forecast for October 2021 and will be incorporated into JPB's Issue for Bid documents indicated for November 2021. Construction is forecast to occur from mid-2022 to early 2023.

- **Broadband Wireless Communications:** This project will provide wireless communication systems to enhance monitoring railroad operations and maintenance and provide Wi-Fi capability for passengers. The project is funded through a grant from the Transit and Intercity Rail Capital Program (TIRCP).

Project has completed the planning/conceptual design phase in 2020. A recommendation was made to proceed with the project as a Design/Build procurement. Caltrans, the primary funding managing agency, has approved JPB's request to procure via a Request for Proposal (RFP) in lieu of Issue for Bid (IFB) method to allow for best value selection. RFP documents were

completed and reviewed by all stakeholders in September 2021. The RFP was advertised for proposals on October 8<sup>th</sup> and the contract award is expected by early 2022. Design and Construction is planned from early 2022 until mid-2023.

- **Bayshore Station Bridge Painting:** This project will perform rehabilitation of the coatings of the existing steel pedestrian overpass bridge at the Bayshore Station in Brisbane. The bridge connects the southbound platform to the northbound platform and the parking lots on the east side. The bridge was initially constructed as part of the Caltrain Express project (CTX) in 2002 and has not been repainted. The bridge's paint coatings need rehabilitation with surface rust that needs to be addressed along with a complete repainting of the bridge to bring the structure to a state of good repair.

The project is finalizing the Issue for Bid construction bid documents. Coordination and outreach with the Electrification project and stakeholders, such as the Cities of Brisbane and San Francisco, have been conducted and continue. Subject to the availability of funding for construction, the advertisement for bids is forecast to occur in fall 2021. Construction expected to commence in the spring of 2022. It was determined that waiting for the completion of station grounding and bonding by the Electrification project, was unnecessary for this project to proceed.

- **Mountain View Transit Center Grade Separation and Access:** The purpose of the Mountain View Transit Center (MVTC) Grade Separation and Access Project is to improve safety at Castro Street in the city of Mountain View by replacing the existing at-grade crossing at Castro Street with a grade-separated pedestrian and bicycle underground crossing.

The Project will include:

- 1) A main Transit Center entrance to Castro Street, facilitated by closing the existing at-grade rail crossing to vehicles.
- 2) A promenade walkway leading to a grand stair and ramp, made possible by narrowing Castro Street where it connects Evelyn Avenue.
- 3) A below-grade Concourse, replacing the existing at-grade rail crossing and linking pedestrian and bicycle tunnels to Downtown, and Transit Center, and community areas north of Central Expressway.
- 4) Small plaza at the northeast and northwest corners of Central Expressway and Moffett Boulevard that provide access to undercrossing tunnels via stair, ramp, and/or elevator.
- 5) Platform, plaza, and below-grade amenities, including lighting, seating, sun/rain canopies, and landscaping.
- 6) Accommodate long-range rail operation needs.



- 7) Improve bicycle and pedestrian access/circulation within project limits.
- 8) Offer an opportunity to provide a gateway entrance into the Mountain View Business District.

JPB Environmental Planning group is working to obtain environmental clearance through the California Environmental Quality Act (CEQA). A board action for CEQA adoption will be done concurrently with approval and award of the Final Design Contract in mid-2022. Issuance of the Request for Proposal for Final Design is scheduled for later this year. The planned schedule is to issue an Invitation for Bids (IFB) for construction by the end of 2024.

Currently, the project is working with the “Technical Working Group” (TWG) that is comprised of JPB, Mountain View, and VTA, for review of the final design Request for Proposal (RFP) deliverables as required in the executed Cooperative Agreement. In addition, the Team is evaluating the potential use of alternative contract delivery methods to address project risk and site constraints.

- **Watkins Avenue Grade Crossing Improvements:** This project includes the design and construction of four quadrant (“quad”) gates at the Watkins Avenue Grade crossing located in Atherton, California. This project is related to the executed Memorandum of Understanding (MOU) regarding the ‘Town of Atherton Station Closure’ between the Town and Caltrain.

In July 2021, a work directive was issued to the design consultant to complete the final design activities. JPB Staff, including Engineering and Maintenance, conducted a kick-off meeting with Town of Atherton staff regarding scope, schedule, and input for the conceptual design. In addition, JPB Staff will schedule a meeting with the California Public Utilities Commission (CPUC) and other stakeholders for a diagnostic field assessment to obtain the necessary information and requirements from CPUC for the final design.

The current schedule forecast reflects a construction period from January 2023 to December 2023, which complies with executed MOU.

- **MP-36 Locomotive Mid-Life Overhaul Project:** Perform mid-life overhaul of six MP-36-3C Locomotives. The mid-life overhaul includes:
  - complete disassembly of the main diesel engine.
  - Overhauling by reconditioning re-usable main frame components.
  - re-assembly with new engine components.
  - Replacing Separate Head-End Power (SEP-HEP) unit and all electrical components of the SEP-HEP compartment.

In addition, all locomotive car body, trucks, wheels, and electrical components shall be reconditioned to like-new condition or replaced with new material. The project work is occurring off-site at the contractor's facility location. The 6 locomotives to be overhauled are Locomotive #'s 923, 924, 925, 926, 927 & 928. In order to maintain daily service, only 1 to 2 of these locomotives are released at a time for overhaul work that is expected to take approximately 8 months per locomotive. Due to this restriction, the overall completion of this work is expected to take approximately 4 years.

The first vehicle, #927 was shipped to the vendor's facility at Mare Island (Vallejo) in July 2020 for overhaul. Its return to Caltrain has been delayed from early-2021 until late-2021 due to COVID-19 related impacts to the vendor's supply chain, availability of testing staff due to travel restrictions, and an increase in the scope of needed repairs. This delay is expected to be limited to vehicle #927; this unit is currently 88% completed. A second vehicle #924 was shipped to the vendor's facility in November 2020 and is currently being stripped for overhauled and is 12% completed.

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: Joint Powers Board

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Pranaya Shrestha  
Chief Officer, Caltrain Modernization Program

SUBJECT: **PENINSULA CORRIDOR ELECTRIFICATION PROJECT MONTHLY PROGRESS  
REPORT - SEPTEMBER**

Finance Committee  
Recommendation

Work Program-  
Legislative-Planning

Staff Coordinating  
Council Reviewed

Staff Coordinating Council  
Recommendation

**ACTION**

Staff Coordinating Council recommends the Board receive the Peninsula Corridor Electrification Project (PCEP) Monthly Progress Report (MPR). The MPR is available online under "Reports and Presentations" at this webpage:  
[http://www.caltrain.com/projectsplans/CaltrainModernization/CalMod\\_Document\\_Library.html](http://www.caltrain.com/projectsplans/CaltrainModernization/CalMod_Document_Library.html)

No action required.

**SIGNIFICANCE**

Staff prepares and submits a report covering the PCEP on a monthly basis.

**BUDGET IMPACT**

There is no impact on the budget.

**BACKGROUND**

The MPR is intended to provide funding partners, stakeholders, and the public a PCEP overview and an overall update on project progress. This document provides information on the scope, cost, funding, schedule, and project implementation.

Prepared By: Pranaya Shrestha  
Interim Chief Officer, Caltrain Modernization Program

720.757.9191



## Caltrain Modernization Program Peninsula Corridor Electrification Project (PCEP)



# September 2021 Monthly Progress Report

September 30, 2021

## Funding Partners



Federal Transit Administration (FTA) Core Capacity  
FTA Section 5307 (Environmental / Pre Development only)  
FTA Section 5307 (Electric Multiple Unit (EMU) only)



Prop 1B (Public Transportation Modernization & Improvement Account)  
Caltrain Low Carbon Transit Operations Cap and Trade



Proposition 1A  
California High Speed Rail Authority (CHSRA) Cap and Trade



Carl Moyer Fund



Bridge Tolls (Funds Regional Measure (RM) 1/RM2)



San Francisco County Transportation Authority (SFCTA)/San Francisco Municipal Transportation Agency (SFMTA)



San Mateo County Transportation Authority (SMCTA) Contribution  
SMCTA Measure A



Santa Clara Valley Transportation Authority (VTA) Measure A  
VTA Contribution



City and County of San Francisco (CCSF) Contribution

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## 1.0 BACKGROUND

Over the last decade, Caltrain has experienced a substantial increase in ridership and anticipates further increases in ridership demand as the San Francisco Bay Area's population grows. The Caltrain Modernization (CalMod) Program, scheduled to be implemented by 2022, will electrify and upgrade the performance, operating efficiency, capacity, safety, and reliability of Caltrain's commuter rail service.

The PCEP is a key component of the CalMod Program and consists of converting Caltrain from diesel-hauled to Electric Multiple Unit (EMU) trains for service between the San Francisco Station (at the intersection of Fourth and King Streets in San Francisco) and the Tamien Station in San Jose. Caltrain will continue Gilroy service and support existing tenants.

An electrified Caltrain will better address Peninsula commuters' vision of environmentally friendly, fast and reliable service. Electrification will modernize Caltrain and make it possible to increase service while offering several advantages in comparison with existing diesel power use, including:

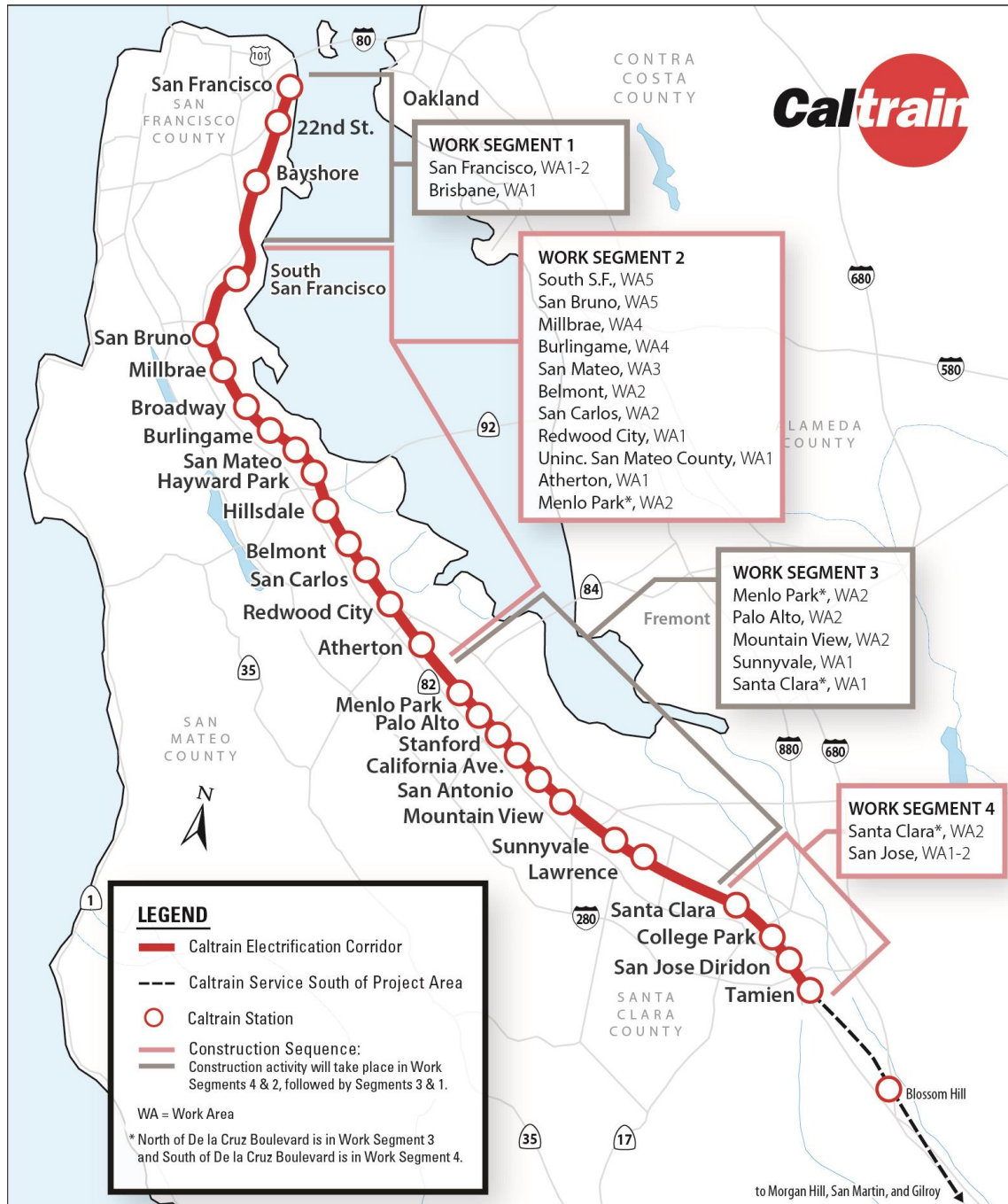
- **Improved Train Performance, Increased Ridership Capacity and Increased Service:** Electrified trains can accelerate and decelerate more quickly than diesel-powered trains, allowing Caltrain to run more efficiently. In addition, because of their performance advantages, electrified trains will enable more frequent and/or faster train service to more riders.
- **Increased Revenue and Reduced Fuel Cost:** An electrified Caltrain will increase ridership and fare revenues while decreasing fuel costs.
- **Reduced Engine Noise Emanating from Trains:** Noise from electrified train engines is measurably less than noise from diesel train engines. Train horns will continue to be required at grade crossings, adhering to current safety regulations.
- **Improved Regional Air Quality and Reduced Greenhouse Gas Emissions:** Electrified trains will produce substantially less corridor air pollution compared with diesel trains even when the indirect emissions from electrical power generation are included. Increased ridership will reduce automobile usage, resulting in additional air quality benefits. In addition, the reduction of greenhouse gas emissions will improve our regional air quality, and will also help meet the state's emission reduction goals.



**2.0 EXECUTIVE SUMMARY**

The Monthly Progress Report is intended to provide an overview of the PCEP and provide funding partners, stakeholders, and the public an overall update on the progress of the project. This document provides information on the scope, cost, funding, schedule, and project implementation. Work along the Caltrain Electrification Corridor has been divided into four work segments and respective work areas (WA) as shown in Figure 2-1. PCEP activities are described and summarized by segments and work areas.

**Figure 2-1 PCEP Work Segments**



**Peninsula Corridor Electrification Project**  
**Monthly Progress Report**

Crews have started on-track foundations in Segment 1. Installation continued for OCS poles, cantilevers and wires in Segment 4, shunt wires in Segments 3 and 4, and OCS poles and cantilevers in Segment 2. Work at the paralleling stations included termination of low voltage wires, placement of bike locker pads, installation of conduits and transformer pads, setting of 25kV enclosures, and installation of permanent site fencing.

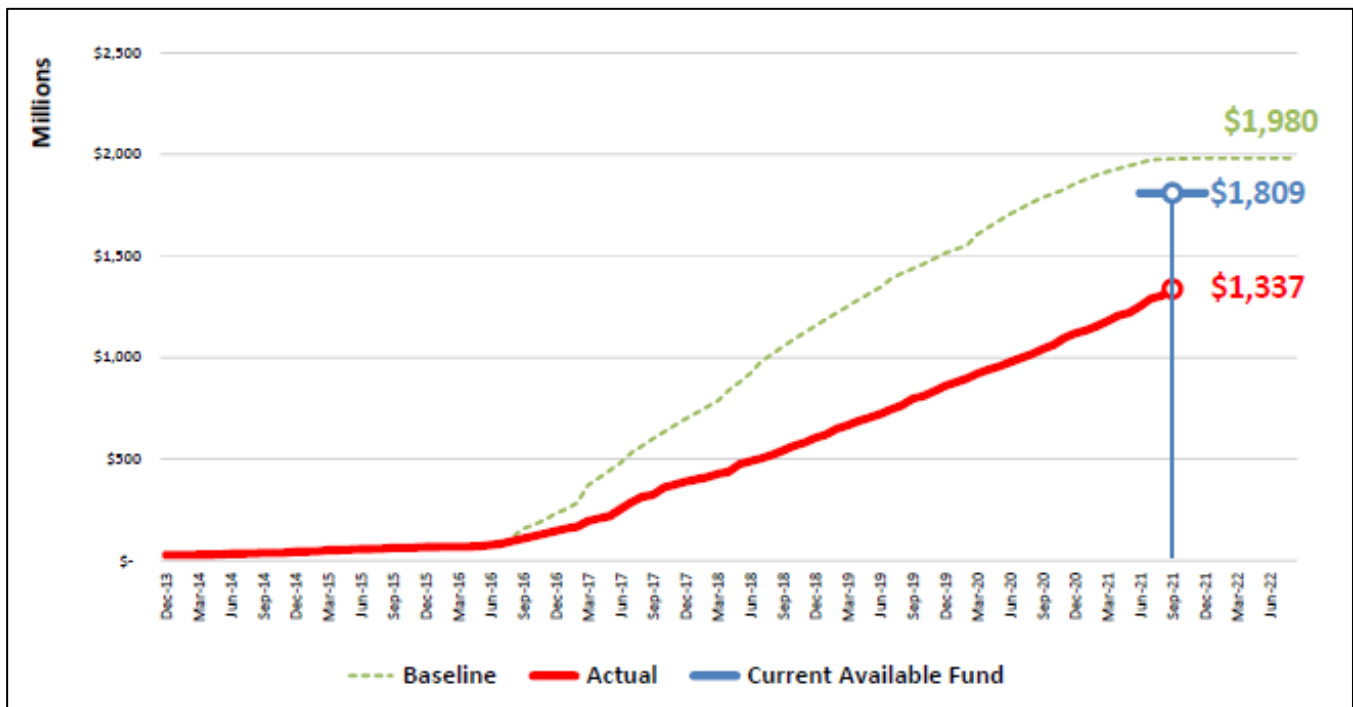
Punch list work continued at the Centralized Equipment Maintenance and Operations Facility (CEMOF). The industrial waste connection was installed at the north and south pits. The floor leveling was repaired for the Component Test Room and the off-hauling for Class II pile was completed at the Part Storage Building.

Trainset 1 is still undergoing dynamic type testing in Pueblo, CO, including 7-car ride quality, running behavior and door testing. All Final Design Reviews (FDRs) have been completed. The ceiling panel First Article Inspection (FAI) took place this month. Routine static and dynamic testing continued on Trainsets 3, 4, and 5 and started on Train 6.

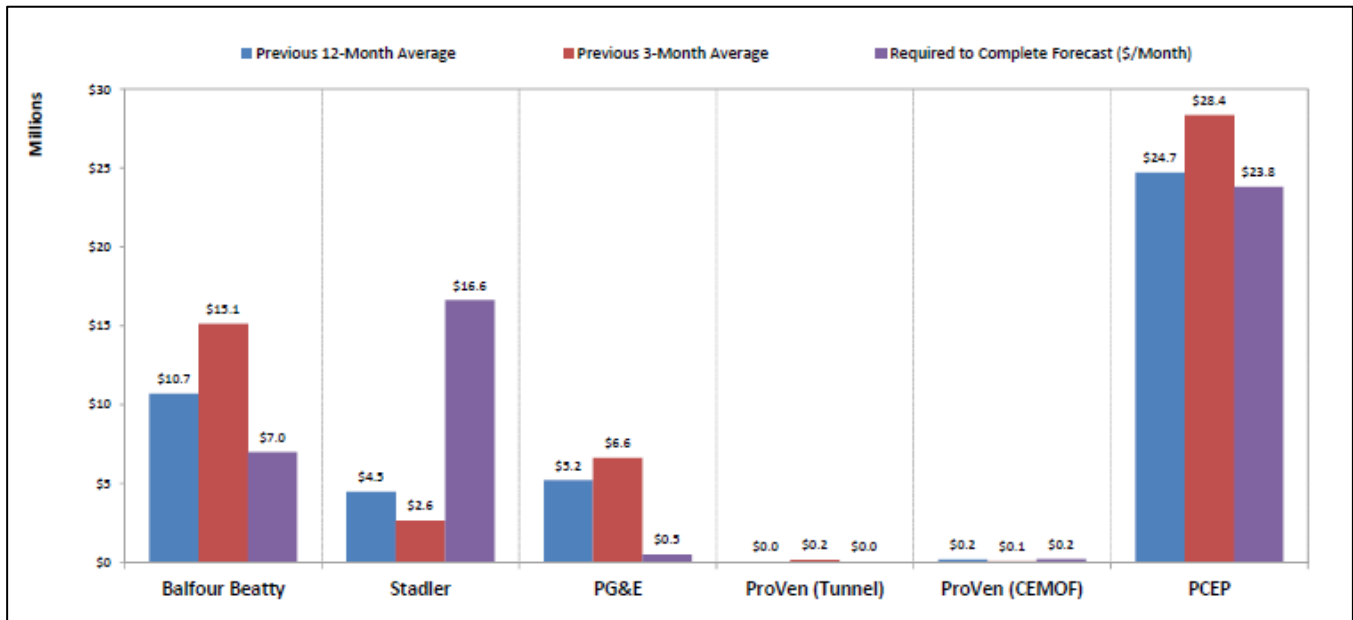
**2.1. Monthly Dashboards**

Dashboard progress charts are included below to summarize construction progress.

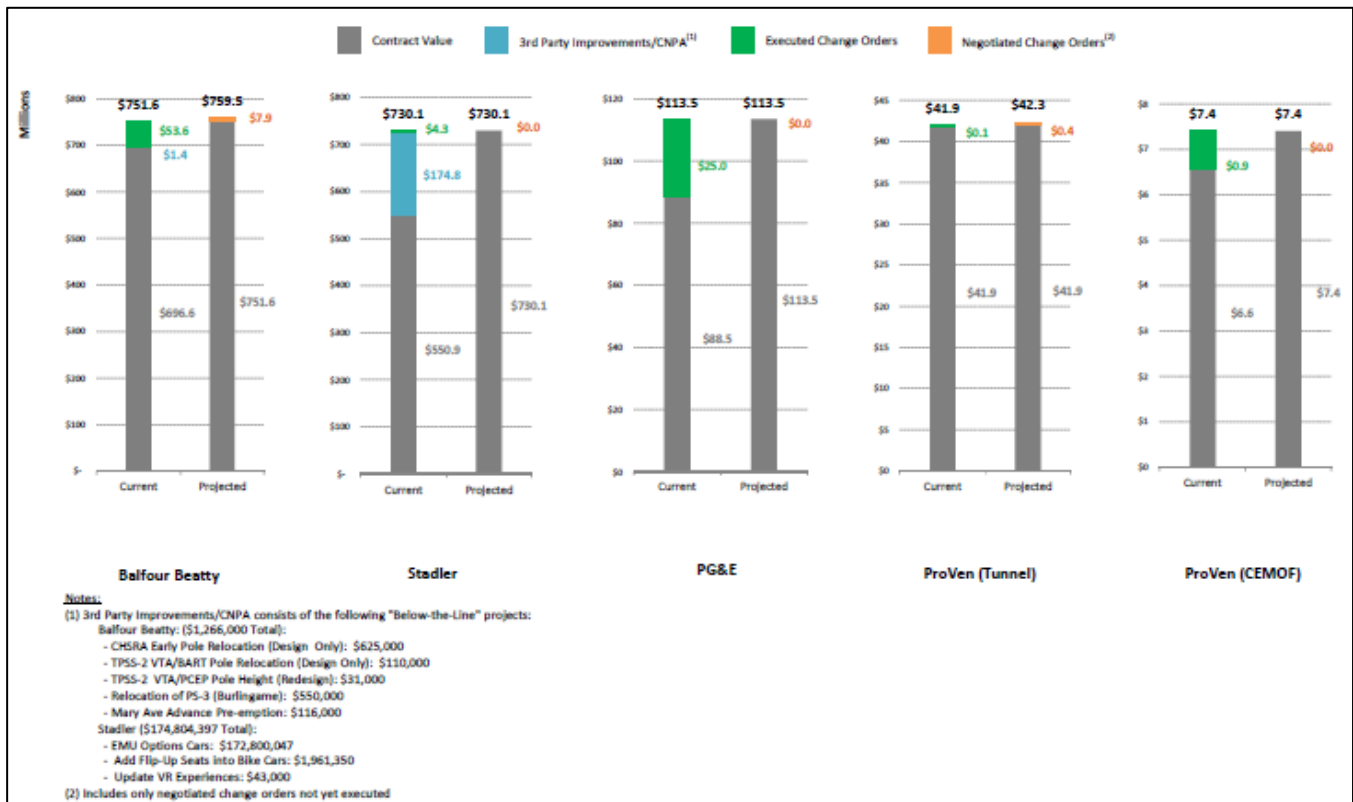
**Figure 2-2 Expenditure – Planned vs. Actual**



**Figure 2-3 Spending Rate vs. Required**



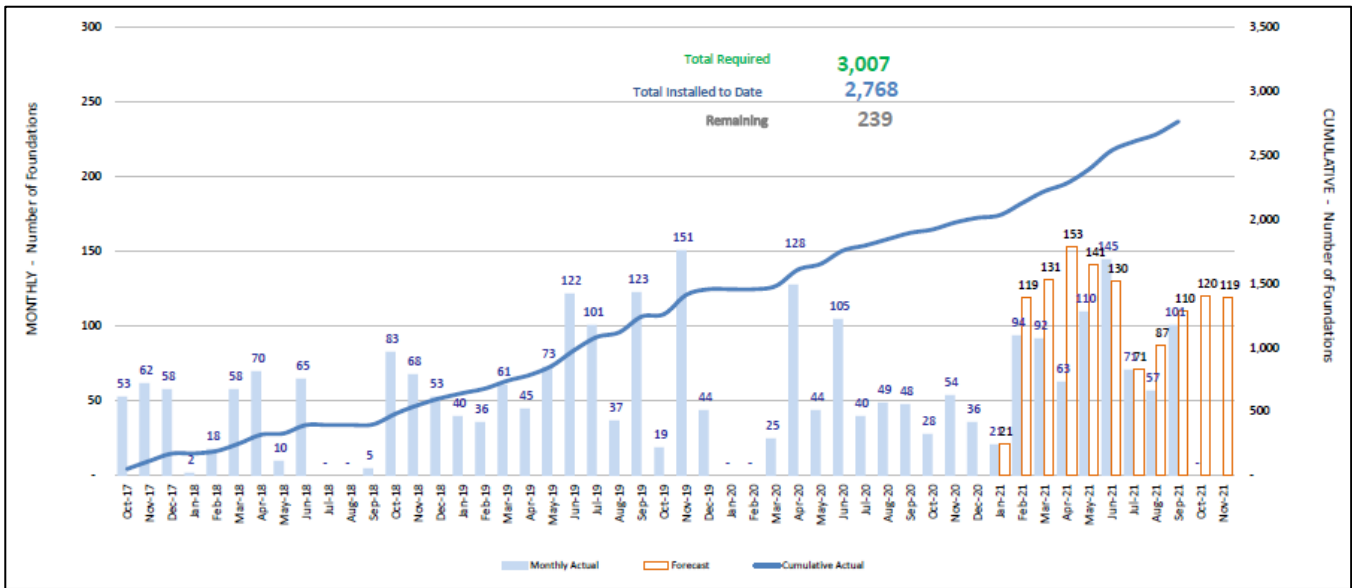
**Figure 2-4 Construction Contract Budgets**



# Peninsula Corridor Electrification Project

## Monthly Progress Report

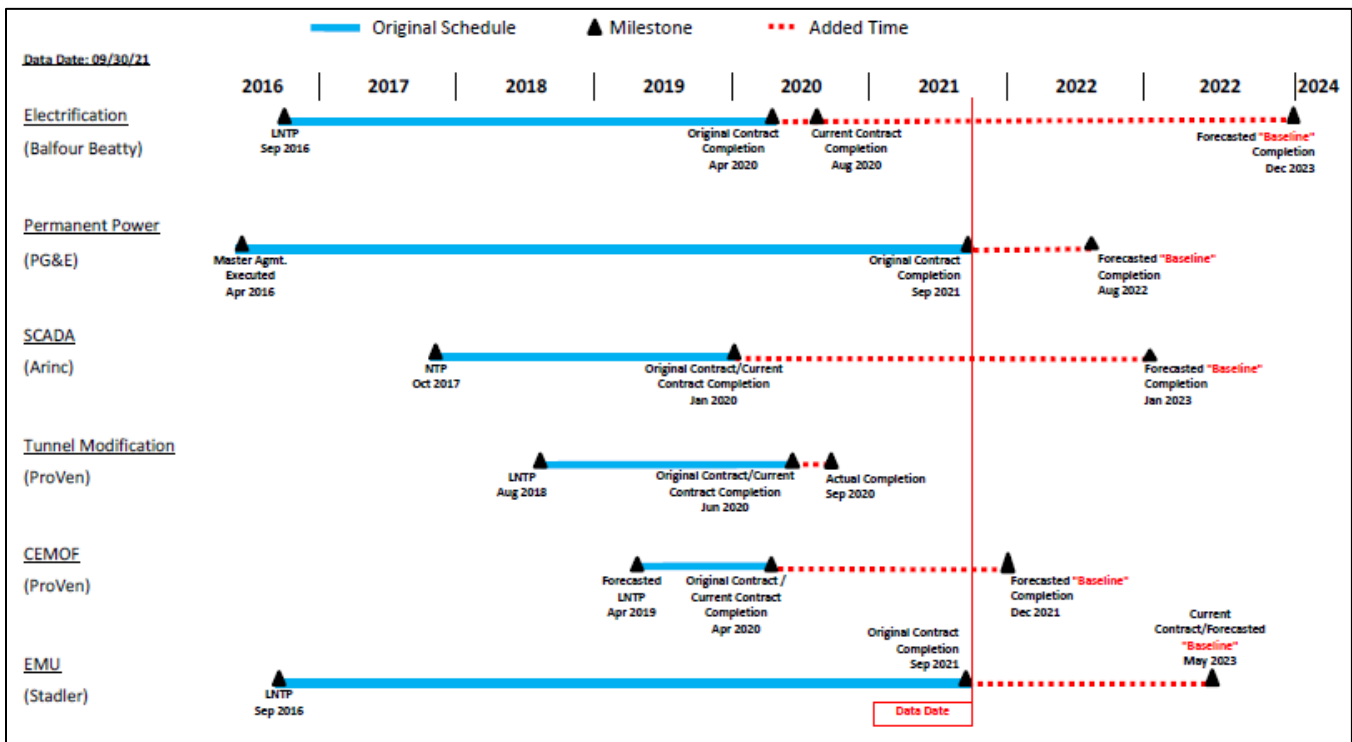
### Figure 2-5 OCS Foundation Production



Notes regarding tables above:

- BBII is reporting a delay in the completion date for the OCS foundations. PCEP's own projection of BBII's productivity estimates the completion date to be in November, reflected in Figure 2-5. The monthly forecast is revised at the end of ongoing OCS foundation workshops, which are held to determine the level of effort necessary for each of the activities prior to foundation installation. The delay to the OCS foundation completion date does not change the substantial completion date of the BBII contract.

