

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: JPB Finance Committee

FROM: Jim Harnett Executive Director
Joan Cassman Legal Counsel
Michelle Bouchard Chief Operating Officer
Derek Hansel Chief Financial Officer

SUBJECT: **ADOPTION OF FISCAL YEAR 2021 SECOND QUARTER OPERATING BUDGET AND AMENDMENT OF THE FISCAL YEAR 2021 CAPITAL BUDGET**

ACTION

Staff requests the Board:

1. Adopt a Fiscal Year (FY) 2020-2021 Second Quarter (Q2) Operating Budget of \$35,072,975
2. Adopt an amendment to increase the FY2021 Capital Budget by \$65,035,293 for a new budget of \$84,152,772.

SIGNIFICANCE

In recognition of the uncertainties presented by COVID-19, on June 4, 2020 the Peninsula Corridor Joint Powers Board (JPB) adopted an Interim 1st Quarter Operating Budget and Capital Budget for FY2021, with the understanding that budgets for a full fiscal year would be presented in September. At the September Board of Directors meeting, staff presented an FY2021 Operating Budget of \$87,284,175, including a deficit of \$60,034,656, and an amended FY2021 Capital Budget of \$61,676,772. The Board chose not to adopt the proposed budgets because the proposed Operating Budget was not balanced and the Board was not prepared to place capital funding requirements on the JPB's member agencies at that time. In the Board's discussion, directors asked for and received brief guidance on the legality of the JPB adopting an imbalanced budget. The Board also requested that staff present a balanced 2nd Quarter budget for consideration and approval at the October Board meeting.

Budget Purpose and Balanced Budget Rules

As stated by legal counsel at the September Board meeting, the JPB is not required by "black-letter law" to adopt a balanced budget (e.g., with revenues/use of reserves equal to expenditures). Indeed, state law does not require cities or special districts to adopt balanced budgets or, in some cases, any budgets at all.

For joint powers authorities like the JPB, the enabling legislation allows public agencies to join together under a contract to exercise powers that the agencies share. The law requires that each joint powers agreement identify the member agency whose powers will govern the joint powers agency and establish the scope of and restrictions upon those powers. In Section 5 of the Joint Powers Agreement that formed the JPB, "SamTrans" is identified as that member agency.

As is the case for special districts, the San Mateo County Transit District's enabling legislation requires it to adopt an annual budget, but without any accompanying statutory requirement that such budget is balanced. (Public Utilities Code section 103140). Similarly for VTA, its enabling legislation calls for the adoption of an annual budget without any express requirement that the budget be balanced. (Public Utilities Code section 100071).¹

The JPB's Joint Powers Agreement also requires adoption of annual operating and capital budgets, but does not require the operating budget to be balanced, though any capital program funding gaps "shall be shared equally by the Member Agencies."

Although there is no explicit statutory requirement for the JPB to adopt a balanced budget, public agencies follow best and common policy practices to approve balanced budgets. As stated in Concepts Statement No. 1 of the Governmental Accounting Standards Board (GASB), a public agency's budget is an "expression of public policy and financial intent [that]... provides both authorizations of and limitations on amounts that may be spent for particular purposes." This GASB Statement further opines that balanced budget requirements are expressions of "a common perception that state and local governments need to 'live within their means.'"

Moreover, budgets are essential to address other laws and practical requirements. The following are taken from The California Local Government Finance Almanac²:

- A public agency may not spend public funds without the legal authorization to do so. Among other things, a budget appropriates public funds, thereby providing the legal authorization from the governing body to expend these funds. Appropriation authority can also be conferred by an ordinance or resolution.
- Cal. Government Code Sec 53901 requires each local agency to file its budget with the county auditor within 60 days after the beginning of its fiscal year. If an agency does not have a "formal budget" it must "file a listing of its anticipated

¹ For additional context, there are two examples of state law that specifically require a balanced budget. First, the state legislature is now required to adopt a balanced budget by reason of "The Balanced Budget Act" approved by California's voters as Proposition 58 in 2004. Second, counties are required by Section 29009 of the California Government Code to adopt balanced budgets. More curiously, the enabling statutes of some agencies, such as the Metropolitan Transportation Commission, include no budget requirements at all, leaving all budget policy-making to the local agencies' discretion. As a general rule though, state law is silent on a balanced budget requirement for most other political subdivisions of the state.

