

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

Minutes of March 3, 2022

MEMBERS PRESENT: C. Chavez, D. Davis, J. Gee, S. Heminger (Chair), G. Hendricks, D. Pine, C. Stone (Vice Chair), S. Walton (arrived 9:03 am), M. Zmuda

MEMBERS ABSENT: None

STAFF PRESENT: M. Bouchard, D. Hansel, G. Martinez, S. Petty, J. Harrison, A. Myles-Primakoff, K. Yin, P. Shrestha, B. Shaw, D. Santoro, C. Fromson, R. Barnard, R. Cheung, W. Lau, C. David, J. Wasilco, T. Bartholomew, D. Seamans, S. Wong

1. Call to Order / Pledge of Allegiance

Chair Steve Heminger called the meeting to order at 9:01 am and led the pledge of allegiance. He asked for a moment of silence for the people half a world away defending their homeland.

2. Roll Call

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

3. Public Comments For Items Not On The Agenda

Aleta Dupree, Oakland, commented on the pledge, veterans, having a moment of silence, Clipper, electrification, and building a railroad for the people.

4. Consent Calendar

- a. **Approve Regular Meeting Minutes of February 3, 2022**
- b. **Adopt Findings of 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 30 Days**
- c. **Receive Caltrain Key Performance Statistics – January 2022**
- d. **Award of Contract to Provide Real Estate and Other Legal Services* (Gov. Code § 84308 applies)**
- e. **Report of the Chief Financial Officer (CFO)**
- f. **Accept Statement of Revenues and Expenses for the Period Ended January 31, 2022**
- g. **Approve Title VI Analysis for Sunday Service Schedule (August 2021)**
- h. **State and Federal Legislative Update and Approval of Legislative Proposal: Support AB 2197 (Mullin)**

- i. **Capital Projects Quarterly Status Report – 2nd Quarter Fiscal Year 2022**
- j. **Metropolitan Transportation Commission (MTC) Network Management Business Case Update**
- k. **Metropolitan Transportation Commission (MTC)/Regional Update**
- l. **Approve National Women’s History Month Resolution**

Public Comment

Andy Chow, Redwood City, commented on Item 4b, and evaluating having in person meetings again and the implications of online meetings.

Motion/Second: Zmuda/Walton

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

Noes: None

Absent: None

Director Charles Stone requested an update from staff to allow the public to comment virtually even after we go back in person.

Motion/Second: Zmuda/Walton

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

Noes: None

Absent: None

Chair Heminger announced that it was Derek Hansel’s last Board Meeting as the Chief Financial Officer of San Mateo County Transit District.

Board Members praised Mr. Hansel on his leadership and thanked him for his work.

Public Comment

Jeff Carter, Millbrae, commented on Mr. Hansel’s cordiality.

Adina Levin, Friends of Caltrain, commented on Mr. Hansel’s clarity and transparency.

Aleta Dupree, Oakland, commented on Mr. Hansel’s approachability and responsiveness.

5. Peninsula Corridor Electrification Project (PCEP) Monthly Progress Report – January 2022

Michelle Bouchard announced that the first two vehicles’ arrival early/mid-April.

Pranaya Shrestha, Chief Financial Officer, provided the presentation, which included the following:

- Project highlights (no change to revenue service date, construction progress, signal work)
- Submittal of the final remediation plan this month

- Foundations completion celebration and upcoming milestones
- Safety and Security
- Program master schedule and top risks
- Program budget, contingency, risk and incentive, and proven claim resolution

Casey Fromson, Chief Communications Officer, provided information on the funding update:

- \$410 million state/federal funding plan being developed
- Federal efforts and State efforts
- Working with MC on capital project list for state/federal advocacy

Public Comment

Aleta Dupree, Oakland, commented on construction, poles, and wires.

Jeff Carter, Millbrae, commented on more publicity and fanfare for the project.

6. Draft Recommendation on Caltrain Governance

Chair Heminger stated that the ad hoc governance committee reached a tentative agreement settling the outstanding issues on governance and hoped the Board would adopt the term sheet. He recognized and thanked the ad hoc committee (comprised of Directors Davis, Gee and Chair Heminger), key staff, and Grace Crunican for their work. The ad hoc committee members commented on the long and challenging process and asked for the full Board's consideration of the revised term sheet.