### Figure 2-6 Contractor Completion Schedule



## **2.2. Funding Partners Participation in PCEP**

The PCEP has a series of weekly, biweekly, monthly and quarterly meetings to coordinate all aspects of the program. The meetings are attended by project staff with participation by our funding partners in accordance with the Funding Partners Oversight Protocol. A summary of funding partner meetings and invitees can be found in Appendix B.

This section of the report provides a summary of the discussions and decisions made at the meetings and a list of funding partners who attended the meetings.

### **Electrification – Weekly Discipline-Specific Meetings**

Purpose: To replace the previous weekly Engineering Meeting with three discipline-specific meetings for the three major categories of work under the Electrification Design Build (DB) contract: Overhead Contact System (OCS) Foundation, Traction Power Facilities (TPF), and Signals. Each meeting will focus on the status, resolution and tracking of Balfour Beatty Infrastructure, Inc. (BBII) and Electrification design- and construction-related issues.

#### Activity this Month

##### **OCS Foundation Meeting**

Funding Partners: None

- Review of upcoming foundation design and installation schedule for Segment 1
- Discussion of open issues impacting foundations design and installation for Segment 1
- Discussion of outstanding Requests for Information (RFI)
- Review of outstanding Field Orders or Change Notices required for foundation installation in Segment 1 to continue

##### **TPF Meeting**

Funding Partners: None

- Review of outstanding items as they relate to the design and construction of the PG&E Interconnection
- Review of PG&E Substation improvement and Interconnection schedules
- Discuss progress and next steps for the Single-Phase Study
- Discuss outstanding comments on the interconnection agreement
- Review and resolve open issues on the construction and design of the TPFs (paralleling stations, traction power substations, switching station)

### **PCEP Delivery Coordination Meeting – Bi-Weekly**

Purpose: To facilitate high-level coordination and information sharing between cross-functional groups regarding the status of the work for which they are responsible.

#### Activity this Month

Funding Partners: SFCTA: Luis Zurinaga; MTC: Trish Stoops; CHSRA: Sharath Murthy; VTA: James Costantini

The CalMod Project office is scheduled to move to San Carlos in October 2021. The Project Management Oversight Consultant (PMOC) monitoring visit occurred virtually on September 27 – 30 and the FTA Quarterly Update is scheduled to occur October 28. The next cutover for CP De La Cruz/CP Coast/Reed Street is planned for the weekend of October 8 – 10. In EMU design, testing and manufacturing, one final design review remains for Positive Train Control (PTC). Wabtech will be onsite in October to perform static/dynamic testing and to finalize the software. Testing took place for Train 1 which included Electromagnetic Interference (EMI) testing, door testing, ride quality testing and suspension/truck performance testing. Car B was transported from Elmira, NY to Salt Lake City, UT and the climate room test report has been received by JPB for review. In design build activities, Overhead Catenary System (OCS) foundations in Segment 2 has been completed. The on-track equipment has mobilized to Segment 1 and foundation installation is underway. Poles and wires work will continue in Segments 3 and 4, with completion of Segment 4 scheduled for mid-November. 25kV enclosures for Paralleling Stations 5 – 7 and vaults #1 and #2 for Gateway Boulevard have been delivered. Installation of the updated code with TP SCADA is planned for mid-October, and the Train the Trainer sessions are scheduled for the week of September 20.

### **Systems Integration Meeting – Bi-Weekly**

Purpose: To discuss and resolve issues with inter-system interfaces and to identify and assign Action Item Owners for interface points that have yet to be addressed.

#### Activity this Month

Funding Partners: CHSRA: Sharath Murthy

Bi-weekly PCEP System Integration meetings are held to monitor and determine appropriate resolution for systems integration issues. The Systems Integration Lead also maintains contact with the EMU procurement team. The Traction Power SCADA team also holds bi-weekly status meetings. Coordination with the EMU procurement and Caltrain Capital Project managers responsible for other capital projects on the corridor is ongoing. There is coordination with PG&E for providing low voltage power drops to various railroad facilities. The Interconnection to TPS-2 has been completed and currently awaiting completion of testing by the Design Build team as well as PG&E acceptance of this testing to energize the feed from PG&E. The Systems Integration meeting has been arranged to have a technical discussion of the interface issues to existing Caltrain legacy systems followed by a shorter session with CalMod management for elevation of issues identified. A smaller “breakout” group is meeting to determine and track what testing and with which resources will need to be coordinated among the various contracts and suppliers. This “Testing and Commissioning Meeting” is the primary interface to the PCEP Design-Build Team at this time. Work to define

dependencies for completion of Segment 4 (Intermediate Milestone #1) is ongoing with the Testing & Commissioning discussion. The schedule fragnet for the achievement of Intermediate Milestone #1 has been largely developed and the group continues to refine this and monitor progress toward achievement of the milestone. This group will report back to the System Integration meeting group with their findings.

### **Master Program Schedule (MPS) Meeting – Monthly**

Purpose: To review the status of the MPS and discuss the status of major milestones, critical and near-critical paths, upcoming Board review items, and progress with the contracts, among others.

#### Activity this Month

Funding Partners: SFCTA: Luis Zurinaga; VTA: Manolo González-Estay; CHSRA: Sharath Murthy, Wai-On Siu

The Revenue Service Date (RSD) is forecasted to occur between January 1, 2024 and March 31, 2024. When six to eight months of risk contingency is included, the new proposed revised RSD is September 26, 2024.

The JPB's forecasted electrification substantial completion date for the BBII contract in the MPS September update remains December 31, 2023. JPB is working with BBII to improve progress on both the signal systems, which lags behind baseline productivity level, and traction power facilities, which continue to progress at a slow rate.

Stadler's COVID-19 impact on subcontractor's schedules and supply chain challenges have a major revision in the September schedule update resulting in revising the baseline schedule. The following forecast milestone dates have been impacted: 1) Arrival of the first trainset on JPB property is on January 27, 2022 and 2) Conditional acceptance of the 14th trainset is on May 16, 2023. JPB needs to evaluate the baseline schedule revision as per the contract.

PG&E's latest schedule update for the permanent power available date from PG&E's FMC Substation has changed from May 12, 2022 to August 13, 2022 due to a schedule delay in the construction of the FMC Substation. Temporary power from FMC has been available since November 2018. Permanent power from PG&E's East Grand Substation is expected to be complete by January 2022.

### **Risk Assessment Meeting – Monthly**

Purpose: To identify risks and corresponding mitigation measures. For each risk on the risk register, mitigation measures have been identified and are being implemented. Progress in mitigating these risks is confirmed at the ongoing risk monitoring and monthly risk assessment meetings.

#### Activity this Month

Funding Partners: SFCTA: Luis Zurinaga; CHSRA: Sharath Murthy; MTC: Trish Stoops

One risk was retired.

### **Change Management Board (CMB) – Monthly**

Purpose: To review, evaluate and authorize proposed changes to PCEP over \$200,000. The CMB discusses major topics including potential changes to PCEP contracts, contingency usage, track access delays and Differing Site Conditions (DSC) field order updates. Potential contract changes will follow the PCEP Change Order Procedure. Once approved changes are executed, they will be reported in the Change Management section (Section 9) of this report.

#### Activity this Month

Funding Partners: CHSRA: Simon Whitehorn and Sharath Murthy; SFCTA: Luis Zurinaga; SMCTA: Joe Hurley; MTC: Trish Stoops and Kenneth Folan; FTA: Mike Eidlin

#### BBII Contract

No changes were identified for consideration.

#### CEMOF Contract

No changes were identified for consideration.

#### Stadler Contract

No changes were identified for consideration.

#### SCADA Contract

One change was considered and approved with clarifications to the Justification Memo.

#### Tunnel Modification Contract

No changes were identified for consideration.

#### Amtrak Contract

No changes were identified for consideration.

#### Other

One change was considered and postponed for a revote.

### **2.3. Schedule**

The Revenue Service Date (RSD) is forecasted to occur between January 1, 2024 and March 31, 2024. When six to eight months of risk contingency is included, the new proposed revised RSD is September 26, 2024.

The JPB's forecasted electrification substantial completion date for the BBII contract in the MPS September update remains December 31, 2023. JPB is working with BBII to improve progress on both the signal systems, which lags behind baseline productivity level, and traction power facilities, which continue to progress at a slow rate.



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Table 2-1 indicates major milestone dates for the MPS.

**Table 2-1 Schedule Status**

Milestones	Program Plan	Progress Schedule (September 2021) <sup>1</sup>
Arrival of First Vehicle at JPB	N/A	01/27/2022 <sup>2</sup>
Milestone #1 Segment 4 Construction Completion	11/21/2019	01/28/2022 <sup>1</sup>
PG&E Provides Permanent Power	09/09/2021	08/13/2022
FFGA RSD	08/22/2022	08/22/2022
Acceptance of 14 <sup>th</sup> Trainset	08/20/2021	05/16/2023 <sup>2,3</sup>
Electrification Substantial Completion	08/10/2020	12/31/2023 <sup>*</sup>
Revenue Service Date (RSD) – Period Range	12/09/2021	01/01/2024 – 03/31/2024
Proposed Revised RSD with Contingency	N/A	09/26/2024

Note:

- <sup>1</sup>. Dates may shift slightly in the upcoming progress schedule update due to holidays.
- <sup>2</sup>. Dates are expected to be delayed due to COVID-19 impact on subcontractors and supply chain challenges.
- <sup>3</sup>. Dates require JPB approval as per contractual extension of time process.
- <sup>A</sup> Completed Milestone.
- <sup>\*</sup> Pending mediation process resolution with BBII.

## 2.4. Budget

In December 2020, the FTA conducted a risk refresh that reviewed the existing delays, updated contractor schedules, and independent schedules prepared by the JPB. On June 17, 2021, a draft FTA-led Risk Refresh Report was issued forecasting an additional budget need of \$333M. At the June 3, 2021 JPB Board meeting, in alignment with the FTA report, PCEP proposed a \$333M budget increase consisting of \$161M in known and allocated costs and \$172M in reserve. The additional budget need has been incorporated into the estimate to complete (ETC) at the bottom of budget Table 8-3 for a total estimate at completion (EAC) of \$2.313B and Appendix D for an FTA project EAC of \$2.263B. The re-baseline allocation of the additional budget to the current budgets will be implemented after resolution of the Two-Speed Check Solution.

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A summary of the overall budget and expenditure status for the PCEP is provided in Table 2-2 below.

**Table 2-2 Budget and Expenditure Status**

Description of Work	Budget (A)	Current Budget (B) <sup>1</sup>	Cost This Month (C) <sup>2</sup>	Cost To Date (D) <sup>3,4</sup>	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
Electrification Subtotal	\$1,316,125,208	\$1,316,125,208	\$32,306,852	\$1,032,323,923	\$303,801,285	\$1,336,125,208
EMU Subtotal	\$664,127,325	\$664,127,325	\$761,051	\$304,980,037	\$339,147,288	\$644,127,325
<b>Known and Allocated<sup>5</sup></b>					\$161,000,000	\$161,000,000
<b>Reserve<sup>5</sup></b>					\$172,000,000	\$172,000,000
<b>PCEP TOTAL</b>	<b>\$1,980,252,533</b>	<b>\$1,980,252,533</b>	<b>\$33,067,903</b>	<b>\$1,337,303,960</b>	<b>\$975,948,573</b>	<b>\$2,313,252,533</b>

Notes regarding tables above:

1. Column B "Current Budget" includes executed change orders and awarded contracts.
2. Column C "Cost This Month" represents the cost of work performed this month.
3. Column D "Cost To Date" includes actuals (amount paid) and accruals (amount of work performed) to date.
4. Column D "Cost To Date" is exclusive of Caltrain capital overhead on non-staff costs for the period since methodology changed in January 2021. The cost and budget for overhead will be reconciled with the amendment of the program budget.
5. Known and Allocated and Reserve includes additional budget need of \$333M in the estimate at completion (EAC) until a budget amendment is approved.

**2.5. Board Actions**

- Authorize Amendment to Supplemental Agreement No. 4 with PG&E for Procurement and Construction Services for PG&E Infrastructure Build Outs
- Authorize Execution of a Change Order with BBII for Increase in Allowance Item No. 9 – Utilities Potholing

**Future anticipated board actions include:**

- Authorize Amendment to Supplemental Agreement No. 2 with PG&E for Construction of Interconnections.
- Authorize Increase in Contract Change Order Authority for ARINC for SCADA Database Changes
- Change orders as needed

**2.6. Government and Community Affairs**

There was one outreach event this month.

### 3.0 ELECTRIFICATION – INFRASTRUCTURE

This section reports on the progress of the Electrification, SCADA, and Tunnel Modification components. A brief description on each of the components is provided below.

#### 3.1. Electrification

The Electrification component of the PCEP includes installation of 138 miles of wire and overhead catenary system (OCS) for the distribution of electrical power to the EMUs. The OCS will be powered from a 25 kilovolt (kV), 60-Hertz, single phase, alternating current supply system consisting of two traction power substations (TPS), one switching station (SWS), and seven paralleling stations (PS). Electrification infrastructure will be constructed using a DB delivery method.

#### Activity This Month

- Started installation of on-track foundations in Segment 1.



Segment 1 Night On-Track Drilling

- Continued installation of off-track foundations in Segment 1.



Daytime Drilling Segment 1 – Off-Track

- Continued installation of OCS poles, cantilevers, and wires in Segment 4.
- Continued regulation of OCS wires (sagging the wires) in Segments 3 and 4.
- Continued installation of shunt wires in Segments 3 and 4.
- Continued installation of OCS poles and cantilevers in Segment 2.

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- Continued to pothole at proposed OCS locations and utility locations in Segment 1.
- Continued to resolve conflicts found during the potholing process, such as loose concrete, asphalt, and other debris, and continued designing solutions for those conflicts that cannot be avoided. The conflicts must be resolved before installation of foundations at those locations.
- Relocated signal cables and remove abandoned facilities found in conflict with planned OCS foundations as conflicts were identified.
- PS-1:
  - Terminated and labeled cables.
  - Pulled low voltage wires and ground cables.
  - Installed and inspected 400A power drop.
- PS-2:
  - Poured bike locker pad.
  - Set and poured 400A PG&E panel and pad.
  - Installed fabric and drainrock to finish grade.
- PS-3:
  - Installed conduits for ATS and auxiliary transformer pads.
  - Poured transformer pad and walls.



PS-3 – Pouring Transformer pad

- PS-4:
  - Set PG&E 400A service pad, panel, and equipment.
  - Assisted EPS with cable terminations on main gantry and Riser C.
- PS-5:
  - Set 25kV enclosure.
  - Set PG&E 400A service panel and set switchgear with linemen.
  - Installed permanent site fence.

- PS-6:
  - Continued low voltage wire terminations in the control building.
- PS-7:
  - Installed grounds on house corners and finished terminating low voltage wires in the control building.



Set Control Building and Switchgear at PS-5,  
PS-6, and PS-7

- TPS-1: Began installation of gantry interface.
- TPS-2:
  - Installed fire suppression system.
  - Began termination of high voltage feeder cables.
  - Tested communication equipment in 25 kV enclosures.
  - Tested fiber connections.
- SWS-1:
  - Leveled grade and installed drainrock around gantry.
  - Poured PG&E pad and ductbank.
  - Drilled bollards for PG&E pad.



Poured PG&E Low Voltage Padat SWS-1

- Continued to install signal kits, AFTAC boxes, and signal cases in Segment 2.
- Performed cable pulling in Segment 2.
- Installed communication equipment and spliced fiber in Segment 2.
- Continued to install signal ductbank, conduits, and cables in Segments 1, 2, 3, and 4.
- Installed transformer box at Control Point (CP) De La Cruz, CP Stockton, CP Shark, CP Alameda and CP Bird.
- Performed signal system pretesting in Segments 4 and 2.
- Installed insulated joints in Segment 2.
- Performed track bonding and impedance bond installation in Segment 4.
- Continued fiber optic cable installation and splicing in Segment 4.
- Installed overhead bridge attachments at various locations in Segment 3 and 4.
- Progressed the OCS design with BBII in all segments, which included submittal and review of Design Change Notices for revised foundation locations.
- Continued Right of Way acquisition for TPS-1 interconnection.
- Coordinated design review with local jurisdictions for the OCS, traction power facilities, and bridge attachments design, including responses to comments from jurisdictions.
- Continued to review and coordinate signal and communication design submittals with BBII.
- Continued internal discussions about design, installation and testing of signal and communications modifications to the Caltrain system and schedule for cutover plans.
- Continued discussions with VTA on Right of Way acquisition for TPS-2 interconnection.
- Worked with BBII through Site Specific Work Plans (SSWP) for upcoming field work.
- Continued model validation for the single phase study.

- PG&E continued work at East Grand and FMC substations.
- PG&E continued TPS-2 and TPS-1 Interconnection work.

A summary of the work progress by segment is provided in Table 3-1 below.

**Table 3-1 Work Progress by Segment**

Segment	Work Area	Foundations			Poles		
		Required <sup>abc</sup>	Completed this Month	Completed to Date	Required <sup>ab</sup>	Completed this Month	Completed to Date
1	Tunnels	32	0	32	32	0	32
	A	306	70	136	259	0	0
	B	231	31	162	183	0	0
2	5	246	0	246	212	0	160
	4	317	0	317	253	9	253
	3	177	0	177	140	38	81
	2	237	0	237	205	0	60
	1	200	0	200	161	0	33
3	2	509	0	509	445	0	445
	1	392	0	392	310	0	306
4	A	242	0	242	180	0	179
	B	128	0	128	124	4	113
	CEMOF	85	0	85	84	0	83
<b>Total</b>		<b>3,102</b>	<b>101</b>	<b>2,863</b>	<b>2,588</b>	<b>51</b>	<b>1,745</b>

Note:

- a. Foundations required do not match poles required as guy foundations are needed in some locations for extra support.
- b. Reported number of required poles and foundations fluctuate due to Design changes.
- c. Update: To-date, 30 foundations have been installed by the South San Francisco in S2WA5 and 65 have been installed by the 25<sup>th</sup> Ave projects in S2WA3.

### Activity Next Month

- Continue off-track OCS foundation installations in Segment 1.
- Continue on-track OCS foundation installation in Segment 1.
- Continue resolution of foundation conflicts.
- Continue to install protective steel plates for protection of utilities during foundation installation.
- Continue to install OCS poles and assemblies in all Segments where available.
- Continue wire installation and regulation in Segments 3 and 4. Target completion of poles and wire installation by October in these two segments.
- Continue shunt wire installation.
- Continue poles and cantilever installation in Segment 2.
- Continue work with BBII on field investigation activities and designs, which will include the progression of the OCS, traction power, bonding and grounding, signal systems, and other civil infrastructure such as overhead bridge protections.
- Pothole and clear obstructions at proposed OCS locations.
- Continue construction at TPS-1 and TPS-2.

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- PS-1:
  - Begin PG&E low voltage power drop.
- PS-2:
  - Complete permanent fence installation.
  - Install bollards for the 400 AMP PG&E pad.
- PS-3:
  - Complete city comment responses for the IFC design and drainage drawings with PGH Wong, BBII and City of Burlingame.
  - Set 25kV enclosure.
  - Complete low voltage/high voltage ductbank installation.
- PS-4:
  - Complete PG&E inspections.
  - Install bollards.
- PS-5
  - Complete low voltage cable fit-up for the 25kV enclosure.
  - Install permanent site fence.
  - Install finegrade and drainrock.
- PS-6:
  - Set gantry steel.
  - Complete low voltage cable fit-up for the 25kV enclosure.
- PS-7:
  - Continue high voltage cable fit-up for the 25kV enclosure.
  - Install and test communications equipment.
  - Test ground grid.
- SWS-1:
  - Complete PG&E low voltage power drop.
  - Install bollards.
- Continue to install conduit and foundations for signal and wayside power cubicle (WPC) units in all Segments.
- Continue cable termination at signal locations in Segment 4.
- Continue fiber installation and splicing in Segment 4.
- Continue preparation for next signal cutover in Segment 4.
- Continue conduit installations in Segments 1, 2, 3, and 4.
- Continue to install impedance bond connections.
- Continue to install bridge attachments.



- Continue to progress location-specific design for grade crossing system.
- Continue planning process for signal cutovers.
- Review BBII work plans for upcoming construction activities.
- Coordinate with PG&E on construction for PG&E infrastructure.
- Coordinate with local jurisdictions to review designs.
- Continue tree pruning and removals.
- Continue progress on Single Phase Study.

### **3.2. Supervisory Control and Data Acquisition**

SCADA is a system that monitors and controls field devices for electrification, including traction power substations (TPS), wayside power cubicles (WPC), and the OCS. SCADA will be integrated with the base operating system for Caltrain Operations and Control, which is the Rail Operations Center System (ROCS). A separate control console will be established for the Power Director.

#### **Activity This Month**

- Submitted Monthly Progress Report.
- Submitted September Schedule Update.
- Demonstrated DNP-3 Protocol Manager and the contract required for Secure Authentication Version 5 (SAv5) for TP SCADA.

#### **Activity Next Month**

- Prepare and deliver the Monthly Report and the Monthly Schedule Update.
- Attend project status meetings (virtually).
- Conduct training for the Caltrain control center personnel (Train the Trainer), scheduled for week of October 11, 2021.

### **3.3. Tunnel Modification**

Tunnel modifications will be required on the four tunnels located in San Francisco. This effort is needed to accommodate the required clearance for the OCS to support electrification of the corridor. Outside of the PCEP scope, Caltrain Engineering has requested the PCEP team to manage completion of design and construction for the Tunnel 1 and Tunnel 4 Drainage and Track Rehabilitation Project. The Tunnel Drainage and Track Rehabilitation Project is funded separately from PCEP.

#### **Activity This Month**

- Reconciled Change Orders.
- Progressed As-Built Drawings.

#### **Activity Next Month**

- Reconcile Change Orders.

## **Peninsula Corridor Electrification Project**

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- Receive As-Built Drawings from ProVen.
- Closeout Contract documents – RFIs, submittals, and letters.

#### **3.4. Interconnection Construction**

The PCEP will require a 115-kV interconnection to supply power from the PG&E substations to the Caltrain substations in San Jose and South San Francisco. Construction of the interconnections will be performed by PG&E under an amendment to Supplemental Agreement No. 2.

#### **Activity This Month**

- EGS – TPS-1:
  - Installed vaults for Gateway Boulevard and Healthpeak.



Installation of the vault at the Healthpeak Property

- Completed Circuit #1 and progressed Circuit #2 for UECCo Phase 2A construction (Gateway and Grand Avenue intersection).
- Progressed UECCo Phase 2B construction in the HealthPeak parking lot.
- FMC – TPS-2:
  - Circuit #2 and redundant fiber highway crossing rescheduled to May 2022.
  - Held PG&E Metering Enclosure Punchlist Walk on September 23. BBII addressed issues onsite with PG&E.

#### **Activity Next Month**

- EGS – TPS-1:
  - Continue Underground Phase 2A – Gateway and Grand Avenue Intersection construction.
  - Continue Underground Phase 2B – Healthpeak parking lot construction.
  - Complete FAT Testing for the enclosure house.

- FMC – TPS-2:
  - Install OCS gantry interface.
  - Install fire suppression system.
  - Complete PG&E metering enclosure punchlist

## **4.0 ELECTRIC MULTIPLE UNITS**

This section reports on the progress of the Electric Multiple Units (EMU) procurement and the Centralized Equipment Maintenance and Operations Facility (CEMOF) modifications.

### **4.1. Electric Multiple Units**

The procurement of EMUs, or trainsets, from Stadler consists of a Base Order of 96 railcars, plus an Option Order of an additional 37 railcars, for a total of 133 railcars. The cars from these two orders will be combined and delivered as 19 seven-car Trainsets. The Base Order is funded from PCEP, and Option Order funded by a Transit and Intercity Rail Capital Program (TIRCP) grant. One more Option for additional cars is available.

#### **Activity This Month**

- Dynamic type testing continued on Train 1 at TTCL in Pueblo, CO, including 7-car ride quality, running behavior and door testing.
- Routine static and dynamic testing continued on Trainsets 3, 4, and 5 and started on Train 6.
- Production continued on Trainsets 3 through 14.
- COVID-19 related actions continued for the 19th month causing mixed disruptions to Stadler's activities:
  - Stadler's manufacturing facilities in Switzerland supporting the Caltrain Project have returned to normal levels of activity.
  - The Switzerland-based manufacturing of car shells and trucks frames is on schedule.
  - Salt Lake City-based manufacturing is delayed due to previously incurred and ongoing person-power limitations and sub-supplier parts shortages.
  - Most recently, a small supplier of anodized aluminum parts shut down for two weeks due to a COVID-19 outbreak.
  - On multiple occasions since the start of the pandemic, a spike in positive COVID-19 cases has reduced man-hours in SLC.
  - Stadler has submitted multiple requests for 'excusable delays' due to COVID-19. The extent of the continuing delay is being evaluated and Stadler is developing a rebaselined schedule. Currently, delivery of the first trainset to Caltrain has been delayed 9.5 months to December 2021.
  - Due to supplier bankruptcies, Stadler is now assembling all luggage racks and ceiling panels themselves.
- All Final Design Reviews (FDRs) are now closed.
- First Article Inspections (FAI) continue to have their paperwork formalized and closed out. The individual car FAIs remain, along with FAIs for the Stadler-assembled luggage racks. The ceiling panel FAIs took place in September.

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- 88 carshells have been shipped from Stadler Switzerland, with 73 arriving at Stadler's Salt Lake City facility (15 shells are in transit/holding).
- Quality Assurance audits of USA-based sub-suppliers were halted in mid-March 2020 due to COVID-19 travel restrictions. Audits will commence when sub-suppliers reopen and travel restrictions are lifted.

#### **Activity Next Month**

- Continue to close out FAIs.
- Continue to support Caltrain/PCEP system integration and rail startup activation activities.
- Support type testing in SLC and at TTCI.
- Provide quality reps in SLC (final assembly), Altenrhein (carshells) and Winterthur (trucks).
- Conduct Buy America interim audit in SLC.

#### **4.2. Centralized Equipment Maintenance and Operations Facility Modifications**

The CEMOF Modifications Project will provide work areas to perform maintenance on new EMUs.

#### **Activity This Month**

- North Pit and South Pit:
  - Installed industrial waste connection.
  - Continued shop drawings/submittals for north pit repair.



Construction of the North and South Pit Extension

- Component Test Room:
  - Installed PTAC unit.
  - Completed pulling of wires and trimming out boxes.
  - Repaired floor leveling.



Component Testing Room Reconstruction

- Part Storage Building:
  - Installed site lighting and photocells
  - Tested battery.
  - Completed off-hauling for Class II pile.

**Activity Next Month**

- North Pit and South Pit:
  - Reset hand hole and conduit routing for receptacle circuit.
  - Implement north pit repairs/SSWP.
  - Continue shop drawings/submittals for north pit repair.
- Component Test Room:
  - Install window.
  - Schedule punch list site walk.
- Part Storage Building:
  - Install aerial cable conduit.
  - Install fire alarm.
  - Schedule punch list site walk.

## **5.0 SAFETY**

Safety and Security requirements and plans are necessary to comply with applicable laws and regulations related to safety, security, and emergency response activities. Safety staff coordinates with contractors to review and plan the implementation of contract program safety requirements. Safety project coordination meetings continue to be conducted on a monthly basis to promote a clear understanding of project safety requirements as defined in contract provisions and program safety documents.

### **Activity This Month**

- Project staff provided input and continued its participation in the BBII contractor workforce safety meetings. Project incidents continue to be reviewed with project staff to reinforce the application of recommended safety mitigation measures.
- Continued to provide input and oversight of the contractor SSWP safety provisions and ongoing safety construction oversight and inspections.
- Conducted the monthly project Safety and Security Certification and Fire/Life Safety Meetings.
- Coordinated with Segment 4 (Santa Clara County) emergency responders in preparation of electrification system familiarization activities and conducted a TPS-2 familiarization tour for Segment 4 emergency responder representatives.
- Continued to perform reviews and provide comments on the BBII Safety and Security Certification Design Criteria Conformance Checklists (DCCC) and Construction Specification Conformance Checklist (CSCC) submittals.
- Participated with internal stakeholders in Rail Activation Committee meetings.
- Investigated project incident occurrences and worked with the contractor representatives to identify incident root causes and develop and implement safety and security mitigation measures.
- Continued coordination with the PMOC in support of the FTA Oversight Procedure 54 (OP-54) readiness review of Segment 4 Milestone 1 activation.
- Conducted ongoing safety inspections of contractor field activities.
- Participated in weekly project coordination meetings with the contractor to review open issues and recommended action items.

### **Activity Next Month**

- Conduct monthly virtual safety communication meetings for the Project Safety and Security Certification Committee, Rail Activation Committee, and other project-related contractor and JPB safety meetings to discuss safety priorities.
- Finalize project emergency responder presentations and schedule Segment 4 systems familiarization online presentations.
- Participate with JPB Safety and Operations in preparation of the annual emergency drill scheduled for 11/14/21 in Segment 4.
- Continue to finalize safety and security certification documentation requirements in coordination with project testing and commissioning activities.

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- Continue to coordinate with the PMOC on the ongoing OP-54 Segment 4 readiness review.
- Continue focus on performing site safety inspections on the OCS foundations, pole installations, potholing, and CEMOF work activities to assess safety work practices and identify additional opportunities for improvement. Conduct contractor equipment inspections as needed.
- Reinforce the ongoing application of recommended mitigation measures in response to the COVID-19 virus.
- Investigate project incident occurrences as needed and work with the contractor representatives to identify incident root cause, contributing factors and safety mitigation measures.



## **6.0 QUALITY ASSURANCE**

The Quality Assurance (QA) staff performs technical reviews for planning, implementing, evaluating, and maintaining an effective program to verify that all equipment, structures, components, systems, and facilities are designed, procured, constructed, installed, and maintained in accordance with established criteria and applicable codes and standards throughout the design, construction, startup and commissioning of the PCEP.