² "Are California Cities Required to Have Budgets? No. But...", April 2, 2013, available at <http://www.californiacityfinance.com/CityBudgets.pdf>.

revenues, together with its expenditures and expenses for the fiscal year in progress" which amounts to much the same thing as a budget.

- In order to qualify to receive federal funds, a local agency must comply with the federal Single Audit Act and must retain a Certified Public Accountant to prepare an annual audit of its financial records. Such an audit will require the agency to comply with Generally Accepted Accounting Principles and government accounting and audit standards. That compliance will be very difficult without an adopted budget.

In sum, it is not legally required for the JPB to have a balanced budget, but in light of the foregoing, the JPB should have annual operating and capital budgets.

JPB Budget Mitigation Strategies

COVID-19 has continued to have a challenging impact on the operations and finances of local governments and the public at large. Broadly speaking, the JPB has faced the uncertainties that came with the COVID-19 pandemic head-on, placing a new importance on considering the JPB's financial goals from the perspective of maintaining sufficient liquidity and financial support to maintain operations, even though at a reduced level.

In summary, the goals and challenges addressed through the Q2 budgets are:

- To obtain budget appropriation for the 2nd Quarter of FY2021;
- To add to the JPB's arsenal against COVID-19 an aggressive plan of action to focus on bringing passengers back on the trains by building a higher level of trust with the riding public that Caltrain is ensuring health safety on the trains;
- To continue to recognize that affordable public transportation is vital to equitably supporting economic recovery for the region;
- To maintain a Caltrain schedule that will meet the changing behavior of the riding public during the gradual lift of the State and local SIP orders.

The proposed FY2021 Q2 Operating Budget and amendment to the FY2021 Capital Budget promote Caltrain's ability to be nimble and adapt operations to changing conditions, meet its financial obligations, and set the stage to be ready to meet the challenges for the remainder of the fiscal year.

FY2021 Second Quarter (Q2) Operating Budget Overview

The FY2021 Q2 Operating Budget, outlined below and detailed in Attachment A, cautiously assumes that passengers will start riding again, albeit at a lower level and at a slower rate. Thus, the Q2 budget is built around the operation of a 70-train schedule for the balance of the quarter.

In June, the Board approved the 1st Quarter Interim Operating Budget. The FY2021 budget presented before the Board is a 2nd quarter budget.

On the revenue side, farebox revenue is relying heavily on the Go Pass fare. This budget assumes an increasing monthly recovery rate from pre-COVID-19 ridership levels up to 30% in the January 2021 to June 2021 timeframe. The ridership recovery rate assumptions will be adjusted based on actual monthly trends. For the Q2 budget, the ridership recovery rate was lowered from 10% to 5% based on actual Q1 ridership indicators. The Q2 budget also assumes an annualized reduction of \$0.9 million in the operating funding contributions from the JPB member agencies.

On the expense side, starting in FY2021, Positive Train Control (PTC) will move from a capital project to an operating and maintenance requirement. We will separately calculate the cost of complying with this unfunded federal mandate. Labor cost assumptions continue to include an administrative hiring freeze and no universal wage increase, among others. Furthermore, this budget includes an assumption of stability in fuel costs under the JPB's diesel fuel hedging program.

FY2021 Capital Budget Overview

This period in the evolution of Caltrain demonstrates the resiliency and perseverance of the agency to take important steps towards a future that enables Caltrain to continue to serve as a critical mobility asset for the Peninsula and the broader San Francisco Bay region.

During the FY2020 Shelter In Place (SIP) period, the 42-train schedule increased right of way access and allowed the JPB to perform some critical work relative to rolling stock "state-of-good-repair". In the first quarter of FY2021, with funding from various agencies in flux, the initial FY2021 Capital Budget focused only on projects that will be supported by redirecting available funds from other projects that have been completed under budget, or from other projects that can be postponed.

As the JPB looks ahead to the balance of the fiscal year, the Amendment to the Caltrain Capital Budget, described in this report and set forth in Attachment B, includes additional required capital projects that will be eligible for traditional annual federal, state and local funding.

BUDGET IMPACT

FY2021 Second Quarter Operating Budget Impact

The following narrative describes the FY2021 Q2 Operating Budget as compared to FY2021 Adopted Q1. Each section has a reference to a line item that corresponds to the Financial Statement as shown on attachment A.

Revenue Projections

Total revenues for the second quarter of FY2021 are projected at \$55.3 million, an increase of \$32.4 million or 142.0% higher than the adopted FY2021 Q1 budget.