Sebastian Petty, Deputy Chief of Planning, provided the agenda, process diagram, and timeline, which included the following:

- Overview of revised term sheet
- Terms included dedicated Executive Director and staff reporting
- Right of Way Repayment
- Reversion
- Future Amendment of Real Property Agreement (RPOA) and Joint Powers Agreement (JPA)
- Indemnification that is mutual between SamTrans and JPB
- Share Services Agreement
- Attorney's Fees with each party bearing its own legal costs
- Term of MOU (Memorandum of Understanding)

The Board members asked questions and staff provided further clarifications, which included the following:

- Cost of adding five additional roles
- The economic impact for implementing what is put forward by the governance committee
- The overall cost to date for review and governance cost, why money owed would be placed into escrow, when funds would be released with this proposal, and additional costs incurred
- Whether the MOU supersedes the RPOA

- Consequences of not reaching an agreement
- Comparing SamTrans' proposal to the ad hoc proposal
- Mutual Indemnification
- Not naming particular positions and have contract agency responsible for shared services
- Having a formalized agreement on methodology of shared services for financing
- If the Memorandum of Understanding is not signed, is the payment made to SamTrans
- How realistic the timelines are for completing these steps and what do member agency general managers think about the timeline

Public Comment

Aleta Dupree, Oakland, commented on the term sheet being the beginning of the work that needs to be done.

Vaughn commented on settling matters.

Adina Levin, Friends of Caltrain, commented on electrification funding, climate change, the larger issues, and reaching an agreement.

Board Members took a break from 10:55 to 11:00 am

The Board members asked questions and staff provided further clarifications, which included the following:

- Add to 7a: "such agreement shall not be unreasonably withheld by either party"
- Have a larger distinction between Executive Director and shared services
- Add to Section 2F: "which consent shall not be unreasonably withheld"
- Federal funds are currently not sustainable
- Add \$1 million in annual costs on top of State of Good Repair (SOGR) deficit
- Have \$19.6 million go directly to SamTrans instead of going into escrow
- Remove "in escrow" in Item 3a
- Unitary or bifurcated approach to repayment

Motion/Second: Stone/Pine substitute Ad Hoc recommendation with SamTrans Pathway forward

Ayes: Gee, Pine, Stone,

Noes: Chavez, Davis, Hendricks, Walton, Zmuda, Heminger

Absent: None

Motion failed with 6 to 3 against

Motion/Second: Davis/Walton **with the amendments to 7a "such agreement shall not be unreasonably withheld by either party" and 2f "which consent shall not be unreasonably withheld"**

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

Noes: Stone

Absent: None

Motion carried with 8 to 1 in favor

7. REPORTS

a. Report of the Citizens Advisory Committee (CAC)

Brian Shaw, CAC Chair, reported on current ridership numbers, fare structure, a Measure RR presentation, change to schedule, signage, Mountain View transit center, and potential conductor iPhone.

b. Report of the Chair – there was nothing to report

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

Director Gee reported on the electrification project, future cutovers, newly elected Vice-Chair Michael Salazar (City of San Bruno), and he thanked Council member Emily Beach (City of Burlingame) for her years of service as Vice Chair.

d. Report of the Transbay Joint Powers Authority (TJPA)

Director Gee reported that the new Executive Director is Adam Van de Water, work done on project delivery, ridership, funding, and governance.

e. Report of the Executive Director

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

- Funding efforts and March special Board workshop on Caltrain's financial situation
- Implementing a COVID policy and 66 percent vaccination rate for customer facing staff
- Assembly Bill (AB) 2197 (Mullin)
- 5 new grant sources to close the electrification funding gap
- Reduced weekday service (March 14-April 2nd) due to a March cutover
- 50 percent off fares in April
- South San Francisco station ribbon cutting and opening event in early April

The Board members asked questions and staff provided further clarifications which included the following:

- Increasing the customer facing staff vaccination rate
- Consider for future Transit America Services, Inc.'s (TASI) contract renewal any rights and remedies for any future pandemics
- Percentage of non-TASI staff's vaccination rate

Public Comment

Paul Wendt commented on hearing the report about Caltrain business instead of governance, repayment, and debt.

8. GENERAL COUNSEL REPORT – CLOSED SESSIONS:

- a. Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation Pursuant to Government Code Section 54956.9(d)(2): One Case.
- b. Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Federal Insurance Company v. San Mateo County Transit District, Peninsula Corridor Joint Powers Board, and Union Pacific Railroad Company, Case No. 22-CIV-00512.

9. GENERAL COUNSEL REPORT – REPORT OUT FROM ABOVE CLOSED SESSIONS

*The Board convened in closed session at 12:13pm
The Board reconvened in regular session at 12:52pm*

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

10. CORRESPONDENCE

Correspondence was available online.

11. BOARD MEMBER REQUESTS

Chair Heminger requested agendaizing TASI's vaccination rate with one of the committees

12. DATE/TIME OF NEXT REGULAR MEETING:

Thursday, April 7, 2022 at 9:00 am via Zoom (additional location, if any, to be determined).

13. ADJOURN

The meeting adjourned at 12:53 p.m.

An audio/video recording of this meeting is available online at 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.