### **Activity This Month**

- Reviewed BBII submittals of Inspector Daily Reports (IDR) and Contractor Quality Control Report (CQCR).
- Provided QA review of BBII submittals of Material Review Reports (MRR) to ensure that purchase order quality and test document requirements are met and included in the receiving inspection document package.
- Provided QA review of BBII submittals of Certificates of Conformance (C of C) and Certificates of Analysis (C of A).
- Provided QA review of BBII Non-Conformance Reports (NCR) and Construction Discrepancy Reports (CDR) to assure that in-process discrepancies are processed as required.
- Provided review of BBII QA Audit Surveillance Reports.
- Provided QA review of Supplier Certified Test Reports (CTR), and Certified Material Tests Reports (CMTR).
- Prepared for upcoming audits for design, quality audits, quality records and training.
- Continued review of BBII record set of As-Built Drawings related to open NCRs.
- Reordered parts for NCR #15 issued to BBII for condensation build-up in TPS-2 unit.
- Continued audit of CDRL #38110 for switch isolation and CDRL #35270 for system ductbanks. Two observations were identified. BBII responded and no non-conforming condition exists.

### **Activity Next Month**

- Review BBII quality records and prepare for upcoming audits for design, quality audits, quality records and training.

Table 6-1 below provides details on the status of audits performed through the reporting period.

**Table 6-1 Quality Assurance Audit Summary**

Quality Assurance Activity	This Reporting Period	Total to Date
Audits Conducted	1	133
<b>Audit Findings</b>		
Audit Findings Issued	0	81
Audit Findings Open	0	0
Audit Findings Closed	0	81
<b>Non-Conformances</b>		
Non-Conformances Issued	0	15
Non-Conformances Open	6	6
Non-Conformances Closed	0	9

## 7.0 SCHEDULE

The Revenue Service Date (RSD) is forecasted to occur between January 1, 2024 and March 31, 2024. When six to eight months of risk contingency is included, the new proposed revised RSD is September 26, 2024.

The JPB's forecasted electrification substantial completion date for the BBII contract in the MPS September update remains December 31, 2023. JPB is working with BBII to improve progress on both the signal systems, which lags behind baseline productivity level, and traction power facilities, which continue to progress at a slow rate.

Stadler's COVID-19 impact on subcontractor's schedules and supply chain challenges have a major revision in the September schedule update resulting in revising the baseline schedule. The following forecast milestone dates have been impacted: 1) Arrival of the first trainset on JPB property is on January 27, 2022 and 2) Conditional acceptance of the 14th trainset is on May 16, 2023. JPB needs to evaluate the baseline schedule revision as per the contract.

PG&E's latest schedule update for the permanent power available date from PG&E's FMC Substation has changed from May 12, 2022 to August 13, 2022 due to a schedule delay in the construction of the FMC Substation. Temporary power from FMC has been available since November 2018. Permanent power from PG&E's East Grand Substation is expected to be complete by January 2022.

Shown below, Table 7-1 indicates major milestone dates for the MPS.

**Table 7-1 Schedule Status**

Milestones	Program Plan	Progress Schedule (September 2021) <sup>1</sup>
Arrival of First Vehicle at JPB	N/A	01/27/2022 <sup>2</sup>
Milestone #1 Segment 4 Construction Completion	11/21/2019	01/28/2022 <sup>1</sup>
PG&E Provides Permanent Power	09/09/2021	08/13/2022
FFGA RSD	08/22/2022	08/22/2022
Acceptance of 14 <sup>th</sup> Trainset	08/20/2021	05/16/2023 <sup>2,3</sup>
Electrification Substantial Completion	08/10/2020	12/31/2023 <sup>*</sup>
Revenue Service Date (RSD) – Period Range	12/09/2021	01/01/2024 – 03/31/2024
Proposed Revised RSD with Contingency	N/A	09/26/2024

Note:

1. Dates may shift slightly in the upcoming progress schedule update due to holidays.
  2. Dates are expected to be delayed due to COVID-19 impact on subcontractors and supply chain challenges.
  3. Dates require JPB approval as per contractual extension of time process.
- <sup>A</sup> Completed Milestone.  
<sup>\*</sup> Pending mediation process resolution with BBII.

**Notable Variances**

Due to the COVID-19 impact on subcontractor schedules and the supply chain challenges, Stadler has revised their baseline schedule resulting in a schedule delay for the following milestones:

- 1) The new forecast date for the 1st trainset arrival at JPB is January 27, 2022.
- 2) The new forecast date for the 14th trainset conditional acceptance is May 16, 2023.

There was a 93-day schedule delay in the PG&E permanent power completion date at FMC substation due to Circuit #2 construction completion, resulting in a new revised forecast completion date of August 13, 2022.

There was a 28-day schedule delay in the SCADA SW installation and equipment cutover due to ARINC's plan to complete all change orders before rolling the software into the production system, resulting in revising the forecast completion date for the SCADA contract to January 4, 2023.

Note: This period's schedule revisions have no impact on Segment 4 Milestone #1 and Revenue Service Date (RSD).

**Table 7-2 Critical Path Summary**

Activity	Start	Finish
Signals System Design, Installation & Cutover, and Integration Testing	05/01/2020	12/31/2023
Forecast Revenue Service Date - RSD / Period Range	01/01/2024	03/31/2024

**Schedule Hold Points**

Schedule Hold Points (SHP) represent key milestones on or near a schedule's critical path that are used as measurement points with respect to contingency drawdown. Delays to these key milestones will result in consuming program schedule contingency.

Table 7-3 below reflects the SHPs for the PCEP master program schedule. The dates indicated the planned completion dates for each SHP.

**Table 7-3 Schedule Hold Points**

Schedule Hold Point (SHP)	Date
Arrival of 1 <sup>st</sup> Trainset at JPB	01/27/2022 <sup>2</sup>
Segment 4 Construction Completion	01/28/2022 <sup>1</sup>
Conditional Acceptance of 14th Trainset	05/16/2023 <sup>2,3</sup>
Signal system Installation & Cutover – Segment 2	12/31/2022
Signal system Installation & Cutover – Segment 1	4/30/2023
Signal system Installation & Cutover – Segment 3	9/30/2023
System-Wide Integrated Testing	12/31/2023 <sup>*</sup>
Forecasted Revenue Service Date (RSD) – Period Range	01/01/ 2024- 03/31/2024 <sup>2*</sup>

Note:

- <sup>1</sup>. Dates may shift slightly in the upcoming progress schedule update due to holidays.
  - <sup>2</sup>. Dates are expected to be delayed due to COVID-19 impact on subcontractors and supply chain challenges.
  - <sup>3</sup>. Dates require JPB approval as per contractual extension of time process.
- <sup>A</sup> Completed Milestone.  
<sup>\*</sup> Pending mediation process resolution with BBII.

## **8.0 BUDGET AND EXPENDITURES**

The summary of overall budget and expenditure status for the PCEP and Third-Party Improvements is shown in the following tables. Table 8-1 reflects the Electrification budget, Table 8-2 the EMU budget, Table 8-3 the overall PCEP budget, and Table 8-4 Third Party Improvements budget. Table 8-5 summarizes the budget transfers of contingency completed this month.

In December 2020, the FTA conducted a risk refresh that reviewed the existing delays, updated contractor schedules, and independent schedules prepared by the JPB. On June 17, 2021, a draft FTA-led Risk Refresh Report was issued forecasting an additional budget need of \$333M. At the June 3, 2021 JPB Board meeting, in alignment with the FTA report, PCEP proposed a \$333M budget increase consisting of \$161M in known and allocated costs and \$172M in reserve. The additional budget need has been incorporated into the estimate to complete (ETC) at the bottom of budget Table 8-3 for a total estimate at completion (EAC) of \$2.313B and Appendix D for an FTA project EAC of \$2.263B. The re-baseline allocation of the additional budget to the current budgets will be implemented after resolution of the Two-Speed Check Solution.

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**Table 8-1 Electrification Budget & Expenditure Status**

Description of Work	Budget (A)	Current Budget (B) <sup>1</sup>	Cost This Month (C) <sup>2</sup>	Cost To Date (D) <sup>3,4</sup>	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
<b>ELECTRIFICATION</b>						
Electrification <sup>(5)</sup>	\$696,610,558	\$750,192,911	\$16,144,187	\$561,800,199	\$188,392,712	\$750,192,911
SCADA	\$0	\$4,017,371	\$0	\$2,863,940	\$1,153,431	\$4,017,371
Tunnel Modifications	\$11,029,649	\$41,934,841	\$0	\$41,779,708	\$155,132	\$41,934,841
Real Estate	\$28,503,369	\$28,503,369	(\$374,552)	\$23,309,978	\$5,193,391	\$28,503,369
Private Utilities <sup>(6)</sup>	\$63,515,298	\$117,906,334	\$13,394,220	\$159,254,127	(\$41,347,792)	\$117,906,334
Management Oversight	\$141,506,257	\$179,313,572	\$1,546,090	\$166,268,731	\$13,044,841	\$179,313,572
Executive Management	\$7,452,866	\$10,155,509	\$32,996	\$9,552,341	\$603,168	\$10,155,509
Planning	\$7,281,997	\$6,281,997	\$11,805	\$6,032,562	\$249,435	\$6,281,997
Community Relations	\$2,789,663	\$1,789,663	\$11,094	\$1,509,403	\$280,260	\$1,789,663
Safety & Security	\$2,421,783	\$5,823,965	\$77,170	\$4,848,337	\$975,627	\$5,823,965
Project Management Services	\$19,807,994	\$17,526,725	\$165,950	\$14,711,983	\$2,814,742	\$17,526,725
Engineering & Construction	\$11,805,793	\$15,455,709	\$150,506	\$13,765,092	\$1,690,617	\$15,455,709
Electrification Eng & Mgmt	\$50,461,707	\$57,850,417	\$292,909	\$54,096,768	\$3,753,649	\$57,850,417
Construction Management	\$0	\$15,158,605	\$586,636	\$13,448,052	\$1,710,553	\$15,158,605
IT Support	\$312,080	\$507,170	\$8,258	\$424,643	\$82,528	\$507,170
Operations Support	\$1,445,867	\$3,337,383	\$31,952	\$3,188,597	\$148,786	\$3,337,383
General Support	\$4,166,577	\$7,451,503	\$37,327	\$6,962,142	\$489,361	\$7,451,503
Budget / Grants / Finance	\$1,229,345	\$1,638,553	\$1,225	\$1,630,701	\$7,852	\$1,638,553
Legal	\$2,445,646	\$5,542,712	\$39,511	\$5,481,172	\$61,541	\$5,542,712
Other Direct Costs	\$5,177,060	\$6,085,783	\$98,752	\$5,909,061	\$176,722	\$6,085,783
Prior Costs 2002 - 2013	\$24,707,878	\$24,707,878	\$0	\$24,707,878	\$0	\$24,707,878
TASIS Support	\$55,275,084	\$81,723,660	\$1,555,814	\$65,130,336	\$16,593,324	\$81,723,660
Insurance	\$3,500,000	\$4,543,588	\$0	\$4,543,588	\$0	\$4,543,588
Environmental Mitigations	\$15,798,320	\$14,438,866	\$0	\$1,090,079	\$13,348,787	\$14,438,866
Required Projects	\$17,337,378	\$10,529,422	\$16,607	\$1,486,969	\$9,042,452	\$10,529,422
Maintenance Training	\$1,021,808	\$1,021,808	\$0	\$0	\$1,021,808	\$1,021,808
Finance Charges	\$5,056,838	\$6,137,156	\$24,486	\$4,796,269	\$1,340,887	\$6,137,156
Contingency	\$276,970,649	\$75,862,311	N/A	N/A	\$10,039,936	\$10,039,936
Forecasted Costs and Changes	\$0	\$0	N/A	N/A	\$85,822,374	\$85,822,374
<b>ELECTRIFICATION SUBTOTAL</b>	<b>\$1,316,125,208</b>	<b>\$1,316,125,208</b>	<b>\$32,306,852</b>	<b>\$1,032,323,923</b>	<b>\$303,801,285</b>	<b>\$1,336,125,208</b>

Notes regarding tables above:

1. Column B "Current Budget" includes executed change orders and awarded contracts.
2. Column C "Cost This Month" represents the cost of work performed this month.
3. Column D "Cost To Date" includes actuals (amount paid) and accruals (amount of work performed) to date.
4. Column D "Cost To Date" is exclusive of Caltrain capital overhead on non-staff costs for the period since methodology changed in January 2021. The cost and budget for overhead will be reconciled with the amendment of the program budget.
5. Cost To Date for "Electrification" includes 5% for Contractor's retention until authorization of retention release.
6. Private utilities cost to date includes the unbudgeted upfront cost for PG&E's share of substation improvements prior to PG&E reimbursement.

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**Table 8-2 EMU Budget & Expenditure Status**

Description of Work	Budget (A)	Current Budget (B) <sup>1</sup>	Cost This Month (C) <sup>2</sup>	Cost To Date (D) <sup>3,4</sup>	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
<b>EMU</b>						
EMU	\$550,899,459	\$555,247,601	\$0	\$239,730,227	\$315,517,374	\$555,247,601
CEMOF Modifications	\$1,344,000	\$7,404,023	\$90,571	\$6,684,855	\$719,168	\$7,404,023
Management Oversight	\$64,139,103	\$62,783,401	\$629,617	\$54,410,706	\$8,372,695	\$62,783,401
Executive Management	\$5,022,302	\$6,615,622	\$24,119	\$6,087,079	\$528,543	\$6,615,622
Community Relations	\$1,685,614	\$975,782	\$4,313	\$707,061	\$268,721	\$975,782
Safety & Security	\$556,067	\$1,117,978	\$13,269	\$805,360	\$312,618	\$1,117,978
Project Mgmt Services	\$13,275,280	\$11,275,280	\$112,311	\$9,202,581	\$2,072,700	\$11,275,280
Eng & Construction	\$89,113	\$89,113	\$0	\$23,411	\$65,702	\$89,113
EMU Eng & Mgmt	\$32,082,556	\$29,981,014	\$327,176	\$25,814,369	\$4,166,644	\$29,981,014
Construction Management	\$0	\$1,841,395	\$60,076	\$1,721,165	\$120,230	\$1,841,395
IT Support	\$1,027,272	\$852,089	\$4,460	\$796,635	\$55,454	\$852,089
Operations Support	\$1,878,589	\$781,858	\$5,150	\$441,715	\$340,142	\$781,858
General Support	\$2,599,547	\$3,138,784	\$16,185	\$2,919,760	\$219,024	\$3,138,784
Budget / Grants / Finance	\$712,123	\$1,050,507	\$615	\$1,042,178	\$8,330	\$1,050,507
Legal	\$1,207,500	\$1,369,563	\$2,888	\$1,267,006	\$102,557	\$1,369,563
Other Direct Costs	\$4,003,139	\$3,694,416	\$59,054	\$3,582,387	\$112,030	\$3,694,416
TASI Support	\$2,740,000	\$2,789,493	\$25,856	\$502,057	\$2,287,436	\$2,789,493
Insurance	\$0	\$38,263	\$0	\$38,263	\$0	\$38,263
Required Projects	\$4,500,000	\$1,063,821	\$0	\$674,280	\$389,541	\$1,063,821
Finance Charges	\$1,941,800	\$3,761,482	\$15,008	\$2,939,649	\$821,833	\$3,761,482
Contingency	\$38,562,962	\$31,039,241	N/A	N/A	\$5,070,661	\$5,070,661
Forecasted Costs and Changes	\$0	\$0	N/A	N/A	\$5,968,579	\$5,968,579
<b>EMU SUBTOTAL</b>	<b>\$664,127,325</b>	<b>\$664,127,325</b>	<b>\$761,051</b>	<b>\$304,980,037</b>	<b>\$339,147,288</b>	<b>\$644,127,325</b>

Notes regarding tables above:

1. Column B "Current Budget" includes executed change orders and awarded contracts.
2. Column C "Cost This Month" represents the cost of work performed this month.
3. Column D "Cost To Date" includes actuals (amount paid) and accruals (amount of work performed) to date.
4. Column D "Cost To Date" is exclusive of Caltrain capital overhead on non-staff costs for the period since methodology changed in January 2021. The cost and budget for overhead will be reconciled with the amendment of the program budget.



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**Table 8-3 PCEP Budget & Expenditure Status**

Description of Work	Budget (A)	Current Budget (B) <sup>1</sup>	Cost This Month (C) <sup>2</sup>	Cost To Date (D) <sup>3,4</sup>	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
Electrification Subtotal	\$1,316,125,208	\$1,316,125,208	\$32,306,852	\$1,032,323,923	\$303,801,285	\$1,336,125,208
EMU Subtotal	\$664,127,325	\$664,127,325	\$761,051	\$304,980,037	\$339,147,288	\$644,127,325
<b>Known and Allocated<sup>5</sup></b>					\$161,000,000	\$161,000,000
<b>Reserve<sup>5</sup></b>					\$172,000,000	\$172,000,000
<b>PCEP TOTAL</b>	<b>\$1,980,252,533</b>	<b>\$1,980,252,533</b>	<b>\$33,067,903</b>	<b>\$1,337,303,960</b>	<b>\$975,948,573</b>	<b>\$2,313,252,533</b>

Notes regarding tables above:

- Column B "Current Budget" includes executed change orders and awarded contracts.
- Column C "Cost This Month" represents the cost of work performed this month.
- Column D "Cost To Date" includes actuals (amount paid) and accruals (amount of work performed) to date.
- Column D "Cost To Date" is exclusive of Caltrain capital overhead on non-staff costs for the period since methodology changed in January 2021. The cost and budget for overhead will be reconciled with the amendment of the program budget.
- Known and Allocated and Reserve includes additional budget need of \$333M in the estimate at completion (EAC) until a budget amendment is approved.

**Table 8-4 Third Party Improvements/CNPA Budget & Expenditure Status**

Description of Work	Budget (A)	Current Budget (B) <sup>1</sup>	Cost This Month (C) <sup>2</sup>	Cost To Date (D) <sup>3</sup>	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
CHSRA Early Pole Relocation	\$1,000,000	\$941,706	\$0	\$941,706	\$0	\$941,706
PS-3 Relocation (Design)	\$500,000	\$500,000	\$0	\$150,000	\$350,000	\$500,000
PS-3 Relocation (FEMA, BGSP Design Coord.)	\$50,000	\$50,000	\$0	\$0	\$50,000	\$50,000
TPSS-2 VTA/PCEP Pole Relocation (Design)	\$110,000	\$110,000	\$0	\$110,000	\$0	\$110,000
TPSS-2 VTA/PCEP Pole Height (Redesign)	\$31,000	\$31,000	\$0	\$31,000	\$0	\$31,000
Mary Avenue Advance Pre-emption	\$116,000	\$116,000	\$0	\$0	\$116,000	\$116,000
EMU Option Cars	\$172,800,047	\$172,800,047	\$933,120	\$61,465,933	\$111,334,114	\$172,800,047
Add Flip-Up Seats into Bike Cars	\$1,961,350	\$1,961,350	\$0	\$980,675	\$980,675	\$1,961,350
Update Virtual Reality Experience	\$43,000	\$43,000	\$0	\$43,000	\$0	\$43,000
<b>CNPA TOTAL</b>	<b>\$176,611,397</b>	<b>\$176,553,103</b>	<b>\$933,120</b>	<b>\$63,722,314</b>	<b>\$112,830,789</b>	<b>\$176,553,103</b>

Notes regarding tables above:

- Column B "Current Budget" includes executed change orders and awarded contracts.
- Column C "Cost This Month" represents the cost of work paid this month.
- Column D "Cost To Date" includes actuals (amount paid) to date.

Table 8-4 shows improvements outside of the scope of PCEP that are funded with non-PCEP funds. These improvements are implemented through the PCEP contracts. In FTA terminology, these efforts are categorized as Concurrent Non-Project Activities (CNPA).

CHSRA Early Pole Relocation: Relocation of 196 OCS poles as part of PCEP. Implementing these pole relocations minimizes future cost and construction impacts. This scope is funded by the CHSRA.

PS-3 Relocation (Design): Relocate PS-3 (Burlingame) as part of PCEP to avoid a future conflict with the Broadway Grade Separation Project (BGSP). This scope is funded by the BGSP.

PS-3 Relocation (FEMA, BGSP Design Coord.): PS-3 Relocation FEMA Update and Design Coordination: Perform incremental design effort related to the 2019 FEMA requirement update to the flood plain map and design coordination with the BGSP. This scope is funded by the BGSP.

TPSS-2 VTA/PCEP Pole Relocation and Height (Design): Design changes due to the relocation of VTA/BART Pole at TPSS-2 location and pole height redesign for live line clearances. This scope is funded by the VTA.

Mary Avenue Advance Pre-emption: JPB changed the Mary Avenue grade crossing from simultaneous pre-emption to have 24 seconds of advance pre-emption.

EMU Option Cars: Exercise Stadler Contract Option for 37 additional EMUs. This scope is funded with a combination of TIRCP and matching local funds.

Add Flip-Up Seats into Bike Cars: Stadler contract change order to add four additional flip-up seats in each of the two unpowered (bike) cars per trainset (eight total per trainset). This scope is funded by Caltrain outside of the PCEP.

Update Virtual Reality Experience: Stadler contract change order to update the virtual reality experience to reflect the latest configuration of the trainsets. This scope is funded by Caltrain outside of the PCEP.

**Table 8-5 Budget Transfers of Contingency**

Transfer	Description	Contingency <sup>1</sup>
<b>ELECTRIFICATION</b>		
BBI-053-CCO-201	Procure and Deliver Electrical Supplies for JPB	\$2,004
BT-045A	Relocation of Main Signal Trunk Line at Redwood Junction LNTP	\$100,000
BT-023D	TASI Signal Cable Relocation - A5	\$131,767
	<b>ELECTRIFICATION SUBTOTAL</b>	<b>\$233,771</b>
<b>EMU</b>		
	<b>EMU SUBTOTAL</b>	<b>\$0</b>
	<b>PCEP TOTAL</b>	<b>\$233,771</b>

Notes regarding tables above:

Budget amount transferred from project contingency. A negative amount represents a credit to contingency.

Table 8-5 shows budget transfers of project contingency implemented during the current monthly reporting period. This table includes contingency transfers for both executed contract change orders as covered under Section 9.0 and uses of contingency for Program budget line items outside the five PCEP contracts.

Appendix D includes costs broken down by Standard Cost Code (SCC) format. This format is required for reporting of costs to the FTA. The overall project total in the SCC format is lower than the project costs in table 8-3. This is due to the exclusion of costs incurred prior to the project entering the Project Development phase.

## 9.0 CHANGE MANAGEMENT

The change management process establishes a formal administrative work process associated with the initiation, documentation, coordination, review, approval and implementation of changes that occur during the design, construction or manufacturing of the PCEP. The change management process accounts for impacts of the changes and ensures prudent use of contingency.

Currently the PCEP contracts are BBII, CEMOF, Stadler, SCADA, Tunnel Modifications, and Amtrak.

A log of all executed change orders can be found in Appendix E.

### Executed Contract Change Orders (CCO) This Month

#### Electrification Contract

**Change Order Authority (5% of BBII Contract)** **5% x \$696,610,558 = \$34,830,528**

Date	Change Number	Description	CCO Amount
9/20/2021	BBI-053-CCO-201	Procure and Deliver Electrical Supplies for JPB	\$2,004
<b>Total</b>			<b>\$2,004</b>

<sup>1</sup> (When indicated) Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.

#### EMU Contract

**Change Order Authority (5% of Stadler Contract)** **5% x \$550,899,459 = \$27,544,973**

Date	Change Number	Description	CCO Amount
	None		\$0
<b>Total</b>			<b>\$0</b>

<sup>1</sup> (When indicated) Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.

#### SCADA Contract

**Change Order Authority (15% of ARINC Contract)** **15% x \$3,446,917 = \$517,038**

Date	Change Number	Description	CCO Amount
	None		\$0
<b>Total</b>			<b>\$0</b>

<sup>1</sup> (When indicated) Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.

#### Tunnel Modification Contract

**Change Order Authority (10% of ProVen Contract)<sup>2</sup>** **10% x \$38,477,777 = \$3,847,778**

Date	Change Number	Description	CCO Amount
	None		\$0
<b>Total</b>			<b>\$0</b>

<sup>1</sup> (When indicated) Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.

<sup>2</sup> Tunnel modification contract (\$38,477,777) includes: Notching (\$25,281,170) and Drainage (\$13,196,607).

<sup>3</sup> Third Party Improvements/CNPA Projects that are funded with non-PCEP funds.

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CEMOF Contract

**Change Order Authority (10% of ProVen Contract)** **10% x \$6,550,777 = \$655,078**

Date	Change Number	Description	CCO Amount
	None		\$0
<b>Total</b>			<b>\$0</b>

<sup>1</sup> (When indicated) Change approved by the Board of Directors – not counted against the Executive Director’s Change Order Authority.

Amtrak AEM-7 Contract

**Change Order Authority (Lump Sum)** **Up to \$150,000**

Date	Change Number	Description	CCO Amount
	None		\$0
<b>Total</b>			<b>\$0</b>

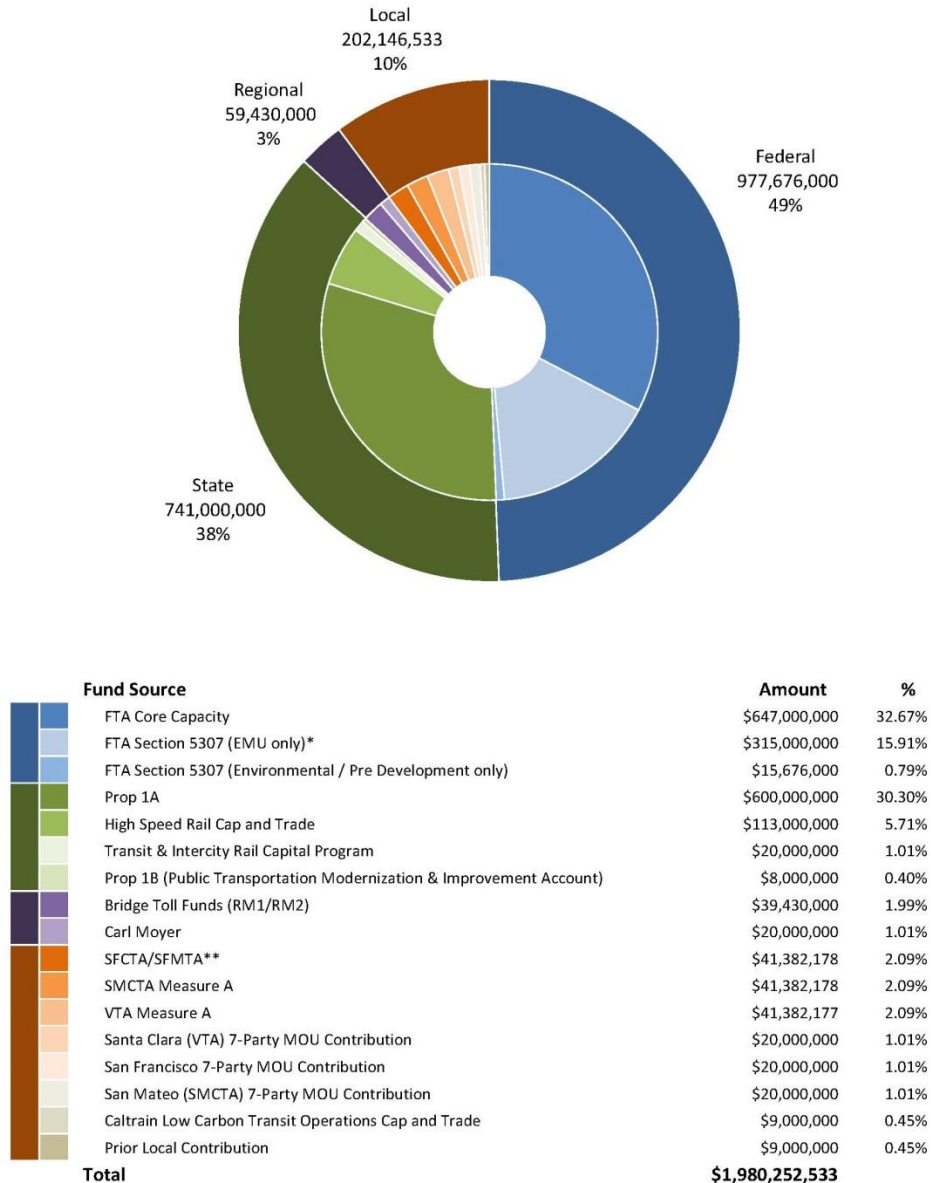
Notes:

<sup>1</sup>: When the threshold of 75% is reached, staff may return to the Board to request additional authority.

**10.0 FUNDING**

Figure 10-1 depicts a summary of the funding plan for the PCEP. It provides a breakdown of the funding partners as well as the allocated funds. During the last month, PCEP staff worked with FTA Region IX staff to award the next tranche of core capacity funding in the amount of \$100 million. With this award, it will bring the total FTA core capacity funding on the project to \$573 million.

**Figure 10-1 Funding Plan**



Notes:

\*Includes necessary fund transfer with SMCTA

\*\*Includes \$4M CMAQ Transfer considered part of SF local contribution

## **11.0 RISK MANAGEMENT**

The risk management process is conducted in an iterative fashion throughout the life of the project. During this process, new risks are identified, other risks are resolved or managed, and potential impacts and severity modified based on the current situation. The Risk Management team's progress report includes a summary on the effectiveness of the Risk Management Plan, any unanticipated effects, and any correction needed to handle the risk appropriately.

The Risk Management team meets monthly to identify risks and corresponding mitigation measures. Each risk is graded based on the potential cost and schedule impacts they could have on the project. This collection of risks has the greatest potential to affect the outcome of the project and consequently is monitored most closely. For each of the noted risks, as well as for all risks on the risk register, mitigation measures have been identified and are being implemented. Progress in mitigating these risks is confirmed at monthly risk assessment meetings attended by project team management and through continuous monitoring of the Risk Management Lead.

The team has identified the following items as top risks for the project (see Appendix F for the complete Risk Table):

1. The contractor may not complete signal and communication design, installation, and testing for the Two-speed check (2SC) modifications within budget and schedule.
2. Extent of differing site conditions and associated redesign efforts results in delays to the completion of the electrification contract and increases program costs.
3. Property not acquired in time for contractor to do work.
4. Additional property acquisition is necessitated by change in design.
5. Contractor generates hazardous materials that necessitate proper removal and disposal in excess of contract allowances and expectations.
6. Change of vehicle sub-suppliers results in additional first article inspections at cost to JPB (i.e., COVID-19, bankruptcy).
7. Solution to FRA concerns over bike storage impeding path to emergency exit windows path results in increased costs and potential rework.
8. Sub-optimal contractor sequencing, when progressing design and clearing foundation locations may result in construction inefficiencies.
9. PG&E interconnection work may not be completed on time resulting in delays to the reimbursement of PG&E Exhibit B Cost Allocation from PG&E.