Revenue from Operations in the second quarter of FY2021 are projected at \$9.7 million, an increase of \$0.5 million or 5.4% higher than the adopted FY2021 Q1 budget.

Revenue from Contributions for the second quarter of FY2021 are projected at \$45.5 million, an increase of \$31.9 million or 234.9% higher than the adopted FY2021 Q1 budget.

Operating Revenue

Line 1 **Farebox Revenue:** \$8.4 million, an increase of \$0.4 million or 4.8% higher than the FY2021 Q1 budget.

Farebox revenue includes fare receipts collected directly from rail passengers or through pass sales. Go Passes purchased generally are valid for a 12-month period and thus cuts across two fiscal years. Go Pass revenues average \$2.5 million a month.

At the June 2020 Board meeting, the Board approved the extension of the Go Pass for up to three months ending March 2021. The impact of this action reflects a loss of approximately \$7.5 million in FY2020 Farebox revenues. The proposed FY2021 Q2 budget assumes no further reductions in Calendar Year 2020 Go Pass revenues.

Based on the actual Q1 ridership indicators, the proposed FY2021 Q2 budget ridership recovery rate was lowered.

Line 2 **Parking Revenue:** \$126,782 reflects no changes over the FY2021 Q1 budget.

Parking revenue includes fees at parking lots at various passenger stations and from a parking lot located at the SAP Center adjacent to the San Jose Diridon station. Parking revenues directly follow the movements in ridership levels. The proposed FY2021 assumes same levels as the adopted Q1 budget.

Line 3 **Shuttle Revenue:** \$0.6 million, an increase of \$0.2 million or 50.7% higher than the FY2021 Q1 budget.

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

Line 4 **Rental Income:** \$220,426, a decrease of \$122,600 or 35.7% lower than the FY2021 Q1 budget.

Rental income generated from Caltrain right of way properties. In FY2021, the

estimate does not include rental from bike lockers. Staff is also monitoring and working with lessors on a month-to-month basis.

Line 5 **Other Income:** \$430,620, an increase of \$48,483 or 12.7% higher than the FY2021 Q1 budget.

Other Income consists of interest on invested funds, shared track usage maintenance fees, advertising income, parking citation fees, and permit fees. Advertising income includes income from train wraps, stations, ad cards, and digital displays. The FY2021 advertising income estimate is based on contractual minimum annual guarantees and additional sales albeit lower than the prior years. The income from shared track maintenance is based on an agreement with the Union Pacific Railroad (UPRR) which provides for a fixed annual fee and a variable fee based on track usage.

Operating Contributions

Line 9 **AB434 & TA Shuttle Funding:** \$435,549, an increase of \$4,249 or 1.0% higher than the FY2021 Q1 budget.

As addressed above, the JPB shuttle program has multiple funding streams. Contributions for the service come from State and local sources. In 1991, through Assembly Bill (A.B.) 434, the State Legislature authorized a \$4 surcharge on cars and trucks to fund projects that reduce on-road motor vehicle emissions. A.B. 434 revenues provide partial funding for the JPB shuttle program through a competitive grant process managed by BAAQMD. The TA also funds shuttle services with revenues of the Measure A San Mateo County-wide sales tax.

Line 10 **Operating Grants:** \$1.2 million, an increase of \$82,250 or 7.2% higher than the FY2021 Q1 budget.

This increase reflects the additional award from the Federal Railroad Administration received in Q2. This budget also reflects the agreement of Santa Clara Valley Transportation Authority (VTA) and the Metropolitan Transportation Commission (MTC) to allow the swap of VTA SOGR funds for preventive maintenance grant funds, for VTA to meet its member obligation.

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

For FY2021, the MTC revised its STA estimates downwards as sales tax declined and as diesel fuel prices weakened. The MTC then further lowered the FY2021 estimates due to COVID-19. The FY2021 Q2 budget reflects the most recent MTC estimates.

STA funds are flexible for both operating and capital expenditures. Unlike prior years,

the FY2021 STA funds will support only the operating budget. The FY2021 Q2 budget also reflects the funding agreement with the Federal Railroad Administration (FRA) for \$48,500 in its Railroad Trespassing Enforcement Grant program.

Line 11 **JPB Member Agencies:** \$5.6 million, a decrease of \$6.4 million or 53.4% lower than the FY2021 Q1 budget.

The FY2021 Q1 budget included an annual lump sum insurance costs and a reduction in member agency contributions by \$0.9 million. In FY2020 member agency annual obligations were \$29.9 million. In FY2021, the members aggregate contributions are reduced to \$29.0 million.

The JPB has three member agencies: the City and County of San Francisco, the San Mateo County Transit District and the Santa Clara Valley Transportation Authority. Contributions from the JPB's member agencies estimates are in accordance with an allocation methodology based on the average mid-weekday boarding data (including at Gilroy) and subsequently adjusted for FY2020 to reflect passenger data collected in FY202019. Furthermore, for FY2021, the member contribution from Santa Clara Valley Transportation Authority (VTA) will be partially covered by an operating grant for \$200,000; this is reflected in the Operating Grants budget starting in Q2.

Line 12 **CARES Act Funding:** \$38.3 million covers the projected cumulative deficit of FY2021 Q1 and Q2 budgets.

The CARES Act Funding is the Coronavirus Aid, Relief and Economic Security Act provided by the federal government to transit agencies to recoup some of the losses resulting from lower ridership. A total of \$41.5 million of this fund has been allocated in FY2021, of which \$38.3 million will be applied to recover the Q1 and Q2 budget deficits.

Expense Projections

Grand Total Expenses for the second quarter of FY2021 is projected at \$35.1 million, a decrease of \$7.9 million or 18.4% lower than the adopted FY2021 Q1 budget.

Operating Expenses for the second quarter of FY2021 is projected at \$28.4 million, a decrease of \$8.2 million or 22.3% lower than the adopted FY2021 Q1 budget.

Administrative Expense for the second quarter of FY2021 is projected at \$6.1 million, an increase of \$0.2 million or 4.1% higher than the adopted FY2021 Q1 budget.

Operating Expenses

Line 22 **Rail Operator Service:** \$21.5 million, a 13.6% decrease or \$3.4 million lower than the FY2021 Q1 budget

The JPB contracts out for rail operator service. The current operator contract is with TransitAmerica Services, Inc. (TASI). The TASI contract was awarded on September 1st, 2011, for a five-year term and was set to expire on June 30, 2017, with an option to extend for up to five additional years. On February 2nd, 2017, the Board approved an amendment to exercise the five one-year options and extend the contract through June 30th, 2022.

TASI provides rail operations, maintenance and support services in the following areas: Administration/Safety; Operations and Dispatch; Maintenance of Equipment, maintenance of Track, Communications, Signals and Stations; Capital Construction Support and State of Good Repair (SOGR) maintenance. TASI is paid on a cost plus performance fee contract structure.

As the pandemic unfolded in FY2020, JPB and TASI worked collaboratively to mitigate costs by performing the following:

- issuing a hiring freeze,
- shifting staff from traditional operations maintenance to support the State of Good Repair Program and the Capital Improvement Program,
- reducing overtime
- reducing labor overhead

The FY2021 Q1 budget assumes a 92 weekday train service schedule. At the time of adoption, the full annual budget for TASI was \$99.4 million, of which was \$24.9 million.

Since then, the annual budget for Rail Operations was reduced to \$89.3M, based on the revised reduction of weekday train service in FY2021. This \$10 million reduction are primarily due to several factors:

- Weekday train service was reduced from 92 weekday trains per day to 70 trains per day.
- Reduction in budgeted overtime due to revised weekday train service schedule.
- Elimination of Special Services for sporting and concert events.
- Reduction of maintenance services corresponding with a reduction of train service.

The FY2021 Q2 is based on the revised annual budget of \$89.3M. In accounting for the budget adopted in Q1 of \$24.9M, the projection for the remainder of FY2021 is \$64.4 million. Only \$21.5 million is proposed to be adopted at this time.

Line 23 **Security Services:** \$1.7 million, a decrease of \$25,000 or 1.5% lower than the FY2021 Q1 budget.

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

The FY2021 Q2 budget assumes savings for not holding special events such as the SF Giants, SF 49ers, SJ Sharks, among others.

Line 24 **Shuttles:** \$1.1 million, an increase of \$0.4 million or 61.5% higher than the FY2021 Q1 budget.

The Shuttle program provides last-mile connections for Caltrain passengers. The FY2021 Q2 budget assumes a minimum service schedule option. There were four routes eliminated in FY2020; this will continue in FY2021. In FY2021, the cost of the shuttle contract will likely increase as new rates will be negotiated.