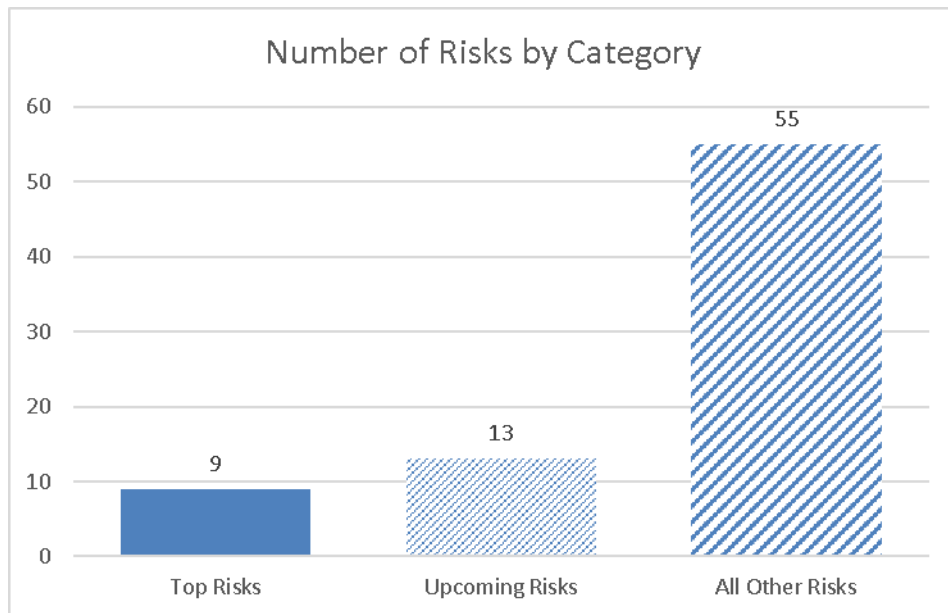
### **Activity This Month**

- Updated risk descriptions, effects, and mitigations based upon weekly input from risk owners. Monthly cycle of risk updating was completed based on schedules established in the Risk Identification and Mitigation Plan.
- Updated risk retirement dates based upon revisions to the project schedule and input from risk owners.

- Continued weekly monitoring of risk mitigation actions and publishing of the risk register.
- Continued monitoring of issues on issues log for determination of new risks.
- The Risk Management team attended Project Delivery, Vehicle Design, Systems Integration, and Weekly Contractor Progress meetings to monitor developments associated with risks and to identify new risks.
- Updated contractor-owned risks through JPB and consultant personnel.

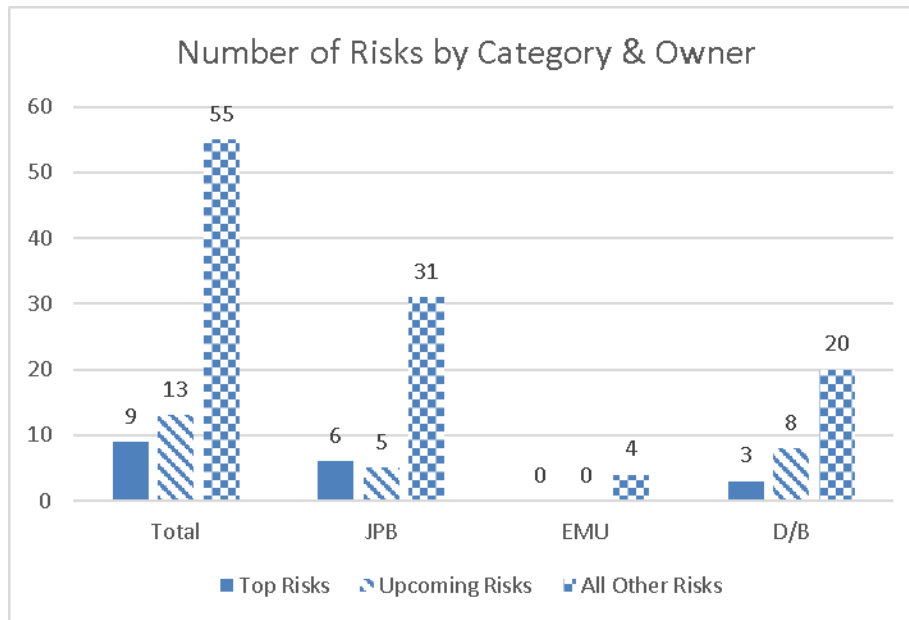
Figures 11-1 and 11-2 show the risks identified for the program. Risks are categorized as top risk, upcoming risk, and all other risks. The categories are based on a rating scale composed of schedule and cost factors. Top risks are considered to have a significantly higher than average risk grade. Upcoming risks are risks for which mitigating action must be taken within 60 days. All other risks are risks not falling into other categories.

**Figure 11-1 Monthly Status of Risks**



**Total Number of Active Risks = 77**

Figure 11-2 Risk Classification



Total Number of Active Risks = 77

### Activity Next Month

- Conduct weekly monitoring of risk mitigation actions and continue publishing risk register.
- Update risk descriptions, effects, mitigations and retirement dates based on weekly monitoring and attendance at key project meetings.
- Monitor issues on issues log for determination of potential new risks.
- Convene Risk Assessment Committee meeting.
- Convene Risk Refresh Workshop.



## **12.0 ENVIRONMENTAL**

### **12.1. Permits**

The PCEP has obtained the required environmental permits from the following agencies/federal regulations: Section 106 of the National Historic Preservation Act of 1966 (NHPA), Section 7 of the Endangered Species Act (ESA), United States Army Corps of Engineers, San Francisco Bay Regional Water Quality Control Board (SFWQCB), the California Department of Fish and Wildlife, and the San Francisco Bay Conservation Development Commission.

#### **Activity This Month**

- None

#### **Activity Next Month**

- None

### **12.2. Mitigation Monitoring and Reporting Program (MMRP)**

The California Environmental Quality Act (CEQA) requires that a Lead Agency establish a program to monitor and report on mitigation measures that it has adopted as part of the environmental review process. The PCEP team has prepared a MMRP to ensure that mitigation measures identified in the PCEP Environmental Impact Report are fully implemented during project implementation. PCEP will implement the mitigation measures through its own actions, those of the DB contractor and actions taken in cooperation with other agencies and entities. The status of each mitigation measure in the MMRP is included in Appendix G.

#### **Activity This Month**

- Environmental compliance monitors were present during project activities (OCS pole foundation installation, potholing for utility location, conduit installation, etc.) occurring in areas that required environmental compliance monitoring. The monitoring was conducted in accordance with measures in the MMRP in an effort to minimize potential impacts on sensitive environmental resources.
- Biological surveyors continued to conduct pre-construction surveys for sensitive wildlife species including nesting bird surveys ahead of project activities.
- Noise and vibration monitoring also occurred during project activities, and non-hazardous soil was removed from the right of way (ROW).
- Environmentally Sensitive Area (ESA) delineation (staking and/or fencing) to delineate jurisdictional waterways and other potentially sensitive areas that should be avoided during upcoming construction activities was maintained. Round three and four of protocol-level burrowing owl surveys were conducted. Protocol level burrowing owl surveys are now complete for the 2021 season. Pre-construction surveys for sensitive wildlife species continued at previously identified potential habitat locations. Wildlife exclusion fencing installation and monitoring occurred adjacent to portions of the alignment designated for wildlife exclusion fencing.

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- Best management practices (BMPs) installation and maintenance (e.g., silt fencing, straw wattles with no monofilament netting per wildlife agency permit requirements, soil covers, etc.) occurred at equipment staging areas and other work areas throughout the alignment in accordance with the project-specific Storm Water Pollution Prevention Plan (SWPPP).

**Activity Next Month**

- Environmental compliance monitors will continue to monitor project activities (OCS pole foundation installation, sawcutting on station platforms, potholing for utility location, tree trimming/removal, conduit installation, abandoned signal cable removal, etc.) occurring in areas that require environmental compliance monitoring in an effort to minimize potential impacts on sensitive environmental resources in accordance with the MMRP.
- Biological surveyors will continue to conduct pre-construction surveys for sensitive wildlife species including nesting bird surveys ahead of project activities.
- Noise and vibration monitoring of project activities will continue to occur and non-hazardous soil will continue to be removed.
- BMPs installation will continue in accordance with the project-specific SWPPP, and ESA staking and fencing will continue to be maintained, to delineate jurisdictional waterways, and other potentially sensitive areas, that should be avoided during upcoming project activities.
- Wildlife exclusion fencing will continue to be maintained prior to upcoming construction activities adjacent to potentially suitable habitat for sensitive wildlife species.

### **13.0 UTILITY RELOCATION**

Implementation of the PCEP requires relocation or rerouting of both public and private utility lines and/or facilities. Utility relocation will require coordination with many entities, including regulatory agencies, public safety agencies, federal, state, and local government agencies, private and public utilities, and other transportation agencies and companies. This section describes the progress specific to the utility relocation process.

#### **Activity This Month**

- Conducted utility coordination meeting to discuss overall status and areas of potential concern from the utilities.
- Continued relocation of Comcast and AT&T Utilities in all Segments, with a focus on Segment 3 and 4 ahead of OCS wiring.

#### **Activity Next Month**

- Coordinate with individual utility owners on the next steps of relocations, including support of any required design information.
- Update the relocation schedule as information becomes available from the utility owners.
- Continue to review relocation design from communications companies and coordinate relocation field work.
- Continue communication relocations in all Segments.

## **14.0 REAL ESTATE**

The PCEP requires the acquisition of a limited amount of real estate. In general, Caltrain uses existing Right of Way (ROW) for the PCEP, but in certain locations, will need to acquire small portions of additional real estate to expand the ROW to accommodate installation of OCS supports (fee acquisitions or railroad easements) and associated Electrical Safety Zones (ESZ) (easements). There are two larger full acquisition areas required for wayside facilities. The PCEP Real Estate team manages the acquisition of all property rights. Caltrain does not need to acquire real estate to complete the EMU procurement portion of the PCEP.

The Project has obtained possessory rights for all but one of the parcels identified at the beginning of the project.

The Real Estate team's current focus is working to identify new parcels and acquire them in conjunction with the project schedule.

- Staff has defined a process to ensure that BBII conveys new property needs (for poles, overhead wires and signals facilities) as soon as possible.
  - BBII must justify and JPB must approve all new parcels.
- Design needs to progress to enable BBII to identify exact acquisition areas.
- Staff is conducting pre-acquisition activities as appropriate.
- JPB has approved eight new parcels to date.

### **Activity This Month**

- With all catenary poles installed in Segments 2, 3 and 4, staff is now focused on identifying property for ESZ and signal needs.

### **Activity Next Month**

- Continue review of ESZ needs submitted by BBII compared to direction from contract.
- Continue to meet with internal signal team and BBII signal team to determine potential Real Estate needs.
- Make offers on two parcels for which appraisals have been completed.
- Continue to work with UPC to finalize a purchase agreement.

**15.0 THIRD PARTY AGREEMENTS**

Third-party coordination is necessary for work impacting public infrastructure, utilities, ROW acquisitions, and others. Table 15-1 below outlines the status of necessary agreements for the PCEP.

**Table 15-1 Third-Party Agreement Status**

Type	Agreement	Third-Party	Status
Governmental Jurisdictions	Construction & Maintenance <sup>1</sup>	City & County of San Francisco	Executed
		City of Brisbane	Executed
		City of South San Francisco	Executed
		City of San Bruno	Executed
		City of Millbrae	Executed
		City of Burlingame	Executed
		City of San Mateo	Executed
		City of Belmont	Executed
		City of San Carlos	Executed
		City of Redwood City	Executed
		Town of Atherton	Not Needed
		County of San Mateo	Executed
		City of Menlo Park	Executed
		City of Palo Alto	Executed
		City of Mountain View	Executed
		City of Sunnyvale	Executed
		City of Santa Clara	Executed
	County of Santa Clara	Executed	
	City of San Jose	Executed	
Condemnation Authority		San Francisco	In Process
		San Mateo	Executed
		Santa Clara	Executed
Utilities	Infrastructure	PG&E	Executed
	Operating Rules	CPUC	Executed
Transportation & Railroad	Construction & Maintenance	Bay Area Rapid Transit	Executed <sup>2</sup>
	Construction & Maintenance	California Dept. of Transportation (Caltrans)	In Process
	Trackage Rights	UPRR	Executed <sup>2</sup>

Notes regarding table above:

1. Agreements memorialize the parties' consultation and cooperation, designate respective rights and obligations and ensure cooperation between the JPB and the 17 cities and three counties along the Caltrain ROW and within the PCEP limits in connection with the design and construction of the PCEP.
2. Utilizing existing agreements.

## 16.0 GOVERNMENT AND COMMUNITY AFFAIRS

The Community Relations and Outreach team coordinates all issues with all jurisdictions, partner agencies, government organizations, businesses, labor organizations, local agencies, residents, community members, other interested parties, and the media. In addition, the team oversees the BBII's effectiveness in implementing its Public Involvement Program.

### **Presentations/Meetings**

- Chamber San Mateo County – Transportation and Housing Committee

### **Third Party/Stakeholder Actions**

- None

**17.0 DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION AND LABOR STATISTICS**

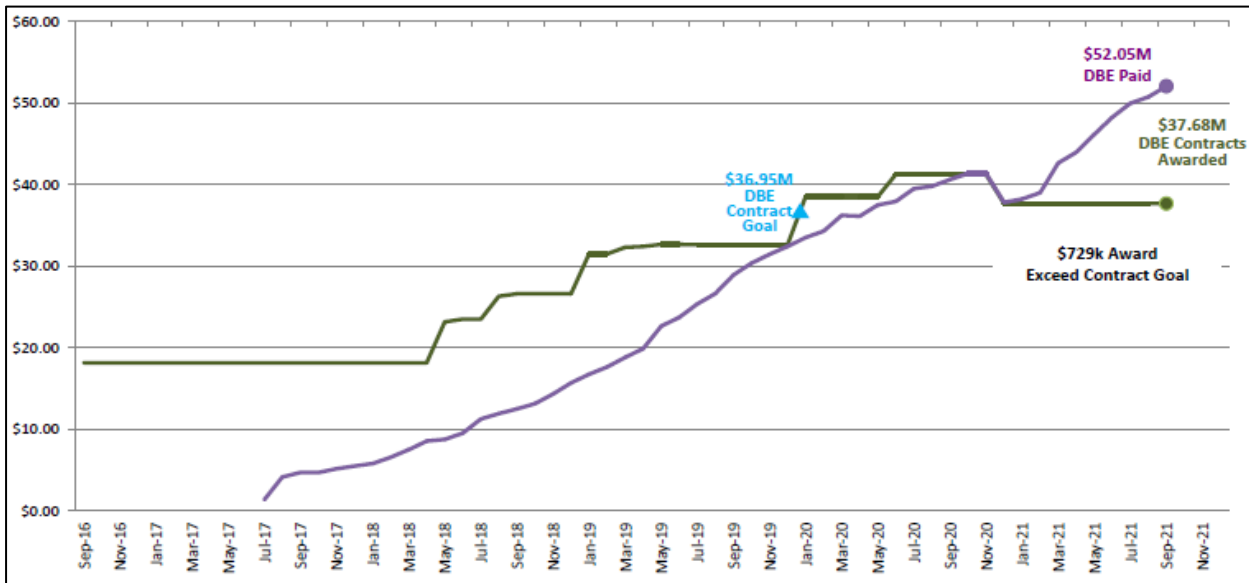
BBII proposed that 5.2% (\$36,947,141) of the DB base contract value including DBE contract change orders (\$710,521,950) would be subcontracted to DBEs.

**Activity This Month**

As expressed in Figure 17-1 below, to date BBII reports:

- **\$ 52,054,297** has been paid to DBE subcontractors.
- **\$ 37,675,908** of DBE contracts have been awarded.
- **7.33%** has been achieved.
- All reported figures are subject to verification by DBE Administrator.
- As a result of JPB’s DBE Office’s review of BBII’s DBE reports, one subcontractor was disqualified in December 2020. After removing amounts paid to the disqualified subcontractor, BBII’s reported awarded and achieved amounts show a decline from previous months. These amounts and are to be verified by JPB’s DBE Administrator.

**Figure 17-1 DBE Participation**



**Activity Next Month**

BBII has proposed the following key actions:

“We continue to anticipate increasing our DBE commitments to firms who we are currently negotiating pricing on proposed work or Professional Services Agreements. We are optimistic about the prospect of making future awards to DBE firms. We also anticipate that the existing project work will increase resulting in expanded work for current DBE subcontractors.”

## 18.0 PROCUREMENT

### **Invitation for Bids (IFB)/Request for Quotes (RFQ)/Request for Proposals (RFP) Issued this Month:**

- None

### **Bids, Quotes, Proposals in Response to IFB/RFQ/RFP Received this Month:**

- None

### **In Process IFB/RFQ/RFP/Contract Amendments for Award:**

- None

### **Contract Awards this Month:**

- None

### **Work Directive (WD)/Purchase Order (PO) Awards & Amendments this Month:**

- Multiple WDs & POs issued to support the program needs

### **Upcoming Contract Awards/Contract Amendments:**

- Contract 18-J-P-115 On-Call Construction Management Services for PCEP

### **Upcoming IFB/RFQ/RFP to be Issued:**

- None

### **Existing Contracts Amendments Issued:**

- None



**19.0 TIMELINE OF MAJOR PROJECT ACCOMPLISHMENTS**

Below is a timeline showing major project accomplishments from 2001 to 2021:

<b>Date</b>	<b>Milestone</b>
2001	Began federal National Environmental Policy Act (NEPA) Environmental Assessment (EA) / state EIR clearance process
2002	Conceptual Design completed
2004	Draft NEPA EA/EIR
2008	35% design complete
2009	Final NEPA EA/EIR and Finding of No Significant Impact (FONSI)
2014	RFQ for electrification RFI for EMU
2015	JPB approves final CEQA EIR JPB approves issuance of RFP for electrification JPB approves issuance of RFP for EMU Receipt of proposal for electrification FTA approval of Core Capacity Project Development
2016	JPB approves EIR Addendum #1: PS-7 FTA re-evaluation of 2009 FONSI Receipt of electrification best and final offers Receipt of EMU proposal Application for entry to engineering to FTA Completed the EMU Buy America Pre-Award Audit and Certification Negotiations completed with Stadler for EMU vehicles Negotiations completed with BBII, the apparent best-value electrification firm JPB approves contract award (LNTP) to BBII JPB approves contract award (LNTP) to Stadler FTA approval of entry into engineering for the Core Capacity Program Application for FFGA
2017	FTA finalized the FFGA for \$647 million in Core Capacity funding, met all regulatory requirements including end of Congressional Review Period (February) FTA FFGA executed, committing \$647 million to the project (May) JPB approves \$1.98 billion budget for PCEP (June) Issued NTP for EMUs to Stadler (June 1) Issued NTP for electrification contract to BBII (June 19) Construction began (August) EMU manufacturing began (October) Issued NTP for SCADA to Rockwell Collins (ARINC) (October) Issued NTP for CEMOF Facility Upgrades to HNTB (November)

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<b>Date</b>	<b>Milestone</b>
2018	Completed all PG&E agreements JPB approves contract award to Mitsui for the purchase of electric locomotives and Amtrak for overhaul services, storage, acceptance testing, training, and shipment of locomotive to CEMOF JPB approves authorization for the Executive Director to negotiate final contract award to ProVen for tunnel modifications and track rehabilitation project JPB approves contract award (LNTP) to ProVen for tunnel modifications Issued NTP to ProVen for tunnel modifications (October) Amended contract with ProVen to include OCS in the tunnels (November)
2019	JPB approves contract award to ProVen for CEMOF modifications (February) JPB approves LNTP to ProVen for CEMOF modifications (April) JPB approves NTP to ProVen for CEMOF modifications (September)
2020	JPB approves agreement amendment to PG&E for interconnection construction JPB executes agreement with PG&E for interconnection construction (May) FRA approved the waiver for Alternative Vehicle Technology regarding crashworthiness of EMU cars
2021	The intertie between TPS-2 and FMC was completed (January 18) First EMU vehicle shipped to Pueblo, CO for testing (February 10)

**APPENDICES**

Appendix A – Acronyms

**Peninsula Corridor Electrification Project  
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<b>AIM</b>	<b>Advanced Information Management</b>	<b>EA</b>	<b>Environmental Assessment</b>
<b>ARINC</b>	<b>Aeronautical Radio, Inc.</b>	<b>EAC</b>	<b>Estimate at Completion</b>
<b>BAAQMD</b>	<b>Bay Area Air Quality Management District</b>	<b>EIR</b>	<b>Environmental Impact Report</b>
<b>BBII</b>	<b>Balfour Beatty Infrastructure, Inc.</b>	<b>EOR</b>	<b>Engineer of Record</b>
<b>CAISO</b>	<b>California Independent System Operator</b>	<b>EMU</b>	<b>Electric Multiple Unit</b>
<b>CalMod</b>	<b>Caltrain Modernization Program</b>	<b>ESA</b>	<b>Endangered Species Act</b>
<b>Caltrans</b>	<b>California Department of Transportation</b>	<b>ESA</b>	<b>Environmental Site Assessments</b>
<b>CDFW</b>	<b>California Department of Fish and Wildlife</b>	<b>FAI</b>	<b>First Article Inspection</b>
<b>CEMOF</b>	<b>Centralized Equipment Maintenance and Operations Facility</b>	<b>FEIR</b>	<b>Final Environmental Impact Report</b>
<b>CEQA</b>	<b>California Environmental Quality Act (State)</b>	<b>FNTF</b>	<b>Full Notice to Proceed</b>
<b>CHSRA</b>	<b>California High-Speed Rail Authority</b>	<b>FFGA</b>	<b>Full Funding Grant Agreement</b>
<b>CIP</b>	<b>Capital Improvement Plan</b>	<b>FONSI</b>	<b>Finding of No Significant Impact</b>
<b>CNPA</b>	<b>Concurrent Non-Project Activity</b>	<b>FRA</b>	<b>Federal Railroad Administration</b>
<b>CPUC</b>	<b>California Public Utilities Commission</b>	<b>FTA</b>	<b>Federal Transit Administration</b>
<b>CTC</b>	<b>Centralized Traffic Control</b>	<b>GO</b>	<b>General Order</b>
<b>DB</b>	<b>Design-Build</b>	<b>HSR</b>	<b>High Speed Rail</b>
<b>DBB</b>	<b>Design-Bid-Build</b>	<b>ICD</b>	<b>Interface Control Document</b>
<b>DBE</b>	<b>Disadvantaged Business Enterprise</b>	<b>IFC</b>	<b>Issued for Construction</b>
<b>DEMP</b>	<b>Design, Engineering, and Management Planning</b>	<b>ITS</b>	<b>Intelligent Transportation System</b>
		<b>JPB</b>	<b>Peninsula Corridor Joint Powers Board</b>
		<b>LNTF</b>	<b>Limited Notice to Proceed</b>

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<b>MMRP</b>	<b>Mitigation, Monitoring, and Reporting Program</b>	<b>RFI</b>	<b>Request for Information</b>
		<b>RFP</b>	<b>Request for Proposals</b>
<b>MOU</b>	<b>Memorandum of Understanding</b>	<b>RFQ</b>	<b>Request for Qualifications</b>
<b>MPS</b>	<b>Master Program Schedule</b>	<b>ROCS</b>	<b>Rail Operations Center System</b>
<b>NCR</b>	<b>Non Conformance Report</b>	<b>ROW</b>	<b>Right of Way</b>
<b>NEPA</b>	<b>National Environmental Policy Act (Federal)</b>	<b>RRP</b>	<b>Railroad Protective Liability</b>
<b>NHPA</b>	<b>National Historic Preservation Act</b>	<b>RSD</b>	<b>Revenue Service Date</b>
<b>NMFS</b>	<b>National Marine Fisheries Service</b>	<b>RWP</b>	<b>Roadway Worker Protection</b>
<b>NTP</b>	<b>Notice to Proceed</b>	<b>SamTrans</b>	<b>San Mateo County Transit District</b>
<b>OCS</b>	<b>Overhead Contact System</b>	<b>SCADA</b>	<b>Supervisory Control and Data Acquisition</b>
<b>PCEP</b>	<b>Peninsula Corridor Electrification Project</b>	<b>SCC</b>	<b>Standard Cost Code</b>
<b>PCJPB</b>	<b>Peninsula Corridor Joint Powers Board</b>	<b>SPUR</b>	<b>San Francisco Bay Area Planning and Urban Research Association</b>
<b>PG&amp;E</b>	<b>Pacific Gas and Electric</b>	<b>SFBCDC</b>	<b>San Francisco Bay Conservation Development Commission</b>
<b>PHA</b>	<b>Preliminary Hazard Analysis</b>	<b>SFCTA</b>	<b>San Francisco County Transportation Authority</b>
<b>PMOC</b>	<b>Project Management Oversight Contractor</b>	<b>SFMTA</b>	<b>San Francisco Municipal Transportation Authority</b>
<b>PS</b>	<b>Paralleling Station</b>	<b>SFRWQCB</b>	<b>San Francisco Regional Water Quality Control Board</b>
<b>PTC</b>	<b>Positive Train Control</b>	<b>SOGR</b>	<b>State of Good Repair</b>
<b>QA</b>	<b>Quality Assurance</b>	<b>SSCP</b>	<b>Safety and Security Certification Plan</b>
<b>QC</b>	<b>Quality Control</b>	<b>SSMP</b>	<b>Safety and Security Management Plan</b>
<b>QMP</b>	<b>Quality Management Plan</b>	<b>SSWP</b>	<b>Site Specific Work Plan</b>
<b>QMS</b>	<b>Quality Management System</b>		
<b>RAMP</b>	<b>Real Estate Acquisition Management Plan</b>		
<b>RE</b>	<b>Real Estate</b>		

<b>SWS</b>	<b>Switching Station</b>
<b>TASI</b>	<b>TransitAmerica Services Inc.</b>
<b>TBD</b>	<b>To Be Determined</b>
<b>TPS</b>	<b>Traction Power Substation</b>
<b>TSP</b>	<b>Transmission Structure Pole</b>
<b>TVA</b>	<b>Threat and Vulnerability Assessment</b>
<b>UPRR</b>	<b>Union Pacific Railroad</b>
<b>USACE</b>	<b>United States Army Corp of Engineers</b>
<b>USFWS</b>	<b>U.S. Fish and Wildlife Service</b>
<b>VTA</b>	<b>Santa Clara Valley Transportation Authority</b>

Appendix B – Funding Partner Meetings



**Funding Partner Meeting Representatives**  
Updated May 21, 2021

Agency	CHSRA	MTC	SFCTA/SFMTA/CCSF	SMCTA	VTA
<b>FTA Quarterly Meeting</b>	<ul style="list-style-type: none"> <li>• Boris Lipkin</li> <li>• Simon Whitehorn</li> <li>• Wai Siu (info only)</li> <li>• Sharath Murthy (info only)</li> </ul>	<ul style="list-style-type: none"> <li>• Anne Richman</li> </ul>	<ul style="list-style-type: none"> <li>• Luis Zurinaga</li> </ul>	<ul style="list-style-type: none"> <li>• April Chan</li> <li>• Peter Skinner</li> </ul>	<ul style="list-style-type: none"> <li>• Jim Lawson</li> </ul>
<b>Funding Partners Quarterly Meeting</b>	<ul style="list-style-type: none"> <li>• Boris Lipkin</li> <li>• Simon Whitehorn</li> <li>• John Popoff</li> <li>• Sharath Murthy (info only)</li> </ul>	<ul style="list-style-type: none"> <li>• Trish Stoops</li> </ul>	<ul style="list-style-type: none"> <li>• Luis Zurinaga</li> </ul>	<ul style="list-style-type: none"> <li>• April Chan</li> <li>• Peter Skinner</li> </ul>	<ul style="list-style-type: none"> <li>• Krishna Davey</li> <li>• Edwin Castillo</li> <li>• Franklin Wong</li> </ul>
<b>Funding Oversight (monthly)</b>	<ul style="list-style-type: none"> <li>• Kelly Doyle</li> </ul>	<ul style="list-style-type: none"> <li>• Anne Richman</li> <li>• Kenneth Folan</li> </ul>	<ul style="list-style-type: none"> <li>• Anna LaForte</li> <li>• Maria Lombardo</li> <li>• Luis Zurinaga</li> <li>• Monique Webster</li> <li>• Ariel Espiritu Santo</li> </ul>	<ul style="list-style-type: none"> <li>• April Chan</li> <li>• Peter Skinner</li> </ul>	<ul style="list-style-type: none"> <li>• Jim Lawson</li> <li>• Marcella Rensi</li> <li>• Michael Smith</li> </ul>
<b>Change Management Board (monthly)</b>	<ul style="list-style-type: none"> <li>• Boris Lipkin</li> <li>• Simon Whitehorn</li> </ul>	<ul style="list-style-type: none"> <li>• Trish Stoops</li> <li>• Kenneth Folan</li> </ul>	<ul style="list-style-type: none"> <li>• Luis Zurinaga</li> <li>• Tilly Chang (info only)</li> </ul>	<ul style="list-style-type: none"> <li>• Joe Hurley</li> </ul>	<ul style="list-style-type: none"> <li>• Krishna Davey</li> <li>• Edwin Castillo</li> <li>• Franklin Wong</li> <li>• James Costantini</li> <li>• Jim Lawson</li> </ul>
<b>Master Program Schedule Update (monthly)</b>	<ul style="list-style-type: none"> <li>• Wai Siu</li> <li>• Sharath Murthy</li> </ul>	<ul style="list-style-type: none"> <li>• Trish Stoops</li> </ul>	<ul style="list-style-type: none"> <li>• Luis Zurinaga</li> </ul>	<ul style="list-style-type: none"> <li>• Joe Hurley</li> </ul>	<ul style="list-style-type: none"> <li>• Jim Lawson</li> </ul>
<b>Risk Assessment Committee (monthly)</b>	<ul style="list-style-type: none"> <li>• Wai Siu</li> <li>• Sharath Murthy</li> </ul>	<ul style="list-style-type: none"> <li>• Trish Stoops</li> </ul>	<ul style="list-style-type: none"> <li>• Luis Zurinaga</li> </ul>	<ul style="list-style-type: none"> <li>• Joe Hurley</li> </ul>	<ul style="list-style-type: none"> <li>• Krishna Davey</li> <li>• Edwin Castillo</li> <li>• Franklin Wong</li> </ul>
<b>PCEP Delivery Coordination Meeting (bi-weekly)</b>	<ul style="list-style-type: none"> <li>• Wai Siu</li> <li>• Sharath Murthy</li> </ul>	<ul style="list-style-type: none"> <li>• Trish Stoops</li> </ul>	<ul style="list-style-type: none"> <li>• Luis Zurinaga</li> </ul>	<ul style="list-style-type: none"> <li>• Joe Hurley</li> </ul>	<ul style="list-style-type: none"> <li>• Krishna Davey</li> <li>• Edwin Castillo</li> <li>• Franklin Wong</li> <li>• James Costantini</li> </ul>
<b>Systems Integration Meeting (bi-weekly)</b>	<ul style="list-style-type: none"> <li>• Wai Siu</li> <li>• Sharath Murthy</li> </ul>	<ul style="list-style-type: none"> <li>• Trish Stoops</li> </ul>	<ul style="list-style-type: none"> <li>• Luis Zurinaga</li> </ul>	<ul style="list-style-type: none"> <li>• Joe Hurley</li> </ul>	<ul style="list-style-type: none"> <li>• Krishna Davey</li> <li>• Edwin Castillo</li> <li>• Franklin Wong</li> </ul>