Line 25 **Fuel and Lubricants:** \$1.4 million, a decrease of \$0.2 million or 13.5% lower than the FY2021 Q1 budget.

The Q1 budget was based on a fuel price of \$1.20 per gallon and a fuel usage based on a 92 train schedule. On the other hand, the Q2 budget assumes a higher \$1.30 per gallon price applied to a lower fuel usage based on a 70 train schedule. Net change is a lower Q2 budget.

The FY2021 Q2 budget covers the cost of a diesel fuel for JPB locomotive operations, including the associated taxes. Caltrain has entered into a diesel fuel-hedging program that will help manage the exposure to changes in diesel fuel prices.

Line 26 **Timetables and Tickets:** \$29,166, an increase of \$6,666 or 29.6% higher than the FY2021 Q1 budget.

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

Line 27 **Insurance:** \$0.1 million, a decrease of \$5.0 million or 98.0% lower than the FY2021 Q1 budget.

The Q1 budget includes the premiums that are required to be paid in July.

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

The FY2021 Q1 and Q2 budgets reflect the cost of the recently negotiated insurance contract adjusted with the impact of changes in ridership.

The market condition in the industry predates pre-COVID-19-19. This was a market hardened by huge losses, global events and a litigious environment in the rail industry. Liability insurance cost went up as fewer insurers opted to continue to operate in the

industry and existing carriers reduced their exposures.

Line 28 **Claims, Reserves and Payments:** \$240,687, an increase of \$2,739 or 1.2% higher than the FY2021 Q1 budget

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

Line 29 **Facilities and Equipment Maintenance:** \$1.2 million, an increase of \$66,348 or 5.8% higher than the FY2021 Q1 budget.

This budget item covers expenses related to Clipper Operator charges, revenue collection services, ticket vending machines, data line services and other contract services. The FY2021 Q1 and Q2 budget includes additional PTC maintenance cost of \$3.2 million and reflects a \$1.0 million decrease in Clipper usage charges.

Line 30 **Utilities:** \$685,904, an increase of \$12,229 or 1.8% higher than the FY2021 Q1 budget.

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

Line 31 **Maintenance & Services – Building and Other:** \$383,618, a decrease of \$47,255 or 11.0% lower than the FY2021 Q1 budget.

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

Administrative Expenses

Line 35 **Wages & Benefits:** \$2.5 million, a decrease of \$0.8 million or 22.9% lower than the FY2021 Q1 budget.

The Q1 budget was higher as it included the lump sum payment for CalPers and retiree medical contributions required to be paid in July.

The FY2021 Q2 budget includes existing positions, no new full time employee positions (also referred to herein as "FTEs"), an administrative staff hiring freeze, a lower benefits rate, no universal wage increase, and lower agency allocations to the retiree medical and OPEB plans.

Below are the FTEs for each division funded by operating funds and by capital funds.

FY2021 FTE - Operating	Finance	Planning	Executive	Comm	Admin	Bus	Rail	Calmod	Total
Represented	-	-	-	5.8	-	5.0	-	-	10.80
Non-Represented	6.2	2.8	0.5	12.6	7.1	4.9	34.2	0.1	68.25
New FTEs	-	-	-	-	-	-	-	-	-
Total Operating	6.2	2.8	0.5	18.4	7.1	9.9	34.2	0.1	79.1

FY2021 FTE - Capital	Finance	Planning	Executive	Comm	Admin	Bus	Rail	Calmod	Total
Represented	-	-	-	-	-	-	-	-	-
Non-Represented	12.7	5.3	0.5	-	1.8	-	51.1	8.9	80.30
New FTEs	-	-	-	-	-	-	-	-	-
Total Capital	12.7	5.3	0.5	-	1.8	-	51.1	8.9	80.3

Line 36 **Managing Agency Admin OH Cost:** \$1.3 million, an increase of \$20,644 or 1.6% higher than the FY2021 Q1 budget.

Managing Agency Administrative Overhead (OH) Cost reflects the cost of San Mateo County Transit District (District) personnel dedicated to the Caltrain business (as opposed to Caltrain operations). The Proposed budget assumes an increase of 1.2% over the FY2020 Forecast. This FY2021 estimate will be revised further pending results of the current study of the Internal Cost Allocation Plan (ICAP).

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

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

The ICAP calculates two components:

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

This consists of labor and non-labor support functions that benefit each of the three agencies managed by the District as well as a fourth agency, the San Mateo County Express Lanes Joint Powers Agency (SMCELJPA) supported by the District beginning in FY 2020. Examples include the time charged by the Payroll Department to process the biweekly payroll or the time charged by the Human Resource Department to post recruitments on industry websites. Based on specific statistics, these costs distributed to each department are. For example, the payroll department costs are distributed to each department based on the number of FTEs. The District incurs all of the AIA costs and then recovers appropriate shares of the costs from the District's Operating and Capital budgets, the JPB Operating

and Capital budgets, the TA budget and the SMCELJPA budget.

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

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

Line 37 **Board of Directors:** \$0, a decrease of \$11,025 or 100.0% lower than the FY2021 Q1 budget.

The first quarter budget reflects the annual budget for this expense line.

This covers director compensation, seminars and training, and meetings for the Board of Directors. Cost decreases result from diminished conference attendance.

Line 38 **Professional Services:** \$1.6 million, an increase of \$0.9 million or 145.9% higher than the FY2021 Q1 budget.

The Q1 budget was extremely conservative. The Q2 budget reflects a more realistic estimate of needs for Q2.

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

Line 39 **Communications and Marketing:** \$20,208, a decrease of \$55,167 or 73.2% lower than the FY2021 Q1 budget.

The FY2021 Q1 and Q2 budget reflects the suspension of special celebrations and promotional advertising for sporting events during the pandemic.

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

Line 40 **Other Office Expense and Services:** \$673,201, an increase of \$103,122 or 18.1% higher than the FY2021 Q1 budget.

The Q1 budget included only the software maintenance costs that needed to be paid in July. The Q2 budget includes all other costs to be covered for the rest of the year.

This covers license renewal, bank fees, office vehicle maintenance, property taxes,

software maintenance, and leases for properties along the Right of Way (ROW) in support of commuter services. The ROW leases include critical facilities for radio transmission antennas and real estate for storage of train equipment and spare parts.

Line 43 **Long Term Debt Expense:** \$0.6 million reflects no change over the FY2021 Q1 budget

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

In February 2019, the JPB refunded bonds issued in 2007 and 2015 to achieve interest savings and restructure debt, and issued additional bonds to purchase two pieces of real property previously leased by the JPB.

FY2021 Capital Budget Impact

The initial FY2021 Capital budget approved by the Board in June for a total of \$19.1 million included only those capital projects that had available funding, but required Board-approved budget authority to incur the expenditures.

The amendment to the FY2021 capital budget is an increase of \$65.0 million and includes urgent projects eligible for the anticipated annual FY2021 Federal, State and Member Agency funds. This brings the total FY2021 Capital budget to \$84.2 million.

The Projects included in the Amendment 1 as reflected in Attachment B, are as follows:

STATE OF GOOD REPAIR (SOGR – \$30,968,825

RIGHT OF WAY - \$11,205,000

1. Fencing – Request: \$585,000 (additional)
Continue to install vandal-resistant fencing at key locations along the PCJPB main line rail corridor to deter trespassing. This contract will terminate end of November 2020.
2. Guadalupe River Bridge Replacement – Request: \$2,100,000
Replace the Guadalupe River Bridge in San Jose, damaged by weather and arson.

3. San Francisquito Creek Bridge Replacement – Request: \$2,000,000
In FY2021, this project moves to the construction phase for the replacement of this 118-year-old bridge, with a modern railway bridge with a 100-year design life.

4. Structures Maintenance SOGR – Request: \$800,000
This includes minimum maintenance repair to restore the structural integrity to a fair condition, increase the safety, security, and the useful life of the assets.

The inspection rated structures in poor conditions, suffering from deterioration and corrosion as well as poor workmanship from the original construction. Structures Maintenance SOGR FY2021 will enhance operation safety, worker, and public safety.

5. System-wide Track Rehab SOGR FY202020-FY202024 – Request: \$5,720,000
Continue the work required to keep the Caltrain railroad in a state of good repair, including rehabilitation of track and other purchased services. Replace track components, wedging, surfacing and selected minor bridge repairs.

SIGNAL AND COMMUNICATION - \$5,000,000

6. Caltrain Communication System SOGR – Request: \$2,000,000
This is a yearly evaluation and implementation of projects for the overall railroad communications system to keep assets current. Evaluates replacements prior to end of life or vendor support. This includes all voice and data radio systems, microwave systems, leased landlines and the data communications system.