Appendix C – Schedule





Appendix D – Standard Cost Codes

## Peninsula Corridor Electrification Project Monthly Progress Report

Description of Work	FFGA Baseline Budget (A)	Approved Budget (B)	Cost This Month (C)	Cost To Date (D)	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
<b>10 - GUIDEWAY &amp; TRACK ELEMENTS</b>	<b>\$14,256,739</b>	<b>\$27,834,841</b>	<b>\$2,094</b>	<b>\$25,624,112</b>	<b>\$2,731,411</b>	<b>\$28,355,523</b>
10.02 Guideway: At-grade semi-exclusive (allows cross-traffic)	\$2,500,000	\$2,500,000	\$2,094	\$289,990	\$2,210,010	\$2,500,000
10.07 Guideway: Underground tunnel	\$8,110,649	\$25,334,841	\$0	\$25,334,122	\$521,400	\$25,855,523
10.07 Allocated Contingency	\$3,646,090	\$0	\$0	\$0	\$0	\$0
<b>30 - SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS</b>	<b>\$2,265,200</b>	<b>\$8,194,234</b>	<b>\$90,571</b>	<b>\$7,079,961</b>	<b>\$1,341,753</b>	<b>\$8,421,714</b>
30.03 Heavy Maintenance Facility	\$1,344,000	\$8,194,234	\$90,571	\$7,079,961	\$1,341,753	\$8,421,714
30.03 Allocated Contingency	\$421,200	\$0	\$0	\$0	\$0	\$0
30.05 Yard and Yard Track	\$500,000	\$0	\$0	\$0	\$0	\$0
<b>40 - SITEWORK &amp; SPECIAL CONDITIONS</b>	<b>\$255,072,402</b>	<b>\$265,947,135</b>	<b>\$6,949,031</b>	<b>\$263,312,942</b>	<b>\$14,967,044</b>	<b>\$278,279,986</b>
40.01 Demolition, Clearing, Earthwork	\$3,077,685	\$10,136,067	\$130,049	\$8,135,174	\$1,997,106	\$10,132,280
40.02 Site Utilities, Utility Relocation	\$62,192,517	\$101,470,154	\$3,044,286	\$136,930,032	(\$31,353,087)	\$105,576,945
40.02 Allocated Contingency	\$25,862,000	(\$0)	\$0	\$0	(\$0)	(\$0)
40.03 Haz. mat'l, contam'd soil removal/mitigation, ground water treatments	\$2,200,000	\$8,744,961	\$2,301,730	\$12,238,570	(\$307,460)	\$11,931,111
40.04 Environmental mitigation, e.g. wetlands, historic/archeologic, parks	\$32,579,208	\$19,504,208	\$9,325	\$2,702,295	\$18,501,913	\$21,204,208
40.05 Site structures including retaining walls, sound walls	\$568,188	\$0	\$0	\$0	\$0	\$0
40.06 Pedestrian / bike access and accommodation, landscaping	\$804,933	\$2,735,000	\$41,750	\$676,250	\$2,090,409	\$2,766,659
40.07 Automobile, bus, van accessways including roads, parking lots	\$284,094	\$0	\$0	\$0	\$0	\$0
40.08 Temporary Facilities and other indirect costs during construction	\$107,343,777	\$121,771,745	\$1,421,891	\$102,630,621	\$23,624,209	\$126,254,830
40.08 Allocated Contingency	\$20,160,000	\$1,585,000	\$0	\$0	\$413,953	\$413,953
<b>50 - SYSTEMS</b>	<b>\$504,445,419</b>	<b>\$509,435,663</b>	<b>\$24,238,650</b>	<b>\$339,973,404</b>	<b>\$201,188,832</b>	<b>\$541,162,235</b>
50.01 Train control and signals	\$97,589,149	\$120,343,517	\$3,888,805	\$71,003,792	\$49,885,233	\$120,889,025
50.01 Allocated Contingency	\$1,651,000	\$0	\$0	\$0	\$0	\$0
50.02 Traffic signals and crossing protection	\$23,879,905	(\$0)	\$0	\$0	(\$0)	(\$0)
50.02 Allocated Contingency	\$1,140,000	\$1,140,000	\$0	\$0	\$1,140,000	\$1,140,000
50.03 Traction power supply: substations	\$69,120,009	\$102,212,507	\$12,949,747	\$78,245,096	\$26,226,051	\$104,471,147
50.03 Allocated Contingency	\$31,755,013	\$2,808,090	\$0	\$0	\$2,121,398	\$2,121,398
50.04 Traction power distribution: catenary and third rail	\$253,683,045	\$273,432,200	\$7,568,698	\$190,157,626	\$115,876,471	\$306,034,097
50.04 Allocated Contingency	\$18,064,000	\$3,934,349	\$0	\$0	\$941,568	\$941,568
50.05 Communications	\$5,455,000	\$5,547,000	(\$168,600)	\$566,889	\$4,980,111	\$5,547,000
50.07 Central Control	\$2,090,298	\$0	\$0	\$0	\$0	\$0
50.07 Allocated Contingency	\$18,000	\$18,000	\$0	\$0	\$18,000	\$18,000
<b>60 - ROW, LAND, EXISTING IMPROVEMENTS</b>	<b>\$35,675,084</b>	<b>\$35,675,084</b>	<b>(\$374,552)</b>	<b>\$21,709,789</b>	<b>\$14,773,431</b>	<b>\$36,483,220</b>
60.01 Purchase or lease of real estate	\$25,927,074	\$25,927,074	(\$374,552)	\$21,575,797	\$13,907,423	\$35,483,220
60.01 Allocated Contingency	\$8,748,010	\$8,748,010	\$0	\$0	(\$0)	(\$0)
60.02 Relocation of existing households and businesses	\$1,000,000	\$1,000,000	\$0	\$133,992	\$866,008	\$1,000,000
<b>70 - VEHICLES (96)</b>	<b>\$625,544,147</b>	<b>\$619,922,318</b>	<b>\$551,922</b>	<b>\$286,174,677</b>	<b>\$334,637,945</b>	<b>\$620,812,622</b>
70.03 Commuter Rail	\$589,167,291	\$591,215,161	\$551,922	\$283,412,505	\$313,543,756	\$596,956,261
70.03 Allocated Contingency	\$9,472,924	\$4,239,405	\$0	\$0	\$24,610	\$24,610
70.06 Non-revenue vehicles	\$8,140,000	\$5,067,821	\$0	\$538,280	\$4,529,541	\$5,067,821
70.07 Spare parts	\$18,763,931	\$18,763,931	\$0	\$2,223,893	\$16,540,038	\$18,763,931
<b>80 - PROFESSIONAL SERVICES (applies to Cats. 10-50)</b>	<b>\$323,793,010</b>	<b>\$379,242,974</b>	<b>\$1,570,693</b>	<b>\$336,111,560</b>	<b>\$66,241,786</b>	<b>\$402,353,345</b>
80.01 Project Development	\$130,350	\$130,350	\$0	\$289,233	(\$158,883)	\$130,350
80.02 Engineering (not applicable to Small Starts)	\$180,227,311	\$219,742,737	\$31,260	\$206,322,929	\$14,150,411	\$220,473,340
80.02 Allocated Contingency	\$1,866,000	\$4,678	\$0	\$0	\$4,678	\$4,678
80.03 Project Management for Design and Construction	\$72,029,265	\$92,879,661	\$812,755	\$90,147,249	\$17,698,322	\$107,845,571
80.03 Allocated Contingency	\$9,388,080	\$3,725,231	\$0	\$0	(\$0)	(\$0)
80.04 Construction Administration & Management	\$23,677,949	\$38,941,008	\$687,167	\$28,684,502	\$20,756,506	\$49,441,008
80.04 Allocated Contingency	\$19,537,000	\$4,914,740	\$0	\$0	\$4,914,740	\$4,914,740
80.05 Professional Liability and other Non-Construction Insurance	\$3,500,000	\$4,581,851	\$0	\$4,581,851	\$0	\$4,581,851
80.06 Legal; Permits; Review Fees by other agencies, cities, etc.	\$7,167,275	\$9,254,887	\$39,511	\$6,031,306	\$3,781,912	\$9,813,218
80.06 Allocated Contingency	\$556,000	\$0	\$0	\$0	\$0	\$0
80.07 Surveys, Testing, Investigation, Inspection	\$3,287,824	\$3,418,022	\$0	\$54,490	\$3,444,291	\$3,498,781
80.08 Start up	\$1,797,957	\$1,021,808	\$0	\$0	\$1,021,808	\$1,021,808
80.08 Allocated Contingency	\$628,000	\$628,000	\$0	\$0	\$628,000	\$628,000
<b>Subtotal (10 - 80)</b>	<b>\$1,761,052,001</b>	<b>\$1,845,616,249</b>	<b>\$33,028,410</b>	<b>\$1,279,986,444</b>	<b>\$635,882,201</b>	<b>\$1,915,868,645</b>
<b>90 - UNALLOCATED CONTINGENCY</b>	<b>\$162,620,295</b>	<b>\$75,156,047</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,903,651</b>	<b>\$4,903,651</b>
<b>Subtotal (10 - 90)</b>	<b>\$1,923,672,296</b>	<b>\$1,920,772,296</b>	<b>\$33,028,410</b>	<b>\$1,279,986,444</b>	<b>\$640,785,852</b>	<b>\$1,920,772,296</b>
<b>100 - FINANCE CHARGES</b>	<b>\$6,998,638</b>	<b>\$9,898,638</b>	<b>\$39,494</b>	<b>\$7,735,917</b>	<b>\$2,162,721</b>	<b>\$9,898,638</b>
<b>Total Project Cost (10 - 100)</b>	<b>\$1,930,670,934</b>	<b>\$1,930,670,934</b>	<b>\$33,067,903</b>	<b>\$1,287,722,361</b>	<b>\$642,948,573</b>	<b>\$1,930,670,934</b>
<b>KNOWN AND ALLOCATED</b>					<b>\$161,000,000</b>	<b>\$161,000,000</b>
<b>RESERVE</b>					<b>\$172,000,000</b>	<b>\$172,000,000</b>
<b>Total Project Cost w/ Additional</b>	<b>\$1,930,670,934</b>	<b>\$1,930,670,934</b>	<b>\$33,067,903</b>	<b>\$1,287,722,361</b>	<b>\$975,948,573</b>	<b>\$2,263,670,934</b>

Notes:

- Known and Allocated and Reserve includes additional budget need of \$333M in the estimate at completion (EAC) until a budget amendment is approved.

Appendix E – Change Order Logs

**Peninsula Corridor Electrification Project  
Monthly Progress Report**

Change Order Logs

Electrification Contract

**Change Order Authority (5% of BBII Contract)**

**5% x \$696,610,558 = \$34,830,528**

<b>Date</b>	<b>Change Number</b>	<b>Description</b>	<b>CCO Amount</b>	<b>Change Order Authority Usage<sup>1</sup></b>	<b>Remaining Authority</b>
08/31/17	BBI-053-CCO-001	Track Access Delays Q4 2016	\$85,472	0.25%	\$34,745,056
02/28/18	BBI-053-CCO-003	Deletion of Signal Cable Meggering (Testing)	(\$800,000)	(2.30%)	\$35,545,056
02/21/18	BBI-053-CCO-004	Field Order for Differing Site Condition Work Performed on 6/19/17	\$59,965	0.17%	\$35,485,091
03/12/18	BBI-053-CCO-006	Track Access Delays for Calendar Quarter 1 2017	\$288,741	0.83%	\$35,196,350
04/24/18	BBI-053-CCO-002	Time Impact 01 Associated with Delayed NTP	\$9,702,667	0.00% <sup>2</sup>	-
04/24/18	BBI-053-CCO-008	2016 Incentives (Safety, Quality, and Public Outreach)	\$750,000	0.00% <sup>2</sup>	-
05/31/18	BBI-053-CCO-009	16th St. Grade Crossing Work Removal from BBII Contract	(\$685,198)	(1.97%)	\$35,881,548
05/31/18	BBI-053-CCO-012	2017 Incentives (Safety, Quality, and Public Outreach)	\$1,025,000	0.00% <sup>2</sup>	-
06/25/18	BBI-053-CCO-010	Pothole Change Of Shift	\$300,000	0.86%	\$35,581,548
06/25/18	BBI-053-CCO-013	Field Order for Signal Cable Relocation (FO# 31)	\$95,892	0.28%	\$35,485,656
06/25/18	BBI-053-CCO-015	TASI Pilot Transportation 2017	\$67,345	0.19%	\$35,418,311
06/26/18	BBI-053-CCO-005	Field Orders for Signal Cable Relocation (FO#s 26, 30)	\$191,836	0.55%	\$35,226,475
06/28/18	BBI-053-CCO-014	Field Orders for Signal Cable Relocation (FO-36 & FO-38)	\$145,694	0.42%	\$35,080,781
06/29/18	BBI-053-CCO-007	Track Access Delays for Calendar Quarter 2 2017	\$297,512	0.85%	\$34,783,269
06/29/18	BBI-053-CCO-011	Field Orders for Differing Site Condition (FO#s Partial 07A , 08-14)	\$181,013	0.52%	\$34,602,256
06/29/18	BBI-053-CCO-017	Field Order for NorCal Utility Potholing (FO# 27)	\$93,073	0.27%	\$34,509,183
06/29/18	BBI-053-CCO-018	Field Order for NorCal Utility Potholing (FO# 29)	\$76,197	0.22%	\$34,432,986
06/29/18	BBI-053-CCO-020	Field Orders for Differing Site Condition (FO#s 15-19)	\$118,364	0.34%	\$34,314,622
7/19/2018	BBI-053-CCO-019	Field Order for NorCal Utility Potholing (FO-032)	\$88,956	0.26 %	\$34,225,666
7/19/2018	BBI-053-CCO-021	As In-Service (AIS) Drawings for Segment 2 and 4 Signal Design (CN-009)	\$105,000	0.30 %	\$34,120,666
7/25/2018	BBI-053-CCO-022	CEMOF Yard Traction Power Feed (CN-008)	\$332,700	0.96 %	\$33,787,966
7/31/2018	BBI-053-CCO-028	Sonic Echo Impulse Testing	\$4,541	0.01 %	\$33,783,425
7/31/2018	BBI-053-CCO-026	TASI Pilot Transportation 2018 (CNC-0022)	\$50,409	0.14%	\$33,733,016
7/31/2018	BBI-053-CCO-027	Signal Cable Relocation (FOs-040 & 051)	\$196,114	0.56%	\$33,536,902
9/27/2018	BBI-053-CCO-030	Delete Spare 115k Disconnect Switches	(\$19,000)	(0.05)%	\$33,555,902
9/28/2018	BBI-053-CCO-031	Bldg A HVAC and FOB Card Reader Systems	\$76,500	0.22 %	\$33,479,402
9/28/2018	BBI-053-CCO-025A	Addition of Shunt Wire at Transverse Utility Crossing Locations – Design	\$925,000	0.00% <sup>2</sup>	-
9/28/2018	BBI-053-CCO-016A	UPRR MT-1 Pole Relocation - Design Changes	\$903,000	0.00% <sup>2</sup>	-
9/28/2018	BBI-053-CCO-024A	PG&E Utility Feed Connection to TPS#1 and TPS#2 (Design Only)	\$727,000	0.00% <sup>2</sup>	-
12/17/2018	BBI-053-CCO-032	PS-2 Site Relocation (Design Only)	\$291,446	0.84%	\$33,187,956
1/17/2019	BBI-053-CCO-023	Insulated Rail Joints	\$2,694,519	0.00% <sup>2</sup>	-
1/17/2019	BBI-053-CCO-029	CHSRA Early Pole Relocation (Design Only)	\$625,000	0.00% <sup>2,3</sup>	-
2/5/2019	BBI-053-CCO-040A	Increase in Potholing Quantity (unit price contract bid item by 25%)	\$1,662,500	4.77 %	\$31,525,456



**Peninsula Corridor Electrification Project**  
**Monthly Progress Report**

Change Order Authority (5% of BBII Contract)

5% x \$696,610,558 = \$34,830,528

Date	Change Number	Description	CCO Amount	Change Order Authority Usage <sup>1</sup>	Remaining Authority
3/5/2019	BBI-053-CCO-042A	TPSS-2 VTA/BART Pole Relocation (Design Only) (CNPA funded by VTA)	\$110,000	0.32% <sup>3</sup>	\$31,415,456
3/11/2019	BBI-053-CCO-036	Field Order for Signal Cable Relocation (FO-064)	\$86,538	0.25%	\$31,328,918
3/20/2019	BBI-053-CCO-035	Millbrae Avenue Existing Overhead Barrier	(\$40,000)	(0.11)%	\$31,368,918
3/19/2019	BBI-053-CCO-046	Training in Design Software and Potholing	\$136,611	0.39%	\$31,232,307
4/8/2019	BBI-053-CCO-041	Grade Crossing Warning System (CN59) – 5 mph Speed Check	\$446,982	1.28%	\$30,785,325
5/30/2019	BBI-053-CCO-044	Additional Daytime Potholing (Increase Quantity by 500 in Segment 4)	\$150,000	0.43 %	\$30,635,325
6/6/2019	BBI-053-CCO-048	Power Metering Devices	\$101,908	0.29 %	\$30,533,417
6/13/2019	BBI-053-CCO-045	Incentive Payment for 2018	\$1,025,000	0.00% <sup>2</sup>	-
6/13/2019	BBI-053-CCO-024B	PG&E Utility Feed Connection to TPS #1 and TPS#2 (Material On Hand)	\$1,600,000	4.59 %	\$28,933,417
6/24/2019	BBI-053-CCO-043	PS-5 Site Relocation (Design Only)	\$348,000	1.00 %	\$28,585,417
6/24/2019	BBI-053-CCO-054	Change Design Sequence for OCS Foundations	\$37,500	0.11%	\$28,547,917
7/1/2019	BBI-053-CCO-040B	Increase Quantity for Utilities Potholing (Bid Item #9)	\$1,867,700	5.36 %	\$26,680,217
7/10/2019	BBI-053-CCO-033A	Relocation of PS3 (Design) (CNPA funded by BGSP)	\$500,000	1.44 % <sup>3</sup>	\$26,180,217
8/15/2019	BBI-053-CCO-047	CEMOF Slot Drains (Design Only)	\$69,000	0.20%	\$26,111,217
8/16/2019	BBI-053-CCO-055	Sheriff's Deputy in Segment 4B	\$4,644	0.01%	\$26,106,573
9/3/2019	BBI-053-CCO-037	Field Orders for Signal Cable Relocation (FO-053 & FO-059)	\$184,576	0.53%	\$25,921,997
9/7/2019	BBI-053-CCO-057	Mediator with Technical Expertise	\$0	0.00%	\$25,921,997
9/27/2019	BBI-053-CCO-061	Interconnect Renaming of Circuit Numbers	\$58,058	0.17%	\$25,863,939
9/27/2019	BBI-053-CCO-063A	Track Access Delays - Quarter 1 2018 (Partial)	\$343,496	0.99%	\$25,520,443
10/21/2019	BBI-053-CCO-064	TPS-2 VTA Pole Height Redesign (CNPA funded by VTA)	\$31,000	0.09% <sup>3</sup>	\$25,489,443
11/15/2019	BBI-053-CCO-038	Field Order for Signal Cable Relocation (FO-079 & FO-085)	\$187,764	0.54 %	\$25,301,680
11/26/2019	BBI-053-CCO-025B	Addition of OCS Shunt Wires in Segments 2 & 4 - Wire Assembly Materials Only - voided below on 7/31/20	\$144,370	0.41 %	\$25,157,310
12/11/2019	BBI-053-CCO-065A	Foundation Inefficiencies S2WA5	\$401,501	1.15%	\$24,755,809
12/17/2019	BBI-053-CCO-025C	Addition of OCS Shunt Wires in Segments 2 & 4 – Pole Assembly Materials Only - voided below on 7/31/20	\$884,500	2.54 %	\$23,871,309
1/7/2020	BBI-053-CCO-066A	Increase Quantity for Contaminated Soils (Bid Unit Price Item #1)	\$950,000	2.73 %	\$22,921,309
2/5/2020	BBI-053-CCO-023B	Insulated Rail Joints De-stressing	\$890,600	2.56 %	\$22,030,709
3/18/2020	BBI-053-CCO-072A	SVP Requirements for Joint SIS & SPS (Task 1) - voided below on 7/9/20	\$80,000	0.23 %	\$21,950,709
3/19/2020	BBI-053-CCO-023C	Portec Insulated Rail Joints	\$375,000	1.08 %	\$21,575,709
3/26/2020	BBI-053-CCO-076	Asbestos Pipe Abatement at CP Shark	\$145,872	0.42 %	\$21,429,837
3/31/2020	BBI-053-CCO-075	Norcal Utility Potholing (FO#39)	\$98,105	0.28 %	\$21,331,733
4/21/2020	BBI-053-CCO-077A	Contaminated Soil (Class 1) at TPS-1	\$701,780	2.01 %	\$20,629,953
4/27/2020	BBI-053-CCO-066B	Increase Quantity for Contaminated Soils (Bid Item #1)	\$926,273	2.66 %	\$19,703,680
4/27/2020	BBI-053-CCO-090A	Signal Cable Relocation (Field Order No. 340)	\$47,258	0.14 %	\$19,656,423
4/27/2020	BBI-053-CCO-091A	Signal Cable Relocation (Field Order No. 340)	\$131,663	0.38 %	\$19,524,759
4/29/2020	BBI-053-CCO-080A	Steel Plates to Protect Utilities (DTDS)	\$135,128	0.39 %	\$19,389,631

**Peninsula Corridor Electrification Project  
Monthly Progress Report**

**Change Order Authority (5% of BBII Contract)**

**5% x \$696,610,558 = \$34,830,528**

Date	Change Number	Description	CCO Amount	Change Order Authority Usage <sup>1</sup>	Remaining Authority
4/29/2020	BBI-053-CCO-081A	Steel Plates to Protect Utilities (DTDS)	\$95,474	0.27 %	\$19,294,157
4/29/2020	BBI-053-CCO-071	Increase Quantity for Tree Pruning (Bid Unit Price Item #4d)	\$375,000	1.08 %	\$18,919,157
5/1/2020	BBI-053-CCO-050	Switch Machine Isolation – Credit	(\$277,430)	(0.80)%	\$19,196,586
5/19/2020	BBI-053-CCO-092A	Signal Cable Relocation (Field Order No. 340)	\$106,773	0.31 %	\$19,089,814
5/19/2020	BBI-053-CCO-093A	Signal Cable Relocation (Field Order No. 340)	\$90,765	0.26 %	\$18,999,049
5/27/2020	BBI-053-CCO-101	Asbestos Pipe Abatement at 46.3-07/08	\$21,037	0.06 %	\$18,978,012
6/15/2020	BBI-053-CCO-049A	Long-reach Foundations Installation - Unit Price	\$46,560	0.13 %	\$18,931,452
6/15/2020	BBI-053-CCO-049B	Long-reach Foundations Installation - Unit Price	\$46,560	0.13 %	\$18,884,892
6/18/2020	BBI-053-CCO-033B	PS-3 Site Relocation FEMA 2019 Update and BGSP Design Coordination – CNPA	\$50,000	0.14 % <sup>3</sup>	\$18,834,892
6/30/2020	BBI-053-CCO-082A	Steel Plates to Protect Utilities (DTDS)	\$90,658	0.26 %	\$18,744,235
6/30/2020	BBI-053-CCO-083A	Steel Plates to Protect Utilities (DTDS)	\$181,900	0.52 %	\$18,562,335
6/30/2020	BBI-053-CCO-094A	Signal Cable Relocation (Field Order No. 340)	\$124,633	0.36 %	\$18,437,702
7/9/2020	BBI-053-CCO-072A	SVP Requirements for Joint SIS & SPS (Task 1) – Voided	(\$80,000)	(0.23)%	\$18,517,702
7/9/2020	BBI-053-CCO-072A REV2	SVP Requirements for Joint SIS & SPS (Tasks 0-5) - voided below on 2/23/2021	\$300,000	0.86 %	\$18,217,702
7/16/2020	BBI-053-CCO-100	Remove Tree Stump at 46.4-02	\$1,459	0.00 %	\$18,216,243
7/30/2020	BBI-053-CCO-078	Re-design CEMOF OCS Poles due to Stair 71 Conflict	\$11,796	0.03 %	\$18,204,447
7/30/2020	BBI-053-CCO-084A	Steel Plates to Protect Utilities (DTDS)	\$101,334	0.29 %	\$18,103,113
7/30/2020	BBI-053-CCO-085A	Steel Plates to Protect Utilities (DTDS)	\$94,062	0.27 %	\$18,009,051
7/30/2020	BBI-053-CCO-104	Utility Conflict During PVC Conduit Installation	\$2,657	0.01 %	\$18,006,394
7/31/2020	BBI-053-CCO-103	Track Access Delays – 2017 Quarter 3 - voided below on 2/16/2021	\$145,892	0.42 %	\$17,860,503
7/31/2020	BBI-053-CCO-025B	Addition of OCS Shunt Wires in Segments 2 & 4 - Wire Assembly Materials Only – Voided	(\$144,370)	(0.41)%	\$18,004,873
7/31/2020	BBI-053-CCO-025C	Addition of OCS Shunt Wires in Segments 2 & 4 – Pole Assembly Materials Only – Voided	(\$884,500)	(2.54)%	\$18,889,373
8/3/2020	BBI-053-CCO-063B	Track Access Delays – Quarter 1 2018 (Part 2)	\$92,906	0.27 %	\$18,796,466
8/14/2020	BBI-053-CCO-106	Track Access Delays – 2017 Quarter 4	\$903,794	2.59 %	\$17,892,672
9/10/2020	BBI-053-CCO-025F	OCS Shunt Wire (Construction)	\$9,500,000	0.00% <sup>2</sup>	-
9/11/2020	BBI-053-CCO-126	Track Access Delays - 2019 Quarter 3 – OCS Foundations	\$81,223	0.23 %	\$17,811,450
9/24/2020	BBI-053-CCO-127	Track Access Delays – 2019 Quarter 4 – OCS Foundations	\$147,223	0.42 %	\$17,664,227
9/21/2020	BBI-053-CCO-051	CEMOF Yard OCS Changes (Design Only)	\$210,300	0.60 %	\$17,453,927
9/21/2020	BBI-053-CCO-074	Underground Utilities Clearance	\$0	0.00 %	\$17,453,927
10/19/2020	BBI-053-CCO-072C	PCEP SIS & SPS Additional Validation Work	\$27,696	0.08 %	\$17,426,231
10/27/2020	BBI-053-CCO-105	Pole Removal at Location 30.7-01	\$2,297	0.01 %	\$17,423,935
11/30/2020	BBI-053-CCO-056	Delivery of Signal Cable	\$3,391	0.01 %	\$17,420,544
12/22/2020	BBI-053-CCO-111	Incentives Payment for 2019	\$825,000	0.00% <sup>2</sup>	-
2/9/2021	BBI-053-CCO-025G	OCS Shunt Wire (Design)	\$0	0.00 %	\$17,420,544
2/11/2021	BBI-053-CCO-047B	CEMOF Yard Slot Drains Relocation (Construction)	\$360,000	1.03 %	\$17,060,544
2/16/2021	BBI-053-CCO-103	Track Access Delays – 2017 Quarter 3 – voided	(\$145,892)	(0.42)%	\$17,206,435

## Peninsula Corridor Electrification Project

### Monthly Progress Report

**Change Order Authority (5% of BBIL Contract)**

**5% x \$696,610,558 = \$34,830,528**

Date	Change Number	Description	CCO Amount	Change Order Authority Usage <sup>1</sup>	Remaining Authority
2/16/2021	BBI-053-CCO-103 REV1	Track Access Delays – 2017 Quarter 3	\$164,518	0.47 %	\$17,041,918
2/23/2021	BBI-053-CCO-072A REV2	SVP Requirements for Joint SIS & SPS (Tasks 0-5) – <b>voided</b>	(\$300,000)	(0.86)%	\$17,341,918
2/23/2021	BBI-053-CCO-072B	Requirements for PCEP Joint System Impact Study & Single Phase Study	\$520,000	1.49 %	\$16,821,918
3/17/2021	BBI-053-CCO-203	Increase in Permit Allowance (Bid Allowance Item #5)	\$300,000	0.86 %	\$16,521,918
3/17/2021	BBI-053-CCO-205	Increase in Partnering Allowance (Bid Allowance Item #2)	\$186,000	0.53 %	\$16,335,918
3/26/2021	BBI-053-CCO-192	Abandoned Utility Pole Removal at MP24.72	\$2,766	0.01 %	\$16,333,151
4/23/2021	BBI-053-CCO-108A	Deletion of 5 & 5A Switch Crossover at CP Shark (Part 1)	\$163,996	0.47 %	\$16,169,156
4/23/2021	BBI-053-CCO-024C	TPSS 1&2 PG&E Interconnection-Procurement of Long Lead Materials (Credit)	(\$1,345,033)	(3.86)%	\$17,514,188
4/30/2021	BBI-053-CCO-113A	Walk-in Enclosure at Luther Junction (BBI, PGH Wong and QEI)	\$51,281	0.15 %	\$17,462,907
5/27/2021	BBI-053-CCO-073	South San Francisco Bioswale Redesign	\$26,067	0.07 %	\$17,436,840
6/11/2021	BBI-053-CCO-135A	Protection of On-track Eqpt Traveling thru Gated Crossings	\$133,645	0.38 %	\$17,303,195
6/18/2021	BBI-053-CCO-157	Track Access Delays - July 2017 to October 2020	\$4,350,000	12.49 %	\$12,953,195
6/22/2021	BBI-053-CCO-039	NorCal Utility Potholing CBOSS (FO#35&037)	\$140,691	0.40 %	\$12,812,505
6/22/2021	BBI-053-CCO-079	NorCal Utility Potholing (FO#52)	\$82,108	0.24 %	\$12,730,396
6/27/2021	BBI-053-CCO-204A	Increase in PG&E Service Allowance (Bid Allowance Item #8)	\$3,000,000	8.61 %	\$9,730,396
6/25/2021	BBI-053-CCO-049C	Long-reach Foundations Installation - Unit Price	\$139,680	0.40 %	\$9,590,716
7/6/2021	BBI-053-CCO-096A	Signal Cable Relocation (Field Order No. 342)	\$36,268	0.10 %	\$9,554,448
7/7/2021	BBI-053-CCO-097A	Signal Cable Relocation (Field Order No. 342)	\$63,422	0.18 %	\$9,491,027
7/7/2021	BBI-053-CCO-098A	Signal Cable Relocation (Field Order No. 342)	\$105,576	0.30 %	\$9,385,450
7/16/2021	BBI-053-CCO-060	Contract Relief of DVR Requirements - Credit	(\$41,781)	(0.12)%	\$9,427,231
7/22/2021	BBI-053-CCO-167	CP Stockton Compliance with UPRR Requirements	\$100,315	0.29 %	\$9,326,917
7/27/2021	BBI-053-CCO-062	Bumper Post Conflict at Foundations 9.8-02 & 9.8-D02	\$12,000	0.03 %	\$9,314,917
7/27/2021	BBI-053-CCO-173	Relocate OCS Foundation Rebar Cages from PMI Yard	\$1,050	0.00 %	\$9,313,867
7/27/2021	BBI-053-CCO-191	Foundation Installation at Cal Ave Station	\$4,321	0.01 %	\$9,309,546
7/30/2021	BBI-053-CCO-237	Reroute Utilities in Conflict with Built-in Anchor Bolts	\$10,768	0.03 %	\$9,298,778
8/13/2021	BBI-053-CCO-032B	PS-2 Relocation (Construction)	\$397,500	1.14 %	\$8,901,278
8/17/2021	BBI-053-CCO-188	Permanent Steel Casing at Foundation 47.0-07	\$50,835	0.15 %	\$8,850,443
8/18/2021	BBI-053-CCO-099A	Signal Cable Relocation (Field Order No. 342)	\$148,176	0.43 %	\$8,702,267
8/18/2021	BBI-053-CCO-095A	Signal Cable Relocation (Field Order No. 342)	\$49,401	0.14 %	\$8,652,867
8/19/2021	BBI-053-CCO-152	Mary Ave Advance Pre-emption (BBI Design Coordination Only)	\$16,500	0.05 %	\$8,636,367
8/19/2021	BBI-053-CCO-152	Mary Ave Advance Pre-emption - CNPA	\$116,000	0.33 % <sup>3</sup>	\$8,520,367
9/20/2021	BBI-053-CCO-201	Procure and Deliver Electrical Supplies for JPB	\$2,004	0.01 %	\$8,518,363
<b>Total</b>			<b>\$55,014,351</b>	<b>75.54 %</b>	<b>\$8,518,363</b>

Notes:

1. When the threshold of 75% is reached, staff may return to the Board to request additional authority.
2. Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.
3. Third party improvements/CNPA projects that are funded with non-PCEP funds.

**Peninsula Corridor Electrification Project  
Monthly Progress Report**

EMU Contract

**Change Order Authority (5% of Stadler Contract)**

**5% x \$550,899,459 = \$27,544,973**

<b>Date</b>	<b>Change Number</b>	<b>Description</b>	<b>CCO Amount</b>	<b>Change Order Authority Usage<sup>1</sup></b>	<b>Remaining Authority</b>
09/22/2017	STA-056-CCO-001	Contract General Specification and Special Provision Clean-up	\$0	0.00%	-
10/27/2017	STA-056-CCO-002	Prototype Seats and Special Colors	\$55,000	0.20%	\$27,489,973
11/02/2017	STA-056-CCO-003	Car Level Water Tightness Test	\$0	0.00%	-
12/05/2017	STA-056-CCO-004	Onboard Wheelchair Lift 800 Pound Capacity Provisions	\$848,000	3.08%	\$26,641,973
11/03/2017	STA-056-CCO-005	Design Progression (multiple)	\$0	0.00%	-
12/12/2017	STA-056-CCO-006	Prototype Seats and Special Colors	(\$27,500)	(0.10%)	\$26,669,473
01/17/2018	STA-056-CCO-007	Multi-Color Destination Signs	\$130,760	0.47%	\$26,538,713
02/09/2018	STA-056-CCO-008	Adjustment to Delivery and LDs due to delayed FNTF	\$490,000	0.00% <sup>2</sup>	-
02/12/2018	STA-056-CCO-009	Ship Cab Mock-up to Caltrain	\$53,400	0.19%	\$26,485,313
04/17/2018	STA-056-CCO-010	Onboard Wheelchair Lift Locations	(\$1,885,050)	(6.84%)	\$28,370,363
04/17/2018	STA-056-CCO-011	Multiple Change Group 3 and Scale Models	\$0	0.00%	-
10/29/2018	STA-056-CCO-012	Multiple Change Group 4	\$0	0.00%	-
10/29/2018	STA-056-CCO-013	Wheelchair Lift Installation Redesign	\$228,400	0.83%	\$28,141,963
12/14/2018	STA-056-CCO-014	PTC System Change	\$0	0.00%	-
12/22/2018	STA-056-CCO-015	EMU Option Cars	\$172,800,047	0.00% <sup>2,3</sup>	-
6/26/2019	STA-056-CCO-016	Testing at TTCI (Pueblo Facility) - First Trainset	\$3,106,428	11.28 %	\$25,035,535
8/27/2019	STA-056-CCO-017	Virtual Reality Experience	\$400,000	1.45 %	\$24,635,535
8/21/2019	STA-056-CCO-018	EMI Conducted Emissions Limits	\$0	0.00%	\$24,635,535
8/8/2019	STA-056-CCO-019	Option Car Payment Milestones	\$0	0.00%	\$24,635,535
8/21/2019	STA-056-CCO-020	Multiple No Cost No Schedule Impact Changes Group 5	\$0	0.00%	\$24,635,535
10/28/2019	STA-056-CCO-021	Plugging of High-Level Doorways	\$736,013	2.67%	\$23,899,523
11/13/2019	STA-056-CCO-022	Add Flip-Up Seats into Bike Cars (CNPA: \$1.96M funded by Non-PCEP)	\$1,961,350	7.12% <sup>3</sup>	\$21,938,173
4/21/2020	STA-056-CCO-025	Removal of Vandal Film from Windows	(\$374,994)	(1.36)%	\$22,313,167
5/6/2020	STA-056-CCO-023	Deferral of Wheelchair Lifts	\$632,703	2.30 %	\$21,680,464
7/13/2020	STA-056-CCO-026	Update VR Experiences (CNPA: \$43K funded by Non-PCEP)	\$43,000	0.16 % <sup>3</sup>	\$21,637,464
9/14/2020	STA-056-CCO-027	EMU Liquidated Damages, and Delivery and Testing Schedule Modifications	\$0	0.00 %	\$21,637,464
10/12/2020	STA-056-CCO-029	Multiple No Cost / No Schedule Impact Changes Group 7	\$0	0.00 %	\$21,637,464
1/28/2021	STA-056-CCO-028	Procure Pantograph Automated Inspection System	\$790,211	2.87 %	\$20,847,253
2/26/2021	STA-056-CCO-031	Bike Car Dividers	\$194,940	0.71 %	\$20,652,313
3/8/2021	STA-056-CCO-030	Video of trainset while at TTC	\$9,833	0.04 %	\$20,642,481
3/25/2021	STA-056-CCO-032	Credit for Waived Testing	(\$1,040,000)	(3.78)%	\$21,682,481
6/23/2021	STA-056-CCO-033	Multiple Changes Group 8	\$0	0.00 %	\$21,682,481
<b>Total</b>			<b>\$179,152,539</b>	<b>21.28 %</b>	<b>\$21,682,481</b>

# Peninsula Corridor Electrification Project

## Monthly Progress Report

Notes:

1. When the threshold of 75% is reached, staff may return to the Board to request additional authority.
2. Change approved by the Board of Directors – not counted against the Executive Director’s Change Order Authority.
3. Third party improvements/CNPA projects that are funded with non-PCEP funds.

### SCADA Contract

**Change Order Authority (15% of ARINC Contract)**

**15% x \$3,446,917 = \$517,038**

Date	Change Number	Description	CCO Amount	Change Order Authority Usage <sup>1</sup>	Remaining Authority
2/11/2021	ARINC-061-CCO-001	Traction Power Facility SCADA Database Changes	\$395,538	76.50 %	\$121,500
8/9/2021	ARINC-061-CCO-002	Traction Power Facility SCADA Database Changes - Rev - 10 & 11	\$174,916	0.00% <sup>2</sup>	\$121,500
<b>Total</b>			<b>\$570,454</b>	<b>76.50 %</b>	<b>\$121,500</b>

Notes:

1. When the threshold of 75% is reached, staff may return to the Board to request additional authority.
2. Change approved by the Board of Directors – not counted against the Executive Director’s Change Order Authority.

### Tunnel Modifications Contract

**Change Order Authority (10% of ProVen Contract<sup>1</sup>)**

**10% x \$55,077,777 = \$5,507,778**

Date	Change Number	Description	CCO Amount	Change Order Authority Usage <sup>2</sup>	Remaining Authority
3/27/2019	PROV-070-CCO-003	Track Access Delay	\$25,350	0.46 %	\$5,482,428
3/27/2019	PROV-070-CCO-004	Additional OCS Potholing Due to Conflict with Existing Utilities	\$70,935	1.29 %	\$5,411,493
3/27/2019	PROV-070-CCO-005	Install Tie Backs and Piles in Boulders at Tunnel 4	\$29,478	0.54 %	\$5,382,015
3/28/2019	PROV-070-CCO-001	Partnering Meetings (50% PCEP)	\$14,443	0.26 % <sup>4</sup>	\$5,367,572
4/25/2019	PROV-070-CCO-002	Furnish Galvanized E-clips	\$37,239	0.68 %	\$5,330,333
4/30/2019	PROV-070-CCO-006	Additional Rock Bolts and Testing	\$22,549	0.41 %	\$5,307,784
5/23/2019	PROV-070-CCO-013	Late Removal of Leaky Feeder Tunnel 4 (T-4 )	\$21,225	0.39 %	\$5,286,559
5/28/2019	PROV-070-CCO-014	OCS Piles Utility Conflict at Tunnel-1 South (T-1S)	\$16,275	0.30 %	\$5,270,284
5/29/2019	PROV-070-CCO-012	OCS Piles Utility Conflict at T-4S	\$6,871	0.12 %	\$5,263,413
5/31/2019	PROV-070-CCO-016A	Portal Structure Detailing Changes	\$84,331	1.53 %	\$5,179,082
6/18/2019	PROV-070-CCO-009	Creosote Ties Covering (CNPA - Drainage \$3,116.00)	\$3,116	0.06 % <sup>4</sup>	\$5,175,966
6/28/2019	PROV-070-CCO-008	Micropiles at South Tunnel-2 South (T-2S)	\$41,322	0.75 %	\$5,134,644
6/28/2019	PROV-070-CCO-010	Salvage Transition Panels (CNPA - Drainage \$6,144.00)	\$6,144	0.11 % <sup>4</sup>	\$5,128,500
6/28/2019	PROV-070-CCO-011	Demo PVC and Plug Tunnel-1 South (T-1S) (CNPA - Drainage \$4,035.00)	\$4,035	0.07 % <sup>4</sup>	\$5,124,465
6/28/2019	PROV-070-CCO-020	Unidentified SD Conflict with Junction Inlet (CNPA - Drainage \$1,976.00)	\$1,976	0.04 % <sup>4</sup>	\$5,122,489
9/26/2019	PROV-070-CCO-007	Canopy Tube Drilling	\$89,787	1.63%	\$5,032,702
9/26/2019	PROV-070-CCO-023	Over-excavate Trapezoidal Ditch at T-1N (CNPA - Drainage \$46,914.00)	\$46,914	0.85% <sup>4</sup>	\$4,985,788
10/4/2019	PROV-070-CCO-029	Additional DryFix Pins	\$105,000	1.91%	\$4,880,788
10/4/2019	PROV-070-CCO-021	Out of Sequence Piles	\$185,857	3.37 %	\$4,694,931

**Peninsula Corridor Electrification Project  
Monthly Progress Report**

**Change Order Authority (10% of ProVen Contract<sup>1</sup>)**

**10% x \$55,077,777 = \$5,507,778**

Date	Change Number	Description	CCO Amount	Change Order Authority Usage <sup>2</sup>	Remaining Authority
10/30/2019	PROV-070-CCO-017	Hard Piping in T-4 (CNPA - Drainage \$2,200.00)	\$2,200	0.04 % <sup>4</sup>	\$4,692,731
1/25/2020	PROV-070-CCO-027	Grout Quantity Underrun	(\$1,216,000)	(22.08)%	\$5,908,731
1/29/2020	PROV-070-CCO-026	HMAC Quantity Overrun (CNPA - Drainage \$160,000.00)	\$160,000	2.9 % <sup>4</sup>	\$5,748,731
5/11/2020	PROV-070-CCO-025	NOPC #1 CWR (CNPA - Drainage \$660,000.00)	\$660,000	11.98 % <sup>4</sup>	\$5,088,731
7/31/2020	PROV-070-CCO-032	Stone Masonry Fabrication at T-4S	\$26,367	0.48 %	\$5,062,364
7/31/2020	PROV-070-CCO-035	Low Overhead Obstruction at T-1N	\$18,894	0.34 %	\$5,043,470
8/20/2020	PROV-070-CCO-034	Milestone No. 2 - Overall Substantial Completion	\$0	0.00 %	\$5,043,470
1/27/2021	PROV-070-CCO-037	Additional Fence	\$15,651	0.28 %	\$5,027,819
7/26/2021	PROV-070-CCO-019	Drainage Conflicts at T1N (CNPA - Drainage \$30,000)	\$30,000	0.54 % <sup>4</sup>	\$4,997,819
7/26/2021	PROV-070-CCO-022	OCS Foundation Redesign Support	\$4,902	0.09 %	\$4,992,917
7/26/2021	PROV-070-CCO-024	Reroute Leaky Feeder Cable at T-1 (CNPA - Drainage: \$19,554)	\$19,554	0.36 % <sup>4</sup>	\$4,973,363
7/26/2021	PROV-070-CCO-039	Staging and Carroll Avenue	\$70,000	1.27 %	\$4,903,363
7/26/2021	PROV-070-CCO-041	Additional Mechanical Anchors at T-2	\$36,925	0.67 %	\$4,866,438
7/26/2021	PROV-070-CCO-042	Install Wedge Anchors in Tunnel 2	\$45,261	0.82 %	\$4,821,177
7/26/2021	PROV-070-CCO-043	Post Insulators at Tunnel Portals	\$45,557	0.83 %	\$4,775,620
7/26/2021	PROV-070-CCO-044	Water Leaking onto Conductor Rail	\$15,216	0.28 %	\$4,760,404
7/26/2021	PROV-070-CCO-038	Inability to Perform Work due to Special Events	\$64,458	1.17 %	\$4,695,946
7/26/2021	PROV-070-CCO-040	Longer Crew Shifts due to Staged Trains on Tracks	\$70,000	1.27 %	\$4,625,946
7/29/2021	PROV-070-CCO-049	Feeder Cable Lashing	\$113,000	2.05 %	\$4,512,946
<b>Total</b>			<b>\$994,831</b>	<b>18.06 %</b>	<b>\$4,512,946</b>

Notes:

1. Tunnel modifications contract (\$55,077,777) includes: Notching (\$25,281,170), Drainage (\$13,196,607) and OCS Installation (\$16,600,000).
2. When the threshold of 75% is reached, staff may return to the Board to request additional authority.
3. Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.
4. Third Party Improvements/CNPA Projects that are funded with non-PCEP funds.

**CEMOF Modifications Contract**

**Change Order Authority (10% of ProVen Contract)**

**10% x \$6,550,777 = \$655,078**

Date	Change Number	Description	CCO Amount	Change Order Authority Usage <sup>1</sup>	Remaining Authority
1/16/2020	PROV-071-CCO-001	Change Casing Size of Siphon Line to Schedule 80 PVC Pipe	\$3,849	0.59 %	\$651,229
1/13/2020	PROV-071-CCO-002	Leakage test for IW line	\$1,339	0.20 %	\$649,890
1/15/2020	PROV-071-CCO-003	Roughen surface of existing concrete	\$3,159	0.48 %	\$646,731
1/9/2020	PROV-071-CCO-004	Change Catch Basin Size from 24"X24" to 36" Round	\$14,415	2.20 %	\$632,316
1/15/2020	PROV-071-CCO-005	Hand Dig around Communication Lines	\$906	0.14 %	\$631,410
1/17/2020	PROV-071-CCO-008	Change Storm Drain Line A Material from 12-inch RCP Pipe to 12-inch PVC Pipe	\$3,583	0.55 %	\$627,827

**Peninsula Corridor Electrification Project**  
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**Change Order Authority (10% of ProVen Contract)**

**10% x \$6,550,777 = \$655,078**

<b>Date</b>	<b>Change Number</b>	<b>Description</b>	<b>CCO Amount</b>	<b>Change Order Authority Usage<sup>1</sup></b>	<b>Remaining Authority</b>
1/16/2020	PROV-071-CCO-009	Demolition of Existing Exterior Light	\$1,558	0.24 %	\$626,269
2/13/2020	PROV-071-CCO-010	Deletion of Plastic Bollards Around New Inspection Pit	(\$3,324)	(0.51)%	\$629,593
2/13/2020	PROV-071-CCO-011	Fixing Broken Conduit in Concrete Slab North of Maintenance Building	\$4,286	0.65 %	\$625,307
2/13/2020	PROV-071-CCO-012	Epoxy Dowels at New Stairwells	\$3,526	0.54 %	\$621,781
2/13/2020	PROV-071-CCO-013	Deletion of the Removal and Replacement of Pump Disconnect Switches	(\$7,007)	(1.07)%	\$628,788
2/13/2020	PROV-071-CCO-014	Recycled Base Rock for Backfill at Pressurized Water Line at Parts Storage Warehouse	\$1,411	0.22 %	\$627,377
2/20/2020	PROV-071-CCO-015	Cut and Cap Oil Line	\$1,002	0.15 %	\$626,375
2/25/2020	PROV-071-CCO-016	Installation of Homerun Conduit	\$27,404	4.18 %	\$598,971
2/25/2020	PROV-071-CCO-017	Potholing for Boosted Water Line	\$18,476	2.82 %	\$580,495
2/28/2020	PROV-071-CCO-018	Cap Compressed Air Line	\$9,519	1.45 %	\$570,976
2/28/2020	PROV-071-CCO-019	Acoustic Ceiling Removal at Component Test Room	\$4,253	0.65 %	\$566,723
3/5/2020	PROV-071-CCO-020	Ground Wire Relocation	\$14,117	2.16 %	\$552,606
3/13/2020	PROV-071-CCO-021	Zurn Drain Assembly in Lieu of Fibrelyte	\$1,104	0.17 %	\$551,502
4/8/2020	PROV-071-CCO-022	Deletion of Concrete Pad and Double Plywood Floor at PSW	(\$1,409)	(0.22)%	\$552,911
4/8/2020	PROV-071-CCO-023	Flashing at Overflow Drain at Component Test Room	\$2,981	0.46 %	\$549,930
4/9/2020	PROV-071-CCO-024	Parts Storage Warehouse Power Feed	\$16,412	2.51 %	\$533,518
4/22/2020	PROV-071-CCO-025	Removal of Hazardous Soil from PSW Subgrade Excavation	\$43,444	6.63 %	\$490,073
4/22/2020	PROV-071-CCO-026A	Removal of Hazardous Soil from PSW Footing Excavation	\$35,808	5.47 %	\$454,266
4/27/2020	PROV-071-CCO-027	480 Volt Duct Bank and Wire Removal	\$5,015	0.77 %	\$449,251
5/28/2020	PROV-071-CCO-031A	Temporary Facilities - Eye Wash Stations	\$656	0.10 %	\$448,595
6/3/2020	PROV-071-CCO-032A	Water Diversion Pump for Catch Basin Work	\$2,745	0.42 %	\$445,850
6/3/2020	PROV-071-CCO-033A	Light Towers for Maintenance Building Yard	\$3,897	0.59 %	\$441,953
6/3/2020	PROV-071-CCO-034	Investigation of Concrete Underneath Ties at Track 5	\$5,060	0.77 %	\$436,893
6/16/2020	PROV-071-CCO-029A	Shoring Design for Boosted Water Line Work	\$14,307	2.18 %	\$422,586
6/16/2020	PROV-071-CCO-030A	Investigation and Re-wiring of Electrical Receptacles at CTR	\$7,783	1.19 %	\$414,803
6/10/2020	PROV-071-CCO-028	Credit for Electrical Feed to Parts Storage Warehouse	(\$18,682)	(2.85)%	\$433,485
7/24/2020	PROV-071-CCO-029B	Shoring Design for Boosted Water Line Work	\$2,175	0.33 %	\$431,310
7/24/2020	PROV-071-CCO-032B	Water Diversion Pump for Catch Basin Work	\$3,621	0.55 %	\$427,689
7/24/2020	PROV-071-CCO-035	Settlement Slab Demolition	\$479	0.07 %	\$427,210
7/24/2020	PROV-071-CCO-036	Storm Drain Line A	\$2,066	0.32 %	\$425,144
7/30/2020	PROV-071-CCO-037	Owner Supplied WSP Cabinet - Added Mechanical Pad and Conduit Pull	\$5,922	0.90 %	\$419,222
7/30/2020	PROV-071-CCO-038	Interior and Exterior Metal Wall Panels at CTR	\$10,317	1.57 %	\$408,905
7/30/2020	PROV-071-CCO-039	Exterior CMU Wall at CTR	\$16,152	2.47 %	\$392,753
7/30/2020	PROV-071-CCO-040	Membrane Waterproofing Specification Modifications	\$36,233	5.53 %	\$356,520

**Peninsula Corridor Electrification Project  
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**Change Order Authority (10% of ProVen Contract)**

**10% x \$6,550,777 = \$655,078**

<b>Date</b>	<b>Change Number</b>	<b>Description</b>	<b>CCO Amount</b>	<b>Change Order Authority Usage<sup>1</sup></b>	<b>Remaining Authority</b>
12/17/2019	PROV-071-CCO-007	Demolition of Existing Transition Slab at North and South Pits	\$8,101	1.24 %	\$348,419
8/13/2020	PROV-071-CCO-041	Abandonment of Drainage Structure in Conflict with Shoring at Stair No. 71	\$11,015	1.68 %	\$337,404
8/14/2020	PROV-071-CCO-043	Lighting Circuit Restoration	\$2,980	0.45 %	\$334,424
8/18/2020	PROV-071-CCO-026B	Removal of Hazardous Soil from PSW Ductbank Excavation	\$6,838	1.04 %	\$327,586
8/24/2020	PROV-071-CCO-044	Aerial Cable and Waterproofing Cable Penetrations at the CCF and PSW Buildings	\$14,589	2.23 %	\$312,997
8/24/2020	PROV-071-CCO-045	Conduit Outside Component Test Room	\$6,865	1.05 %	\$306,132
9/15/2020	PROV-071-CCO-030B	Component Test Room Data and Electrical Outlets and Masonry Work	\$12,530	1.91 %	\$293,602
9/17/2020	PROV-071-CCO-042	Shallow Fire Sprinkler Line	\$162,000	0.00% <sup>2</sup>	-
10/19/2020	PROV-071-CCO-046A	Electrical Duct Bank Extension from Parts Storage Warehouse to CCF Building	\$20,307	3.10 %	\$273,295
10/19/2020	PROV-071-CCO-047	Removal of Oil Line at the Exterior of the Maintenance Building in the Way of Storm Drain Line A	\$262	0.04 %	\$273,033
10/20/2020	PROV-071-CCO-048	Electrical Conduit and Wires at Track 5	\$6,770	1.03 %	\$266,263
11/30/2020	PROV-071-CCO-033B	Light Towers for Maintenance Building Yard	\$10,393	1.59 %	\$255,870
11/17/2020	PROV-071-CCO-049	Lighting at Parts Storage Warehouse	\$6,358	0.97 %	\$249,512
11/25/2020	PROV-071-CCO-050	NTP Delay – Non-Compensable Time Extension	\$0	0.00 %	\$249,512
11/19/2020	PROV-071-CCO-051	Relocation of an Existing Boosted Water Line in Conflict with South Pit Extension	\$250,000	0.00% <sup>2</sup>	-
2/26/2021	PROV-071-CCO-052	Acoustic Ceiling Framing at the Component Test Room	\$3,998	0.61 %	\$245,514
2/26/2021	PROV-071-CCO-053	Temporary Sanitary Facilities During Boosted Water/Copper Line Work	\$963	0.15 %	\$244,551
3/3/2021	PROV-071-CCO-054	Relocation of Material Onsite for OCS Foundation Project	\$1,772	0.27 %	\$242,779
5/7/2021	PROV-071-CCO-055	Windows and Glazing at Component Test Room	\$17,679	2.70 %	\$225,100
7/16/2021	PROV-071-CCO-056	Fire Alarm System in Part Storage Warehouse	\$11,268	1.72 %	\$213,832
<b>Total</b>			<b>\$853,246</b>	<b>67.36 %</b>	<b>\$213,832</b>

Notes:

- <sup>1</sup>. When the threshold of 75% is reached, staff may return to the Board to request additional authority.
- <sup>2</sup>. Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.

**AMTRAK AEM-7 Contract**

**Change Order Authority (Lump Sum)**

**Up to \$150,000**

<b>Date</b>	<b>Change Number</b>	<b>Description</b>	<b>CCO Amount</b>	<b>Change Order Authority Usage<sup>1</sup></b>	<b>Remaining Authority</b>
10/25/2019	AMTK-066-CCO-001	Change to Amtrak Contract for Test Locomotives	(72,179)	(48.12%)	222,179
<b>Total</b>			<b>(72,179)</b>	<b>(48.12%)</b>	<b>\$222,179</b>

Notes:

- When the threshold of 75% is reached, staff may return to the Board to request additional authority.



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Appendix F – Risk Table

**Listing of PCEP Risks and Effects in Order of Severity**

<b>ID</b>	<b>RISK DESCRIPTION</b>	<b>EFFECT(S)</b>
314	The contractor may not complete signal and communication design, installation and testing for the Two-speed check (2SC) modifications within budget and schedule.	Delay to integrated testing and operations/revenue service
303	Extent of differing site conditions and associated redesign efforts results in delays to the completion of the electrification contract and increases program costs.	<p>Extends construction of design-build contract with associated increase in project costs</p> <ul style="list-style-type: none"> <li>• DSC design cost</li> <li>• Inefficiencies</li> <li>• Construction costs related to DSCs (i.e., larger foundations)</li> <li>• Additional potholing</li> </ul>
010	Potential for Stadler's sub-suppliers to fall behind schedule or delays in parts supply chain result in late completion of vehicles.	<ul style="list-style-type: none"> <li>• Delay in obtaining parts / components.</li> <li>• Cost increases. (See Owner for allocation of costs)</li> <li>• Schedule increase - 3 months (See Owner for allocation of damages associated with this Risk)</li> </ul>
240	<p>Property not acquired in time for contractor to do work.</p> <p>Property Acquisition not complete per contractor availability date &lt;&gt;Fee &lt;&gt;Easement &lt;&gt;Contract stipulates that if parcels are not available by contract date, there is only a delay if parcels are not available by the time contractor completes the Segment</p>	<ul style="list-style-type: none"> <li>• Potential delays in construction schedule</li> </ul>
267	Additional property acquisition is necessitated by change in design.	New project costs and delays to schedule.
273	Contractor generates hazardous materials, that necessitates proper removal and disposal in excess of contract allowances and expectations.	Delay to construction while removing and disposing of hazardous materials resulting in schedule delay, increased construction costs, and schedule delay costs.
308	Rejection of DVR for ATF and static wires results in cost and schedule impacts to PCEP.	Delay and delay claims
318	Change of vehicle sub-suppliers results in additional first article inspections at cost to JPB (i.e., COVID, bankruptcy)	PCEP incurs additional cost to validate supplier and product, including repeat FAIs as needed
304	Solution to FRA concerns over bike storage impeding path to emergency exit windows path results in increased costs and potential rework.	Protracted negotiations with FRA to achieve original design
313	Sub-optimal contractor sequencing, when progressing design and clearing foundation locations may result in construction inefficiencies	Contractor claims for increase in construction and design costs, and reduced production rates extending construction duration
330	PG&E interconnection work may not be completed on time resulting in delays to the	<ul style="list-style-type: none"> <li>• Potential cash flow issue requiring use of line-of-credit</li> </ul>

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ID	RISK DESCRIPTION	EFFECT(S)
	reimbursement of PG&E Exhibit B Cost Allocation from PG&E.	<ul style="list-style-type: none"> <li>• Failure to receive reimbursement during course of project</li> <li>• Delay or otherwise affect close-out of FFGA</li> </ul>
209	TASI may not have sufficient number of signal maintainers for testing.	<ul style="list-style-type: none"> <li>• Delays to construction/testing.</li> <li>• Delays to completion of infrastructure may delay acceptance of vehicles</li> </ul>
011	Risks in achieving acceptable vehicle operations performance: <> software problems <> electrical system problems <> mechanical problems <> systems integration problems <> interoperability with diesel equipment  Increased issues lately with vehicles regarding system integration and compatibility.	Cost increase.  Delays vehicle acceptance  Potential spill-over to other program elements
244	Delays to completion of Segment 4 and then the entire alignment would create storage issues and impede the ability to exercise (power up and move) EMUs and delay testing of the delivered EMUs.	Delay claims from the EMU contractor (Stadler) and expiration of the EMU 2 year warranty before putting significant mileage on the EMUs. Inability to exercise EMUs
319	Failure of BBI to order cages in advance results in delays to foundation installation	Delays in installation of catenary system and additional cost for track protection and oversight.
327	EMU production delay. Possible that there is poor integration / control of suppliers.	Schedule Increase
013	Vehicle manufacturer could default.	Prolonged delay to resolve issues (up to 12 months)  Increase in legal expenses  Potential price increase to resolve contract issue
067	Relocation of overhead utilities must precede installation of catenary wire and connections to TPSs. Relocation work will be performed by others and may not be completed to meet BBII's construction schedule.	Delay in progress of catenary installation resulting in claims and schedule delay
223	Major program elements may not be successfully integrated with existing operations and infrastructure in advance of revenue service.	Proposed changes resulting from electrification may not be fully and properly integrated into existing system.  Rework resulting in cost increases and schedule delays
242	Track access does not comply with contract-stipulated work windows.	Contractor claims for delays, schedule delays and associated costs to owner's representative staff.
253	Permits for bridges may not be issued in a timely manner.	Delays to issuance of permit for construction while negotiating and executing an operation and maintenance agreement for equipment installed on bridges; existing bridge

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<b>ID</b>	<b>RISK DESCRIPTION</b>	<b>EFFECT(S)</b>
		deficiencies could result in additional costs to PCEP.
261	Although EMUs meets their electromagnetic emissions limits and wayside signal system track circuits meet their susceptibility requirements there are still compatibility issues leading to improper signal system operation	Changes on the EMU and/or signal system require additional design and installation time and expense.
285	Potential for inflation, (except with respect to Maintenance Option) to increase contractor costs.	Higher cost
286	Potential for wage escalation, (except for Maintenance Option) to increase contractor costs.	Higher cost
056	Lack of operations personnel for testing.	<ul style="list-style-type: none"> <li>• Testing delayed.</li> <li>• Change order for extended vehicle acceptance.</li> </ul>
115	Other capital improvement program projects compete with PCEP for track access allocation and requires design coordination (design, coordination, integration).	Schedule delay as resources are allocated elsewhere, won't get track time, sequencing requirements may delay PCEP construction, track access requirements must be coordinated.
289	Coordination and delivery of permanent power for power drops for everything except traction power substations along alignment	Can't test resulting in delays to schedule and associated additional project costs.
296	PG&E needs to complete interconnection to be sufficiently complete to accept interim power	SCC
321	Single Phase Study and interconnection agreement may be delayed but will not prevent energization of Segment 4 for milestone 1; may require additional work for PCEP (note this study also includes issues with regeneration of electricity.)	
082	Unexpected restrictions could affect construction progress: <> night work <> noise <> local roads <> local ordinances	<ul style="list-style-type: none"> <li>• Reduced production rates.</li> <li>• Delay</li> </ul>
012	Potential for electromagnetic interference (EMI) to private facilities with sensitive electronic equipment caused by vehicles.	<ul style="list-style-type: none"> <li>• Increased cost due to mitigation</li> <li>• Potential delay due to public protests or environmental challenge.</li> </ul>
014	Contractor's proposal on stakeholder requested changes to the vehicles may significantly exceed JPB authorized amount.	Schedule delay.  Cost increase.
078	Need for unanticipated, additional ROW for new signal enclosures.	Delay while procuring ROW and additional ROW costs.
087	Unanticipated HazMat or contaminated hot spots encountered during foundation excavations for poles, TPSS, work at the yards.	Increased cost for clean-up and handling of materials and delay to schedule due to HazMat procedures.