7. Rail Network SOGR – Request: \$500,000
Upgrade internet service and equipment as necessary to support secure vendor Virtual Private Network (VPN) access, remote monitoring of PTC environment, and communications with external clients such as 511.org. Furthermore, this upgrade will be able to handle higher bandwidth and current equipment including firewalls and routers have reached the end of their technology life cycle.

8. TVM Upgrade Phase 4 – Request: \$1,000,000
The project will continue the upgrade of the Ticket Vending Machines (TVMs) to include Clipper functionalities and upgrade old, obsolete parts in the TVMs. The new upgraded TVMs will be able to dispense new Clipper cards and add value or products to existing Clipper cards. The upgraded TVMs will also have a new touchscreen display screen, printer, bill acceptor and new software.

The previous phases upgraded 34 TVMs. Phase 4 will upgrade an additional 25 TVMs. After Phase 4, there will be 29 TVMs at the stations still needing an upgrade.

9. Clipper CID Installation & Relocation Plan & Construction – Request: \$1,000,000
This project will relocate and install new Clipper Card Interface Devices (CIDs) at key passenger stations at more accessible locations for passengers getting in and out of train stations. The improved flow will allow Caltrain to move more of its customers onto the Clipper system, and away from less-efficient and less-effective payment systems. This will also maximize touchless fare payments.

10. BCCF Buildout Assessment – Request: \$500,000
This project will evaluate the areas of the Backup Communications Control Facility (BCCF) that are partially developed and to assess build-out for occupancy as well as for inventory of the building materials on site from the previous contractor and to develop options and plans for additional working, meeting, and storage space.

ROLLING STOCK - \$12,663,825

11. Bombardier Cars FY2021 – Request: \$1,663,825
Implement scheduled maintenance for FY2021. These include mid-life overhauls, replacing cables, seats, batteries, cab refurbishment, and heating ventilation air condition (HVAC) system.

12. Upper Doors Installation – Request: \$11,000,000
This is a placeholder project for the future reinstallation of the upper level doors in the event that these are required in the Electrical Multiple Units, as requested by the funding partners of the electrification program's Change Management Board.

STATION AND INTER-MODAL ACCESS - \$2,100,000

13. Stations SOGR FY202020-FY202024 – Request: \$1,000,000
Repair and replace several passenger station amenities. These include Passenger Needing Assistance (PNA) shelters, Information Display Cases (IDC), benches and trashcans. The pedestrian tunnel in San Jose needs repainting since a fire three years ago, and epoxy coating applied on all of the ramps that feed into the San Jose pedestrian tunnel. These continued activities maintain these facilities to a state of good repair.

14. CCF Crew Quarters Roof Replacement & Trailer – Request: \$1,000,000
The Crew quarters are made up of a series of single and doublewide trailers in the parking lot of Centralized Control Facility (CCF) in San Jose across from Centralized Equipment Maintenance & Operations Facility (CEMOF). These include used trailers to support the crews that operate the passenger service. The roofs on these trailers are failing and will need replacements. The floorings and sidings of these trailers will need repairs to maintain these facilities to a state of good repair.
15. Menlo Park Facility 4000 Campbell Avenue HVAC – Request: \$100,000
This is a newly acquired property. The HVAC units on the roof are not functioning efficiently and needs to be replaced/upgraded.

LEGAL MANDATES AND REQUIRED ENHANCEMENTS - \$1,500,000

16. Clipper Next Gen Validators Site Prep – Request: \$1,500,000
Design and install 360 new Next Generation Clipper Validators at stations to prepare for the regional transition to the new Clipper system mandated by MTC. Compliance due date is June 20, 2021.

OPERATIONAL IMPROVEMENTS / ENHANCEMENTS - \$24,428,000

17. Wayside Bike Parking Improvements – Request: \$1,040,000 (additional)
The project will replace existing keyed bicycle lockers with new, on demand electronic lockers. The existing lockers, which are assigned to individual users, are nearing the end of their useful lives. These are being replaced with 520 first come, first served electronic lockers that will better serve Caltrain customers with bikes. Operations and maintenance responsibilities will shift from TASI to the vendor, saving the agency approximately \$100 per space annually. Lockers will be located throughout the corridor.
18. Grade Crossing Hazard Analysis Data Collection – Request: \$200,000
The project will collect data at the Caltrain grade crossings for the Grade Crossing Hazard Analysis. Video data will then determine the risks at each grade crossing. Data will include traffic counts, near misses and driver behavior. The last video data collection was in 2015 and new data is required to update the Grade Crossing Hazard Analysis Report.
19. Grade Crossing Safety Improvements Design FY2021 – Request: 500,000
Identify the highest priority grade crossings in a Grade Crossing Hazard Analysis Report. Subsequently a design developed for these grade crossings will improve safety as recommended by the Hazard Analysis Report. There are still

crossings that have safety risks such as having no median to prevent drivers from driving around a lowered gate arm.