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ID	RISK DESCRIPTION	EFFECT(S)
088	Construction safety program fails to sufficiently maintain safe performance.	Work stoppages due to safety incidents resulting in schedule delay and additional labor costs.
171	Electrification facilities could be damaged during testing.	Delay in commencing electrified operations.
247	Timely resolution of 3rd party design review comments to achieve timely approvals	Delay to completion of design and associated additional labor costs.
251	Subcontractor and supplier performance to meet aggressive schedule <>Potential issue meeting Buy America requirements	Delay to production schedule resulting in increased soft costs and overall project schedule delay.
263	Collaboration across multiple disciplines to develop a customized rail activation program may fail to comprehensively address the full scope of issues required to operate and maintain an electrified railroad and decommission the current diesel fleet.	Delay in testing of EMUs. Delay in Revenue Service Date. Additional costs for Stadler and BBII due to overall schedule delays.
272	Final design based upon actual Geotech conditions	Could require changes
287	Design changes may necessitate additional implementation of environmental mitigations not previously budgeted.	Increased cost for environmental measures and delays to construct and overall delay in construction schedule
291	Order/manufacture of long lead items prior to 100% IFC design document that proves to be incorrect	Design change and/or delays
317	JPB may not make timely acquisition of resources to staff rail activation plan with key personnel.	Delay in operating electrified railroad - delay of RSD.
326	EMU production delay. Possible that there are failed factory tests	Schedule Increase
329	Work on installation of signal house as part of SSF project, that is being constructed for PCEP may not be completed in accordance with the BBII project schedule.	Delay to BBII construction progress and associated delay claims
027	Vehicle power consumption may not meet requirements. <>System impact study and load flow show no issues	Issue with PG&E. Can't run full acceleration.
031	New cars possibly not reliable enough to be put into service as scheduled	Operating plan negatively impacted
101	PG&E may not be able to deliver permanent power for the project within the existing budget and in accordance with the project schedule	Additional project costs; potential delay to revenue service date
150	Number of OCS pole installation is significant. Any breakdown in sequencing of operations or coordination of multiple crews will have a substantial effect on the project.	Delay.
245	Failure of BBI to submit quality design and technical submittals in accordance with contract requirements	Delays to project schedule and additional costs for preparation and review of submittals.

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ID	RISK DESCRIPTION	EFFECT(S)
	<ul style="list-style-type: none"> <li>• \$3-\$5M/month burn rate for Owner's team during peak</li> </ul>	
252	Failure of BBI to order/manufacture long lead items prior to 100% IFC design document approval by JPB	Delays to project schedule and additional cost for contractor and JPB staff time.
271	Need for additional construction easements beyond that which has been provided for Contractor proposed access and staging	Additional cost and time
306	Possible legal challenge and injunction to any changes in PCEP requiring subsequent CEQA or NEPA environmental clearance documentation/actions.	Worst case: a judge issues an injunction, which would prohibit any work ONLY on the project scope of the environmental document. Impact to the project from cost and schedule impact depends on if work is on the critical or becomes on the critical path.
322	BBII needs to complete traction power substations to be sufficiently complete to accept interim power	Delay in testing and increased costs
025	Potential that vehicles cannot meet requirements for "Mean Time to Repair" (MTTR).	Increased maintenance cost.
053	Failure to meet Buy America requirements.  (Contractor definition of component v. sub-component may not be accepted by Caltrain / FTA.)	Potential need for negotiations that might lead to delay of project award.  (BA is not negotiable)
069	Potential need for additional construction easements. Especially for access and laydown areas.  Contractor could claim project is not constructible and needs more easements after award.	Increased cost  Delay
106	Potential that DB contractor will have insufficient field resources (personnel or equipment) to maintain aggressive schedule.  Multiple segments will need to be under design simultaneously.  Labor pool issue. 32 qualified linemen will be needed. Potential there is not enough available. Big storm damage anywhere in US will draw from the pool to make line repairs.  Possible shortages with other specialty crafts as well.	Delay.
151	Public could raise negative concerns regarding wheel/rail noise.	Increased cost to mitigate: <> grind rails <> reprofile wheels <> sound walls

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ID	RISK DESCRIPTION	EFFECT(S)
161	Unanticipated costs to provide alternate service (bus bridges, etc.) during rail service disruptions.	Cost increase.
192	Environmental compliance during construction. - Potential impact to advancing construction within the vicinity of any cultural finds that are excavated. - Failure to meet the commitments contained within the PCEP EA, FEIR and permit conditions	<ul style="list-style-type: none"> <li>• Delay</li> <li>• Cost increase</li> </ul>
195	Introduction of electrified train service will require training of first responders in working in and around the rail corridor. The new vehicles will be considerably quieter than the existing fleet and the presence of high voltage power lines will require new procedures for emergency response. A new training program will need to be developed and disseminated for: <ul style="list-style-type: none"> <li>• Fire, police, and first responders</li> <li>• Local communities</li> <li>• Schools</li> </ul>	Safety hazards resulting in incidents that delay construction and increase labor cost. Delays in RSD until training is completed as requirement of safety certification process.
237	JPB needs an agreement with each city in which catenary will be strung over an existing grade crossing (17 in all) under GO 88 (grade crossings). These agreements must be executed subsequent to installing overhead catenary. JPB is preparing a response to CPUC while working with the cities. Delays in reaching agreement could have impacts on schedule and budget.	Not completing the grade crossing diagnostics and getting agreement from the cities on the results can result in delays to necessary approvals for the project and revenue service.
248	3rd party coordination <>Jurisdictions, Utilities, UP, Contractors <>D/B needs to provide timely information to facilitate 3rd party coordination <>Risk is for construction	Delays in approvals resulting in project schedule delays and associated costs.
250	Potential for municipalities and other agencies to request betterments as part of the electrification project	Delay to project schedule in negotiating betterments as part of the construction within municipalities and associated increased cost to the project as no betterments were included in the project budget.
254	Potential that bridge clearance data are inaccurate and that clearances are not sufficient for installation of catenary.	Results in additional design and construction to create sufficient clearance.
266	Verizon poles in conflict with OCS may not be removed in advance of OCS installation.	Delay in progress of catenary installation resulting in claims and schedule delay
270	OCS poles or structures as designed by Contractor fall outside of JPB row	Additional ROW Take, additional cost and time
274	JPB as-built drawings and existing infrastructure to be used as basis of final design and construction is not correct	Additional cleanup of as-builts after PCEP construction



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<b>ID</b>	<b>RISK DESCRIPTION</b>	<b>EFFECT(S)</b>
275	DB fails to verify as-built drawings and existing infrastructure	Additional cleanup of as-builts after PCEP construction
278	Failure of D/B contractor and subcontractors and suppliers to meet Buy America requirements	Delays while acceptable materials are procured and additional costs for delays and purchase of duplicative equipment.
282	Failure to maintain dynamic envelope and existing track clearances consistent with requirements.	Redesign entailing cost and schedule impacts.
284	Compliance with project labor agreement could result in inefficiencies in staffing of construction.	Increase in labor costs and less efficient construction resulting in schedule delays.
290	Delays in agreement and acceptance of initial VVSC requirements database.	Delay to design acceptance
292	Communications equipment, including the UPS, will not fit in the spaces allotted to communications work within the buildings.	Requisite equipment under design criteria could result in the need for larger unit than originally planned resulting in design and fabrication changes and associated schedule delays and costs.
311	Although project recordable injuries remain below the industry average, there have been numerous small impact incidents occurring that could potentially lead to a more serious event occurring.	The occurrence of a high impact safety event could result in project rework, construction delays, and increased project costs.
331	Theft of impedance bond cables.	Delays to project because signal locations cannot be cutover and put into service without the required impedance bond cables to make the signal system 25kV compatible.  Cost of theft should be borne by the contractor as security of contractor installed materials are a contract requirement

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Appendix G – MMRP Status Log

**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>AES-2a: Minimize OCS construction activity on residential and park areas outside the Caltrain ROW.</b>	X	X			Ongoing	The OCS proposed construction schedule has been provided to the JPB. OCS construction began the week of October 2, 2017. The D-B has utilized the potholing process to assist in locating conflicts in the 35% design and attempting to relocate OCS pole locations within the ROW.
<b>AES-2b: Aesthetic treatments for OCS poles, TPFs in sensitive visual locations, and Overbridge Protection Barriers.</b>	X				Ongoing	The design requirements indicated in the measure have been implemented as described, and coordination with the specific jurisdictions regarding pole colors and design is ongoing. Coordination with the JPB & local jurisdiction regarding Overbridge Protection Barriers and TPFs is ongoing.
<b>AES-4a: Minimize spillover light during nighttime construction.</b>		X			Ongoing	OCS construction began the week of October 2, 2017; and the BBI community relations lead has notified nearby residents of upcoming construction. During construction, lighting is faced inward, towards the railroad tracks, and any complaints will be documented and addressed by the BBI community relations lead.
<b>AES-4b: Minimize light spillover at TPFs.</b>	X				Upcoming	The design requirements indicated in the measure are being utilized in the design and construction process.
<b>AQ-2a: Implement BAAQMD basic and additional construction mitigation measures to reduce construction-related dust.</b>	X	X			Ongoing	The Dust Mitigation Plan was submitted to the JPB and approved. The requirements in the Dust Mitigation Plan will be implemented throughout the construction period and documented in daily reports.

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**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>AQ-2b: Implement BAAQMD basic and additional construction mitigation measures to control construction-related ROG and NOX emissions.</b>	X	X			Ongoing	The Equipment Emissions Control Plan was submitted to the JPB and approved. The requirements in the Equipment Emissions Control Plan will be implemented throughout the construction period and documented in daily reports.
<b>AQ-2c: Utilize clean diesel-powered equipment during construction to control construction-related ROG and NOX emissions.</b>	X	X			Ongoing	The Equipment Emissions Control Plan was submitted to the JPB and approved. The requirements in the Equipment Emissions Control Plan will be implemented throughout the construction period and documented in daily reports.
<b>BIO-1a: Implement general biological impact avoidance measures.</b>	X	X			Ongoing	Worker Environmental Awareness Training is provided to all project-related personnel before they work on the project. All measures as described will be implemented throughout the construction period and documented in daily reports.
<b>BIO-1b: Implement special-status plant species avoidance and revegetation measures.</b>	X	X	X		Complete	Not applicable. Subsequent habitat assessment and avoidance of Communication Hill eliminated any potential to affect special-status plant species. The measure is not needed.

**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>BIO-1c: Implement California red-legged frog and San Francisco garter snake avoidance measures.</b>	X	X			Ongoing	Pre-construction surveys are occurring no more than 7 days prior to the initiation of construction activities nearby/adjacent to potential habitat for CRLF and SFGS. The Wildlife Exclusion Fencing Plans for Segments 1 and 4 were submitted and approved by the wildlife agencies, and installation and monitoring of wildlife exclusion fencing is ongoing. No CRLF / SFGS or sign of each species has been observed to date on the Project.
<b>BIO-1d: Implement western pond turtle avoidance measures.</b>	X	X			Ongoing	Pre-construction surveys are occurring no more than 7 days prior to the initiation of construction activities nearby/adjacent to potential habitat for WPT. No WPT or WPT sign have been observed to date on the Project.
<b>BIO-1e: Implement Townsend’s big-eared bat, pallid bat, hoary bat, and fringed myotis avoidance measures.</b>	X	X			Ongoing	Pre-construction surveys are occurring no more than 7 days prior to the initiation of construction activities with the potential to disturb bats or their habitat. No special-status bats or sign have been observed to date on the Project.
<b>BIO-1f: Implement western burrowing owl avoidance measures.</b>	X	X			Ongoing	Protocol surveys for Western Burrowing Owl have been conducted from April–July, in 2017, 2018, 2019, 2020, and 2021 at previously identified potentially suitable habitat locations. Note that all of these locations are in Construction Segment 4 (southern Santa Clara and San Jose). No Burrowing Owls have been observed during the 2017-2019 or 2021 surveys. Survey reports for the 2017, 2018, 2019, and 2020 surveys have been submitted

**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
						<p>to the JPB for the project record. In addition, pre-construction surveys of the potential BUOW habitat areas in Segment 4 are ongoing, as needed, and if required, they occur no more than 7 days prior to the onset of new ground-disturbing construction activities.</p> <p>During a 2020 pre-construction survey (March 24, 2020), two burrowing owls were observed adjacent to the Caltrain ROW, near MP 44.6. The owls were located approximately 150 feet away from the Caltrain ROW. A 200-meter no-disturbance buffer and a combination of full-time monitoring and weekly spot-checks, as approved by the CDFW, were implemented during the breeding season (March through August). No impacts to the BUOW were observed, and the BUOW was consistently observed at the northern most potential BUOW burrow location during the monitoring effort. On September 1, since there was some potential for indirect impacts during the non-breeding season (September 1 through January 31), the disturbance buffer was reduced from 200 meters to 75 meters, as approved by the CDFW. On February 2, 2021, while conducting nesting bird surveys in the area, a biologist checked the burrow and there were no sign of use and cobwebs were present. Subsequent check-ins of the area revealed the same results, and it was determined the burrow was no longer active, and</p>

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
						<p>the buffer was removed. The second round of protocol BUOW surveys were conducted in May and no BUOWs or signs were detected. The final two rounds of surveys were conducted this month and no BUOW or associated signs were observed.</p> <p>The Biologist will continue to conduct preconstruction surveys for nesting burrowing owls no more than 7 days prior to ground disturbance as needed throughout the 2021 nesting season.</p>
<b>BIO-1g: Implement northern harrier, white-tailed kite, American peregrine falcon, saltmarsh common yellowthroat, purple martin, and other nesting bird avoidance measures.</b>	X	X			Ongoing	<p>Nesting Bird and raptor surveys were conducted from February 1 through September 15, in 2017, 2018, 2019, 2020 and 2021, prior to project-related activities with the potential to impact nesting birds.</p>
<b>BIO-1h: Conduct biological resource survey of future contractor-determined staging areas.</b>	X	X			Ongoing	<p>The agency-approved Qualified Biologist has conducted surveys of the staging areas currently being used for construction activities. No special-status species or other potentially sensitive biological resources were observed. The agency-approved Qualified Biologist will continue to survey ahead of the initiation of activities at planned staging areas as the Project moves into new construction areas.</p>
<b>BIO-1i: Minimize impacts on Monarch butterfly overwintering sites.</b>	X	X			Ongoing	<p>The agency-approved Qualified Biologist has periodically monitored the project limits to evaluate the presence of Monarch butterfly overwintering sites. No Monarch butterfly overwintering sites have</p>



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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
						been observed on the Project to date.
<b>BIO-1j: Avoid nesting birds and bats during vegetation maintenance.</b>				X	Upcoming	To be completed during Project operation.
<b>BIO-2: Implement serpentine bunchgrass avoidance and revegetation measures.</b>	X	X	X		Complete	Not applicable. Subsequent habitat assessment and avoidance of Communication Hill eliminated any potential to affect serpentine bunchgrass. This measure is no longer needed.
<b>BIO-3: Avoid or compensate for impacts on wetlands and waters.</b>	X	X	X		Complete	The JPB has compensated for unavoidable wetland impacts by purchasing adequate credits from a wetlands mitigation bank approved by USACE and SFRWQCB.
<b>BIO-5: Implement Tree Avoidance, Minimization, and Replacement Plan.</b>	X	X	X		Ongoing	Tree removal and pruning activities were initiated in August 2017, and are ongoing, under the guidance of the BBI Arborist, and in accordance with the Tree Avoidance, Minimization, and Replacement Plan. Tree Removal and Pruning status is provided to the JPB on a regular basis.
<b>BIO-6: Pay <i>Santa Clara Valley Habitat Plan</i> land cover fee (if necessary).</b>	X				Complete	Not applicable. The SCVHP does not apply to the Project because TPS2, Option 1 was not selected and OCS does not extend to Communication Hill. This measure is not needed.

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>CUL-1a: Evaluate and minimize impacts on structural integrity of historic tunnels.</b>	X				Upcoming	To be implemented prior to construction in tunnels.
<b>CUL-1b: Minimize impacts on historic decorative tunnel material.</b>	X				Upcoming	To be implemented prior to construction in tunnels. Historic American Engineering Record (HAER) documentation was completed in October 2018, pursuant to this measure.
<b>CUL-1c: Install project facilities in a way that minimizes impacts on historic tunnel interiors.</b>	X				Upcoming	To be implemented prior to construction in tunnels.
<b>CUL-1d: Implement design commitments at historic railroad stations</b>	X				Complete	The Qualified Architectural Historian completed and submitted the HABS Level III documents to the JPB for all seven of the historic stations. Pole placement has been designed to minimize the visual impact to historic stations and all design changes are reviewed by the Environmental Compliance Lead to ensure the mitigation measure is being implemented as the design of the project progresses.

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>CUL-1e: Implement specific tree mitigation considerations at two potentially historic properties and landscape recordation, as necessary.</b>	X	X			Complete	It was determined that the project is not acquiring any ROW at either of the subject properties so all tree effects would be within the JPB ROW. Therefore, the APE does not include these two historic properties. This measure is no longer needed.
<b>CUL-1f: Implement historic bridge and underpass design requirements.</b>	X				Ongoing	This measure is being implemented as described during the design process and will be incorporated into the final design. The four bridges that are included in the MMRP are rail bridges crossing over another feature. Design of the OCS system is taking into account that there are requirements that restrict the design. Thus far, the designs for Construction Segments 2 & 4 are in process and designs are not yet complete. The D-B will forward to the Architectural Historian once complete.
<b>CUL-2a: Conduct an archaeological resource survey and/or monitoring of the removal of pavement or other obstructions to determine if historical resources under CEQA or unique archaeological resources under PRC 21083.2 are present.</b>	X				Ongoing	Periodic inspections of ground surface areas along the alignment, in conjunction with cultural monitoring as-needed of project activities in culturally sensitive areas are ongoing. The Archaeological Final Report will be provided at the conclusion of construction activities.

**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>CUL-2b: Conduct exploratory trenching or coring of areas where subsurface project disturbance is planned in those areas with “high” or “very high” potential for buried site.</b>	X				Ongoing	Exploratory trenching and subsurface testing of all potentially culturally sensitive areas occurred prior to the initiation of construction activities in those areas. The results will be included in the Archaeological Final Report. No cultural resources requiring the development of a treatment plan were observed. A Native American monitor has been present for all exploratory trenching and subsurface testing work.
<b>CUL-2c: Conduct limited subsurface testing before performing ground-disturbing work within 50 meters of a known archaeological site.</b>	X				Ongoing	Exploratory trenching and subsurface testing of all potentially culturally sensitive areas occurred prior to the initiation of construction activities in those areas. The results will be included in the Archaeological Final Report. No cultural resources requiring the development of a treatment plan were observed. A Native American monitor has been present for all exploratory trenching and subsurface testing work.
<b>CUL-2d: Conduct exploratory trenching or coring of areas within the three zones of special sensitivity where subsurface project disturbance is planned.</b>	X				Ongoing	Exploratory trenching and subsurface testing of all potentially culturally sensitive areas occurred prior to the initiation of construction activities in those areas. The results will be included in the Archaeological Final Report. No cultural resources requiring the development of a treatment plan were observed. A Native American monitor has been present for all exploratory trenching and subsurface testing work.

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>CUL-2e: Stop work if cultural resources are encountered during ground-disturbing activities.</b>	X	X			Ongoing	No prehistoric or historic-period cultural materials have been observed during cultural monitoring.
<b>CUL-2f: Conduct archaeological monitoring of ground-disturbing activities in areas as determined by JPB and SHPO.</b>		X			Ongoing	Cultural monitoring as-needed of project activities in culturally sensitive areas is ongoing. The Archaeological Final Report will be provided at the conclusion of construction activities.
<b>CUL-3: Comply with state and county procedures for the treatment of human remains discoveries.</b>		X			Ongoing	No human remains have been observed to date on the Project. On June 18, 2021, construction crews observed a series of bones at the PS-3 work area. Upon inspection by a qualified archaeologist, the bones were determined to be from two medium-sized terrestrial mammals (not human). In addition, due to the lack of cultural resources found in proximity to the bones, the archaeologist concluded that the find was not archaeological in nature, and released the crew to continue work in the area.

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>EMF-2: Minimize EMI effects during final design, Monitor EMI effects during testing, commission and operations, and Remediate Substantial Disruption of Sensitive Electrical Equipment.</b>	X	X	X		Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Designs are submitted and reviewed/commented on by JPB. Monitoring EMI effects will occur post construction.
<b>GEO-1: Perform a site-specific geotechnical study for traction power facilities.</b>	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Geotechnical studies are being conducted by Parikh under subcontract with PGH Wong. Studies and results are submitted to JPB as completed.
<b>GEO-4a: Identification of expansive soils.</b>	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design by the D-B as described. Geotechnical studies are being conducted by Parikh under subcontract with PGH Wong. Studies and results are submitted to JPB as completed.
<b>GEO-4b: Mitigation of expansive soils.</b>	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design by the D-B as described. Geotechnical studies are being conducted by Parikh under subcontract with PGH Wong. Studies and results are submitted to JPB as completed.

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>HAZ-2a: Conduct a Phase II Environmental Site Assessment prior to construction.</b>	X				Complete	A Phase II Environmental Assessment was completed prior to construction by the JPB consultant, and the results were provided to BBI, and the required mitigation is being implemented prior to the initiation of construction activities.
<b>HAZ-2b: Implement engineering controls and best management practices during construction.</b>	X	X			Ongoing	D-B field activities are being monitored daily for significant color changes or odors which may indicate contamination. In addition, assessments of existing subsurface pipes by a certified Asbestos Consultant are occurring as needed throughout the project as they are observed. Following the assessments, a specification describing the methods for removal and disposal are provided to the certified asbestos contractor. The removal and disposal work performed by the certified asbestos contractor is monitored by the certified asbestos consultant. During the reporting period, a certified asbestos consultant conducted exposure monitoring at PS-1 where naturally occurring asbestos was detected. Also, during the reporting period, samples of wrapped conduit at MP 46.7-12A were collected for asbestos analysis.
<b>HYD-1: Implement construction dewatering treatment, if necessary.</b>	X	X			Ongoing	Facilities & BMPs are in place to deal with this requirement should it arise in the OCS foundations.

**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>HYD-4: Minimize floodplain impacts by minimizing new impervious areas for TPFs or relocating these facilities.</b>	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. The TPFs in Construction Segments 2 & 4 are currently in final design and design for TPFs in Construction Segments 1 & 3 has begun. The design minimizes hardscape only to required structure foundations; yard areas are to receive a pervious material.
<b>HYD-5: Provide for electrical safety at TPFs subject to periodic or potential flooding.</b>	X			X	Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. The TPFs in Construction Segments 2 & 4 are currently in final design and design for TPFs in Construction Segments 1 & 3 has begun. The design plan currently raises the TPFs above the floodplain.
<b>HYD-7: Implement sea level rise vulnerability assessment and adaptation plan.</b>				X	Ongoing	The JPB has initiated this measure and preparation of the sea level rise vulnerability assessment and adaptation plan is underway.
<b>NOI-1a: Implement Construction Noise Control Plan.</b>	X	X			Ongoing	The Noise and Vibration Control Plan has been submitted and is being implemented. Field activity is monitored per the Plan. If allowable noise levels are near or exceed allowable noise levels, mitigation such as blankets are used from that point forward.



**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>NOI-1b: Conduct site-specific acoustical analysis of ancillary facilities based on the final mechanical equipment and site design and implement noise control treatments where required.</b>	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. PGH Wong has completed analysis and design and issued for JPB review.
<b>NOI-2a: Implement Construction Vibration Control Plan.</b>	X	X			Ongoing	The Noise and Vibration Control Plan has been submitted and is being implemented. Field activity is monitored per the Plan.
<b>PSU-8a: Provide continuous coordination with all utility providers.</b>	X	X			Ongoing	The design requirements indicated in the measure will be implemented through the final design as described. Coordination with utility providers is ongoing and there have not been any service interruptions thus far.
<b>PSU-8b: Adjust OCS pole foundation locations.</b>	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described.
<b>PSU-8c: Schedule and notify users about potential service interruptions.</b>	X	X			Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. There have not been any service interruptions thus far.
<b>PSU-9: Require application of relevant construction mitigation measures to utility relocation and transmission line construction by others.</b>	X	X			Ongoing	JPB has initiated coordination with PG&E regarding transmission line construction. PG&E is currently raising overcrossing lines in Segment 2.

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>TRA-1a: Implement Construction Road Traffic Control Plan.</b>	X	X			Ongoing	The D-B has begun traffic control design and permit applications with the City of Millbrae, Burlingame and San Mateo. Other communities will follow. Designs have been completed for all cross-over bridges in Segments 2 & 4 and submitted.
<b>TRA-1c: Implement signal optimization and roadway geometry improvements at impacted intersections for the 2020 Project Condition.</b>	X	X			Upcoming	This measure has not started
<b>TRA-2a: Implement construction railway disruption control plan.</b>	X	X			Ongoing	Minimization of railway disruption is being coordinated by the Site Specific Work Plan. A Construction Railway Disruption Control Plan was prepared to document the measures that are being implemented.
<b>TRA-3b: In cooperation with the City and County of San Francisco, implement surface pedestrian facility improvements to address the Proposed Project's additional pedestrian movements at and immediately adjacent to the San Francisco 4th and King Station.</b>	X	X	X		Upcoming	This measure has not started.
<b>TRA-4b: Continue to improve bicycle facilities at Caltrain stations and partner with bike share programs where available following guidance in</b>				X	Ongoing	The JPB adopted the Caltrain Bicycle Parking Management Plan in November 2017, and staff have been working to implement the Plan's recommendations to improve wayside bike parking facilities along

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
Caltrain's Bicycle Access and Parking Plan.						the corridor. Staff have also been coordinating with local jurisdictions that have launched bikeshare pilot programs to safely site bicycles near Caltrain stations.
NOI-CUMUL-1: Implement a phased program to reduce cumulative train noise along the Caltrain corridor as necessary to address future cumulative noise increases over FTA thresholds				X	Upcoming	This measure will be implemented during project operation.
NOI-CUMUL-2: Conduct project-level vibration analysis for Blended System operations and implement vibration reduction measures as necessary and appropriate for the Caltrain corridor				X	In Progress	CHSRA is conducting this analysis as part of the EIR/EIS for the San Francisco to San Jose section.
TRA-CUMUL-1: Implement a phased program to provide traffic improvements to reduce traffic delays near at-grade crossings and Caltrain stations				X	Upcoming	This measure will be implemented during project operation.
TRA-CUMUL-2: Implement technical solution to allow electric trolley bus transit across 16 <sup>th</sup> Street without OCS conflicts in cooperation with SFMTA.	X				Complete	Not applicable. SFMTA has elected to not electrify the 16 <sup>th</sup> Street crossing. This measure no longer applies.
Mitigation Measure TRA-CUMUL-3: As warranted, Caltrain and freight operators will partner to provide Plate H clearance				X	Upcoming	This measure will be implemented during project operation.

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
as feasible between San Jose and Bayshore.						
<b>AES-2a: Minimize OCS construction activity on residential and park areas outside the Caltrain ROW.</b>	X	X			Ongoing	The OCS proposed construction schedule has been provided to the JPB. OCS construction began the week of October 2, 2017. The D-B has used the potholing process to assist in locating conflicts in the 35% design and attempting to relocate OCS pole locations within the ROW, thereby avoiding parks and residential areas.
<b>AES-2b: Aesthetic treatments for OCS poles, TPFs in sensitive visual locations, and Overbridge Protection Barriers.</b>	X				Ongoing	The design requirements indicated in the measure have been implemented as described, and coordination with the specific jurisdictions regarding pole colors and design, TPFs, and Overbridge Protection Barriers, is ongoing.
<b>AES-4a: Minimize spillover light during nighttime construction.</b>		X			Ongoing	OCS construction began the week of October 2, 2017. The BBI community relations lead has notified nearby residents of upcoming construction. During construction, lighting is faced inward, towards the railroad tracks, and any complaints will be documented and addressed by the BBI community relations lead.
<b>AES-4b: Minimize light spillover at TPFs.</b>	X				Upcoming	The design requirements indicated in the measure are being used in the design process of the TPFs.

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>AQ-2a: Implement BAAQMD basic and additional construction mitigation measures to reduce construction-related dust.</b>	X	X			Ongoing	The Dust Mitigation Plan was submitted to the JPB. The requirements in the Dust Mitigation Plan will be implemented throughout the construction period and documented in daily reports.
<b>AQ-2b: Implement BAAQMD basic and additional construction mitigation measures to control construction-related ROG and NOX emissions.</b>	X	X			Ongoing	The Equipment Emissions Control Plan was submitted to the JPB. The requirements in the Equipment Emissions Control Plan will be implemented throughout the construction period and documented in daily reports.
<b>AQ-2c: Utilize clean diesel-powered equipment during construction to control construction-related ROG and NOX emissions.</b>	X	X			Ongoing	The Equipment Emissions Control Plan was submitted to the JPB. The requirements in the Equipment Emissions Control Plan will be implemented throughout the construction period and documented in daily reports.
<b>BIO-1a: Implement general biological impact avoidance measures.</b>	X	X			Ongoing	Worker Environmental Awareness Training is provided to all project-related personnel before they work on the project. All measures as described will be implemented throughout the construction period and documented in daily reports.
<b>BIO-1b: Implement special-status plant species avoidance and revegetation measures.</b>	X	X	X		Complete	Not applicable. Subsequent habitat assessment and avoidance of Communication Hill eliminated any potential to affect special-status plant species. The measure is not needed.

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>BIO-1c: Implement California red-legged frog and San Francisco garter snake avoidance measures.</b>	X	X			Ongoing	Pre-construction surveys are occurring no more than 7 days prior to the initiation of construction activities nearby/adjacent to potential habitat for CRLF and SFGS. The Wildlife Exclusion Fencing Plan for Segments 2 and 4 was submitted and approved by the wildlife agencies, and installation and monitoring of wildlife exclusion fencing is ongoing. No CRLF / SFGS or sign of each species has been observed to date on the Project. A separate Wildlife Exclusion Fencing Plan will be submitted for Segments 1 and 3, prior to initiation of construction activities in those segments.
<b>BIO-1d: Implement western pond turtle avoidance measures.</b>	X	X			Ongoing	Pre-construction surveys are occurring no more than 7 days prior to the initiation of construction activities nearby/adjacent to potential habitat for WPT. No WPT or WPT sign have been observed to date on the Project.
<b>BIO-1e: Implement Townsend's big-eared bat, pallid bat, hoary bat, and fringed myotis avoidance measures.</b>	X	X			Ongoing	Pre-construction surveys are occurring no more than 7 days prior to the initiation of construction activities with the potential to disturb bats or their habitat. No special-status bats or sign have been observed to date on the Project.

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>BIO-1f: Implement western burrowing owl avoidance measures.</b>	X	X			Ongoing	Protocol surveys for Western Burrowing Owl were conducted from April 2017 through July 2017 at previously identified potentially suitable habitat locations. Note that all of these locations are in Construction Segment 4 (southern Santa Clara and San Jose). No Burrowing Owls were observed during the surveys. Construction in Segment 4 is anticipated to occur in 2018. Prior to construction activities in Segment 4, pre-construction surveys of the potential habitat areas will occur no more than 7 days prior to the onset of construction activities. In addition, protocol surveys were initiated in March 2018, and were completed in June 2018, at the previously identified potentially suitable habitat locations, which will allow work to occur during the 2019 breeding season, if necessary. No Burrowing Owls were observed during the 2018 surveys.
<b>BIO-1g: Implement northern harrier, white-tailed kite, American peregrine falcon, saltmarsh common yellowthroat, purple martin, and other nesting bird avoidance measures.</b>	X	X			Ongoing	Nesting Bird surveys were conducted from February 1 through September 15, 2017 prior to project-related activities with the potential to impact nesting birds. No active nests were observed during this reporting period. Nesting Bird surveys were initiated on February 1, 2018 and continued throughout the reporting period. Active nests were observed during this reporting period, and no-disturbance buffers were implemented to avoid any impacts to active nests, and all project activities which occurred nearby active nests

**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
						were monitored by agency-approved biological monitors.
<b>BIO-1h: Conduct biological resource survey of future contractor-determined staging areas.</b>	X	X			Ongoing	The agency-approved Qualified Biologist has conducted surveys of the staging areas currently being used for construction activities. No special-status species or other potentially sensitive biological resources were observed. The agency-approved Qualified Biologist will continue to survey ahead of the initiation of activities at planned staging areas as the Project moves into new construction areas.
<b>BIO-1i: Minimize impacts on Monarch butterfly overwintering sites.</b>	X	X			Ongoing	The agency-approved Qualified Biologist has periodically monitored the project limits to evaluate the presence of Monarch butterfly overwintering sites. No Monarch butterfly overwintering sites have been observed on the Project to date.
<b>BIO-1j: Avoid nesting birds and bats during vegetation maintenance.</b>				X	Upcoming	To be completed during Project operation.
<b>BIO-2: Implement serpentine bunchgrass avoidance and revegetation measures.</b>	X	X	X		Complete	Not applicable. Subsequent habitat assessment and avoidance of Communication Hill eliminated any potential to affect serpentine bunchgrass. This measure is no longer needed.



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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>BIO-3: Avoid or compensate for impacts on wetlands and waters.</b>	X	X	X		Complete	The JPB has compensated for unavoidable wetland impacts by purchasing adequate credits from a wetlands mitigation bank approved by USACE and SFRWQCB.
<b>BIO-5: Implement Tree Avoidance, Minimization, and Replacement Plan.</b>	X	X	X		Ongoing	Tree removal and pruning activities were initiated in August 2017, and are ongoing, under the guidance of the BBI Arborist, and in accordance with the Tree Avoidance, Minimization, and Replacement Plan. Tree Removal and Pruning status is provided to the JPB on a weekly basis.
<b>BIO-6: Pay <i>Santa Clara Valley Habitat Plan</i> land cover fee (if necessary).</b>	X				Complete	Not applicable. The SCVHP does not apply to the Project because TPS2, Option 1 was not selected and OCS does not extend to Communication Hill. This measure is not needed.
<b>CUL-1a: Evaluate and minimize impacts on structural integrity of historic tunnels.</b>	X				Upcoming	To be implemented prior to construction in tunnels.
<b>CUL-1b: Minimize impacts on historic decorative tunnel material.</b>	X				Upcoming	To be implemented prior to construction in tunnels.

**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>CUL-1c: Install project facilities in a way that minimizes impacts on historic tunnel interiors.</b>	X				Upcoming	To be implemented prior to construction in tunnels.
<b>CUL-1d: Implement design commitments at historic railroad stations</b>	X				Complete	The Qualified Architectural Historian completed and submitted the HABS Level III documents to the JPB for all seven of the historic stations. Pole placement has been designed to minimize the visual impact to historic stations and all design changes are reviewed by the Environmental Compliance Lead to ensure the mitigation measure is being implemented as the design of the project progresses.
<b>CUL-1e: Implement specific tree mitigation considerations at two potentially historic properties and landscape recordation, as necessary.</b>	X	X			Complete	It was determined that the project is not acquiring any ROW at either of the subject properties so all tree effects would be within the JPB ROW. Therefore, the APE does not include these two historic properties. This measure is no longer needed.

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Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>CUL-1f: Implement historic bridge and underpass design requirements.</b>	X				Ongoing	This measure is being implemented as described during the design process and will be incorporated into the final design. The four bridges that are included in the MMRP are rail bridges crossing over another feature. Design of the OCS system is taking into account that there are requirements that restrict the design. Thus far, the designs for Construction Segments 2 & 4 are in process and designs are not yet complete. The D-B will forward to the Architectural Historian once complete.
<b>CUL-2a: Conduct an archaeological resource survey and/or monitoring of the removal of pavement or other obstructions to determine if historical resources under CEQA or unique archaeological resources under PRC 21083.2 are present.</b>	X				Ongoing	Periodic inspections of ground surface areas along the alignment, in conjunction with cultural monitoring as-needed of project activities in culturally sensitive areas are ongoing. The Archaeological Final Report will be provided at the conclusion of construction activities.
<b>CUL-2b: Conduct exploratory trenching or coring of areas where subsurface project disturbance is planned in those areas with “high” or “very high” potential for buried site.</b>	X				Ongoing	Exploratory trenching and subsurface testing of all potentially culturally sensitive areas occurred prior to the initiation of construction activities in those areas. The results will be included in the Archaeological Final Report. No cultural resources requiring the development of a treatment plan were observed. A Native American monitor has been present for all exploratory trenching and subsurface testing work.

**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>CUL-2c: Conduct limited subsurface testing before performing ground-disturbing work within 50 meters of a known archaeological site.</b>	X				Ongoing	Exploratory trenching and subsurface testing of all potentially culturally sensitive areas occurred prior to the initiation of construction activities in those areas. The results will be included in the Archaeological Final Report. No cultural resources requiring the development of a treatment plan were observed. A Native American monitor has been present for all exploratory trenching and subsurface testing work.
<b>CUL-2d: Conduct exploratory trenching or coring of areas within the three zones of special sensitivity where subsurface project disturbance is planned.</b>	X				Ongoing	Exploratory trenching and subsurface testing of all potentially culturally sensitive areas occurred prior to the initiation of construction activities in those areas. The results will be included in the Archaeological Final Report. No cultural resources requiring the development of a treatment plan were observed. A Native American monitor has been present for all exploratory trenching and subsurface testing work.
<b>CUL-2e: Stop work if cultural resources are encountered during ground-disturbing activities.</b>	X	X			Ongoing	No prehistoric or historic-period cultural materials have been observed during cultural monitoring.
<b>CUL-2f: Conduct archaeological monitoring of ground-disturbing activities in areas as determined by JPB and SHPO.</b>		X			Ongoing	Cultural monitoring as-needed of project activities in culturally sensitive areas is ongoing. The Archaeological Final Report will be provided at the conclusion of construction activities.

**Peninsula Corridor Electrification Project**  
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**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>CUL-3: Comply with state and county procedures for the treatment of human remains discoveries.</b>		X			Ongoing	No human remains have been observed to date on the Project.
<b>EMF-2: Minimize EMI effects during final design, Monitor EMI effects during testing, commission and operations, and Remediate Substantial Disruption of Sensitive Electrical Equipment.</b>	X	X	X		Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Designs are submitted and reviewed/commented on by JPB. Monitoring EMI effects will occur post construction.
<b>GEO-1: Perform a site-specific geotechnical study for traction power facilities.</b>	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Geotechnical studies and results are submitted to JPB as completed.
<b>GEO-4a: Identification of expansive soils.</b>	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Geotechnical studies and results are submitted to JPB as completed.

**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>GEO-4b: Mitigation of expansive soils.</b>	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Geotechnical studies and results are submitted to JPB as completed.
<b>HAZ-2a: Conduct a Phase II Environmental Site Assessment prior to construction.</b>	X				Complete	A Phase II Environmental Assessment was completed prior to construction by the JPB consultant, and the results were provided to BBI, and the required mitigation is being implemented prior to the initiation of construction activities.
<b>HAZ-2b: Implement engineering controls and best management practices during construction.</b>	X	X			Ongoing	Field activities are being monitored daily for significant color changes or odors which may indicate contamination. In addition, an assessment of two existing subsurface pipes by a certified Asbestos Consultant occurred during this reporting period, and a specification describing the methods for removal and disposal is currently in progress.
<b>HYD-1: Implement construction dewatering treatment, if necessary.</b>	X	X			Ongoing	Facilities & BMPs are in place to deal with this requirement should it arise in the OCS foundations.
<b>HYD-4: Minimize floodplain impacts by minimizing new impervious areas for TPFs or relocating these facilities.</b>	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. The TPFs in Construction Segments 2 & 4 are currently in final design and design for TPFs in Construction Segments 1 & 3 has begun. The design minimizes

**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
						hardscape only to required structure foundations; yard areas are to receive a pervious material.
<b>HYD-5: Provide for electrical safety at TPFs subject to periodic or potential flooding.</b>	X			X	Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. The TPFs in Construction Segments 2 & 4 are currently in final design and design for TPFs in Construction Segments 1 & 3 has begun. The design plan currently raises the TPFs above the floodplain.
<b>HYD-7: Implement sea level rise vulnerability assessment and adaptation plan.</b>				X	Ongoing	The JPB has initiated this measure and preparation of the sea level rise vulnerability assessment and adaptation plan is underway.
<b>NOI-1a: Implement Construction Noise Control Plan.</b>	X	X			Ongoing	The Noise and Vibration Control Plan has been submitted and is being implemented. Field activity is monitored per the Plan. If allowable noise levels are near or exceed allowable noise levels, mitigation such as blankets are used from that point forward.
<b>NOI-1b: Conduct site-specific acoustical analysis of ancillary facilities based on the final mechanical equipment and site design and implement noise control treatments where required.</b>	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Design is still in process and a noise study is currently being performed.

**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>NOI-2a: Implement Construction Vibration Control Plan.</b>	X	X			Ongoing	The Noise and Vibration Control Plan has been submitted and is being implemented. Field activity is monitored per the Plan.
<b>PSU-8a: Provide continuous coordination with all utility providers.</b>	X	X			Ongoing	The design requirements indicated in the measure will be implemented through the final design as described. Coordination with utility providers is ongoing and there have not been any service interruptions thus far.
<b>PSU-8b: Adjust OCS pole foundation locations.</b>	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described.
<b>PSU-8c: Schedule and notify users about potential service interruptions.</b>	X	X			Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. There have not been any service interruptions thus far.
<b>PSU-9: Require application of relevant construction mitigation measures to utility relocation and transmission line construction by others.</b>	X	X			Ongoing	JPB has initiated coordination with PG&E regarding transmission line construction. PG&E is currently raising overcrossing lines in Segment 2.



**Peninsula Corridor Electrification Project**  
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**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
<b>TRA-1a: Implement Construction Road Traffic Control Plan.</b>	X	X			Ongoing	The D-B has begun traffic control design and permit applications with cities in Segments 2 and 4. Designs have been completed and approved for all cross-over bridges in Segments 2 and 4.
<b>TRA-1c: Implement signal optimization and roadway geometry improvements at impacted intersections for the 2020 Project Condition.</b>	X	X			Upcoming	This measure has not started
<b>TRA-2a: Implement construction railway disruption control plan.</b>	X	X			Ongoing	Minimization of railway disruption is being coordinated by the Site Specific Work Plan. A Construction Railway Disruption Control Plan was prepared to document the measures that are being implemented.
<b>TRA-3b: In cooperation with the City and County of San Francisco, implement surface pedestrian facility improvements to address the Proposed Project's additional pedestrian movements at and immediately adjacent to the San Francisco 4th and King Station.</b>	X	X	X		Upcoming	This measure has not started.
<b>TRA-4b: Continue to improve bicycle facilities at Caltrain stations and partner with bike share programs where available following guidance in</b>				X	Ongoing	The JPB adopted the Caltrain Bicycle Parking Management Plan in November 2017, and staff have been working to implement the Plan's recommendations to improve wayside bike parking facilities along

**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
Caltrain's Bicycle Access and Parking Plan.						the corridor. Staff have also been coordinating with local jurisdictions that have launched bikeshare pilot programs to safely site bicycles near Caltrain stations.
NOI-CUMUL-1: Implement a phased program to reduce cumulative train noise along the Caltrain corridor as necessary to address future cumulative noise increases over FTA thresholds				X	Upcoming	This measure will be implemented during project operation.
NOI-CUMUL-2: Conduct project-level vibration analysis for Blended System operations and implement vibration reduction measures as necessary and appropriate for the Caltrain corridor				X	In Progress	CHSRA is conducting this analysis as part of the EIR/EIS for the San Francisco to San Jose section.
TRA-CUMUL-1: Implement a phased program to provide traffic improvements to reduce traffic delays near at-grade crossings and Caltrain stations				X	Upcoming	This measure will be implemented during project operation.
TRA-CUMUL-2: Implement technical solution to allow electric trolley bus transit across 16 <sup>th</sup> Street without OCS conflicts in cooperation with SFMTA.	X				Complete	Not applicable. SFMTA has elected to not electrify the 16 <sup>th</sup> Street crossing. This measure no longer applies.
Mitigation Measure TRA-CUMUL-3: As warranted, Caltrain and freight operators will partner to provide Plate H clearance				X	Upcoming	This measure will be implemented during project operation.

**Peninsula Corridor Electrification Project**  
**Monthly Progress Report**

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**Mitigation Monitoring and Reporting**

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
as feasible between San Jose and Bayshore.						

**PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT**

TO: JPB Board

THROUGH: Michelle Bouchard  
Acting Executive Director

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **AMENDMENT OF FISCAL YEAR 2022 CAPITAL BUDGET**



Finance Committee  
Recommendation



Work Program-  
Legislative-Planning



Staff Coordinating  
Council Reviewed



Staff Coordinating Council  
Recommendation

**ACTION**

Staff proposes that the Board amend the Fiscal Year 2022 Capital Budget to add \$80 million as an unrestricted capital reserve to be allocated by the Board in future actions. This action would increase the FY2022 Capital Budget from \$67.5 million to \$147.5 million, as shown in Attachment B. These funds would be reserved for a number of future capital requirements, including, but not limited to State of Good Repair, match of the TIRCP grant received in conjunction with the exercise of options to purchase an additional 37 Electric Multiple Unit (EMU) railcars, and funding of the Peninsula Corridor Electrification Program. This Capital Budget amendment would be funded with \$80 million of revenue from Fiscal Year 2022 Measure RR revenue.

**SIGNIFICANCE**

This Capital Budget action will provide the Board with substantial additional flexibility to address near and intermediate terms capital requirements. This action also recognizes the constraints on the JPB's financial condition tied to sharp declines in farebox revenue and the elimination of member agency operating and capital contributions this year. Finally, in addressing significant capital requirements with highly flexible Measure RR revenue, this action positions the JPB to effectively compete for funds through an additional federal discretionary grant program that is intended to address the very kinds of revenue losses experienced by the JPB related to the COVID-19 pandemic.

**BUDGET IMPACT**

This amendment would increase the Fiscal Year 2022 Capital Budget and provide an additional source of funding for a variety of needs, addressed above.

This action would change the potential sources of funding for the JPB's Fiscal Year 2022 Operating Budget. No Board action regarding the Operating Budget is required at this time, as the Board provided budgetary authority for spending within its adoption of the

Fiscal Year 2022 Operating Budget on June 3, 2021. Staff anticipates bringing forward a mid-year amendment of the Fiscal Year 2021 Operating Budget no later than February 2022. Staff also anticipates providing clarification as to anticipated sources and uses of funds for the Fiscal Year 2022 Operating Budget as information is available in the Spring of 2022. The currently anticipated impact on sources of funds for the Fiscal Year 2022 Operating Budget is shown in Attachment A to this staff report.

### **BACKGROUND**

Due to the substantial loss in farebox revenue and member agency funding for both operating and capital budget needs, the Fiscal Year 2022 budgets were balanced utilizing all available anticipated Measure RR revenue with little flexibility for addressing current unbudgeted or future requirements.

Subsequent to the adoption of the Fiscal Year 2022 budgets, the JPB has received two allocations from the American Rescue Plan Act of 2021 (ARPA), totaling \$73.3 million (\$58.5 million in excess of the \$14.8 million included in the Fiscal Year 2022 Operating Budget). Additionally, Finance staff, based on information provided by HdL, the JPB's sales tax consultant, currently anticipates that Measure RR revenue for Fiscal Year 2022 will be \$92.7 million, \$6.1 million higher than anticipated in the development of the Fiscal Year 2022 budgets.

These amounts, in conjunction with the ability to utilize previously reserved operating funds, the JPB's operating line of credit, and receipts (if any) from additional discretionary federal funding, should provide the JPB with sufficient funds to address the requirements of the Fiscal Year 2022 Operating Budget.

Prepared by: Derek Hansel, Chief Financial Officer, 650-508-6466

**RESOLUTION NO. 2021 –**

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

**\* \* \***

**ADOPTION OF AMENDMENT TO THE FISCAL YEAR 2022 CAPITAL BUDGET**

**WHEREAS**, the Joint Powers Agreement of the Peninsula Corridor Joint Powers Board (JPB) requires the Board of Directors (Board) to approve annual Operating and Capital Budgets; and

**WHEREAS**, the Board adopted the Fiscal Year 2021-22 (FY2022) Operating Budget in the amount of \$176,743,469 and the FY2022 Capital Budget in the amount of \$39,209,919 on June 3, 2021; and

**WHEREAS**, the Board previously adopted Resolution No. 2021- 41, amending and increasing the FY2022 Capital Budget by \$25 million on July 1, 2021 and Resolution No. 2021-44, amending and increasing the FY2022 Capital Budget by \$2.0 million on August 5, 2021; and

**WHEREAS**, due to the substantial loss in farebox revenue and member agency funding for both operating and capital budget needs, the FY2022 budgets were balanced utilizing all available anticipated Measure RR revenue with little flexibility for addressing current unbudgeted or future requirements; and

**WHEREAS**, subsequent to the adoption of the FY2022 budgets, the JPB has received two allocations from the American Rescue Plan Act of 2021 (ARPA), totaling \$73.3 million (\$58.5 million in excess of the \$14.8 million included in the FY2022 Operating Budget). Additionally, Finance staff, based on information provided by the JPB's sales tax

consultant, currently anticipates that Measure RR revenue for FY2022 will be \$92.7 million, \$6.1 million higher than anticipated in the development of the FY2022 budgets; and

**WHEREAS**, an amendment to the FY2022 Capital Budget will provide the Board with substantial additional flexibility to address near and intermediate term capital requirements. Amending the FY2022 Capital Budget also recognizes the constraints on the JPB's financial condition tied to sharp declines in farebox revenue and the elimination of member agency operating and capital contributions this year; and

**WHEREAS**, addressing significant capital requirements with highly flexible Measure RR revenue, amending the FY2022 Capital Budget positions the JPB to effectively compete for funds through an additional federal discretionary grant program that is intended to address the very kinds of revenue losses experienced by the JPB related to the COVID-19 pandemic; and

**WHEREAS**, staff proposes that the Board amend the FY2022 Capital Budget to add \$80 million as an unrestricted capital reserve to be allocated by the Board in future actions, increasing the FY2022 Capital budget from \$67.5 million to \$147.5 million. These funds would be reserved for a number of future capital requirements, including, but not limited to, State of Good Repair, match of the TIRCP grant received in conjunction with the exercise of options to purchase an additional 37 EMU railcars, and funding of the Peninsula Corridor Electrification Program. This Capital Budget amendment would be funded with \$80 million of revenue from FY2022 Measure RR revenue.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby adopts this amendment to the FY2022 Capital Budget in the amount of \$80 million, increasing the FY2022 Capital budget from \$67.5 million to \$147.5 million; and

**BE IT FURTHER RESOLVED that** the Acting Executive Director, or designee, is requested to forward a copy of the amended FY2022 Capital Budget to the JPB member agencies at the earliest practicable date; and

**BE IT FURTHER RESOLVED** that the Board authorizes the Acting Executive Director or Designee to take such additional actions as may be necessary to give effect to this resolution, including executing funding agreements and amendments and submitting required documents to granting agencies to receive the funding identified in the FY2022 Capital Budget.

Regularly passed and adopted this 4<sup>th</sup> day of November 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



**FY22 Operating Budget Balancing Plan (000s)**

Measure RR receipts allocated to Capital Budget	(80,000)
Less ARPA funds currently assumed in FY22 Budget	(14,850)
Plus	
Allocated ARPA funds - Tranche 1	43,995
Allocated ARPA funds - Tranche 2	29,330
	(21,525)
Plus Anticipated Unbudgeted Measure RR receipts	6,114
Funded from Reserves and Operating Line of Credit	(15,411)
	(15,411)

* Reserve (without CRSSAA)	16,115
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\* CRRSSAA funding was received and reported as revenue in late FY21. However It was not budgeted in FY21 as the amount of funding was unknown at the time of FY21 Budget adoption. Therefore the budget for CRRSAA funding was carried over and budgeted in FY22. A future FY22 budget action will be brought to the Board to clarify funding sources for the FY22 budget.



FY2022 CAPITAL BUDGET

Item #	PROJECT NAME	PRIOR YEARS APPROVED	AMENDED FY2022 CAPITAL BUDGET	Federal Funds	STA SOGR Funds	Measure RR	Others	AMENDED FY2022 CAPITAL BUDGET
<b>i. STATE OF GOOD REPAIR</b>								
<b>Bridges</b>								
1	Guadalupe River Bridge Replacement and Extension	12,400,000	1,989,000	1,591,200	397,800	-	-	1,989,000
			1,989,000	1,591,200	397,800	-	-	1,989,000
<b>Right of Way</b>								
2	Track SOGR	11,220,000	5,437,771	4,350,217	1,087,554	-	-	5,437,771
3	Right of Way Fencing	585,000	156,000	-	-	156,000	-	156,000
			5,593,771	4,350,217	1,087,554	156,000	-	5,593,771
<b>Signal &amp; Communications</b>								
4	Communications SOGR	2,000,000	416,000	332,800	5,667	77,533	-	416,000
5	Fiber Optics SOGR	1,000,000	572,000	457,600	-	114,400	-	572,000
6	Signal SOGR	-	1,248,000	998,400	-	249,600	-	1,248,000
7	Migration To Digital Voice Radio System	700,000	832,000	665,600	-	166,400	-	832,000
			3,068,000	2,454,400	5,667	607,933	-	3,068,000
<b>Rolling Stock</b>								
			-	-	-	-	-	-
			-	-	-	-	-	-
<b>Facilities &amp; Intermodal Access</b>								
8	Stations SOGR	1,500,000	208,000	-	-	208,000	-	208,000
9	Historic Stations SOGR	-	1,352,000	-	-	1,352,000	-	1,352,000
29	South San Francisco Station Improvement <sup>3</sup>	71,600,000	25,000,000	-	-	-	25,000,000	25,000,000
			26,560,000	-	-	1,560,000	25,000,000	26,560,000
	<b>Total SOGR</b>		<b>37,210,771</b>	<b>8,395,817</b>	<b>1,491,021</b>	<b>2,323,933</b>	<b>25,000,000</b>	<b>37,210,771</b>
<b>ii. LEGAL MANDATES AND ELECTRIFIED SERVICE RAIL PROGRAM INTEGRATION</b>								
10	Rail Program Integration and Transition	-	4,658,148	-	-	4,658,148	-	4,658,148
11	Hayward Park Remediation	-	51,000	-	-	51,000	-	51,000
			4,709,148	-	-	4,709,148	-	4,709,148
<b>iii. OPERATIONAL IMPROVEMENTS/ENHANCEMENTS</b>								
12	PADS Replacement	-	1,040,000	-	-	1,040,000	-	1,040,000
13	Grade Crossing Improvements Construction	500,000	1,040,000	-	-	1,040,000	-	1,040,000
14	Caltrain VoIP	-	520,000	-	-	520,000	-	520,000
15	TVM Upgrade Phase 5	2,795,000	1,040,000	832,000	-	208,000	-	1,040,000
16	Caltrain Fiber Connectivity to Caltrain Stations and Digital Voice Base Station	-	624,000	-	-	624,000	-	624,000
17	Next Gen Clipper Validators Site Prep	2,500,000	1,560,000	1,248,000	-	312,000	-	1,560,000
18	Mountain View Transit Center Grade Separation and Access Project <sup>1</sup>	-	11,200,000	-	-	-	11,200,000	11,200,000
31	Broadway Burlingame Grade Separation <sup>5</sup>	24,388,000	1,025,000	-	-	-	1,025,000	1,025,000
			18,049,000	2,080,000	-	3,744,000	12,225,000	18,049,000
<b>iv. PLANNING/STUDIES</b>								
19	Operations, Access and Customer Interface Planning	-	260,000	-	-	260,000	-	260,000
20	Business Strategy and Policy Development	-	780,000	-	-	780,000	-	780,000
21	Electrification Expansion and Integration - Preliminary Planning	-	520,000	-	-	520,000	-	520,000
22	Capital Planning Technical Support	-	286,000	-	-	286,000	-	286,000
23	Transit-oriented Development Studies	-	1,040,000	-	-	1,040,000	-	1,040,000
24	Diridon Integrated Station Concept Plan (DISC) <sup>2</sup>	-	720,000	-	-	-	720,000	720,000
30	SF Railyards Preliminary Business Case <sup>4</sup>	-	2,000,000	-	-	-	2,000,000	2,000,000
32	Whipple Avenue Redwood City Grade Separation <sup>5</sup>	850,000	301,000	-	-	-	301,000	301,000
			5,907,000	-	-	2,886,000	3,021,000	5,907,000
<b>iv. CAPITAL CONTINGENCY FUNDS</b>								
25	Capital Contingency Funds - Engineering	-	330,000	-	-	330,000	-	330,000
26	Capital Contingency Funds - Rail	-	660,000	-	-	660,000	-	660,000
27	Capital Project Development	-	335,000	-	-	335,000	-	335,000
28	Capital Program Management	-	335,000	-	-	335,000	-	335,000
			1,660,000	-	-	1,660,000	-	1,660,000
<b>v. CALTRAIN MODERNIZATION</b>								
33	Reserved for future Capital Requirements		80,000,000	-	-	80,000,000	-	80,000,000
	<b>Total FY2022 Capital Budget</b>		<b>147,535,919</b>	<b>10,475,817</b>	<b>1,491,021</b>	<b>95,323,081</b>	<b>40,246,000</b>	<b>147,535,919</b>

<sup>1</sup> \$10.0 million from Santa Clara Valley Transportation Authority (VTA) per Reso 2020-39 and \$1.2 million from the City of Mountain View

<sup>2</sup> City of San Jose

<sup>3</sup> San Mateo County Transportation Authority and City of South San Francisco

<sup>4</sup> Prologis LLC

<sup>5</sup> San Mateo County Transportation Authority (TA)