20. EAM – Enterprise Asset Management Software – Request: \$750,000

Develop a Request for Proposals (RFP) to solicit and procure a base EAM system. Core capabilities include asset registry, asset condition and assessment, work request, work planning and management, warranty management, materials management, planning and budgeting, and management reporting.

Asset information is currently stored in various disparate systems and some by the Rail Contract Operator (TASI). The industry best practice is to centralize asset data within a single EAM system to maintain data consistency and analysis. Implementation of an EAM system is in accordance with Transit Asset Management (TAM) Plan of Caltrain.

The EAM system is required to enable Caltrain and the other agencies to maintain its assets in a database. This will allow responsible personnel to write work orders against assets for the performance of maintenance and the state of good repair projects; to maintain a parts inventory; to assign labor to perform maintenance activities, as well as to perform other asset management functions. The EAM will also be required to support Operations and Maintenance of the Electrification system.

21. Update and Upgrade GIS System – Request: \$500,000

The updated Geographic Information System (GIS) system will provide a graphical user interface for information and data stored in the Enterprise Asset Management system as well as AutoCAD. This system will facilitate capturing utility location information, asset locations, real estate easements and parcels; it will support operations.

Both the EAM and GIS systems are required for proper operations and maintenance, and for the organization to start moving towards an excellent model.

22. San Mateo Grade Crossing Improvements Design – Request: \$1,600,000

Design safety improvements at the 4th Ave and 5th Ave grade crossings in San Mateo to include quad gates to prevent drivers from driving around a down gate arm and over the tracks when a train is approaching. These needed safety improvements were jointly agreed upon during a field diagnostic meeting between JPB, the City of San Mateo, California Public Utility Commission, and Caltrans as part of the Section 130 Program.

23. **Broadway Burlingame Grade Separation – Request: \$19,838,000**
Complete the design phase of the grade separation of Broadway. This project will include the following:
- environmental permitting process,
 - the reconstruction of the Broadway Caltrain station to meet current standards,
 - the relocation and reconfiguration of parking from the west to the east side of the track,
 - a new pedestrian and bicycle access crossing in proximity to Carmelita Avenue and the grade separation of an existing at-grade pedestrian and bicycle access at Morrell Avenue that is within close proximity to the existing crossing.

This project will significantly improve safety, local mobility, and operational flexibility of the railroad. Project has highest rank in California Public Utility Commission Grade Separation Priority List. This project is primarily funded by the San Mateo County Transportation Authority and with \$1.5 million funded the City of Burlingame.

PLANNING/STUDIES - \$8,138,468

24. **Capital Planning (CIP) – Request: \$1,250,000**
Further CIP development, infrastructure analysis to support the Caltrain Business Plan service vision and planning of station modifications, overtake tracks, site planning of facilities, planning support for ongoing grade separation projects and evolving engineering and construction guidelines.
25. **San Francisco Station and Terminal Planning – Request: \$1,000,000**
Study conceptual activities related to the layout and operation of the Caltrain terminal and station facilities between Salesforce Transit Center & 22nd Street, with particular focus on outcomes and connecting to the existing rail yard and station at 4th & King.
26. **Diridon and South Terminal Area – Request: \$1,000,000**
Continue work with agency partners and the California High Speed Rail Authority to further develop and refine the vision for a future Diridon Station. Undertake additional work in partnership with the City of San Jose to examine rail and storage needs and operations through the South Terminal Area.
27. **Rail Network and Operations Planning – Request: \$1,250,000**
Further near-term planning based on the Caltrain Business Plan service vision; selection and development of a long-term service vision operating plan; fleet planning; systems planning; level boarding analysis, and maintenance planning.

28. Redwood City Station Planning – Request: \$750,000
Develop a Memorandum of Understanding with City of Redwood City and other stakeholders to establish the broad terms of a collaborative planning process for the Redwood City area between Whipple and Redwood Junction. The goal is to develop a conceptual station plan to accommodate future Caltrain service levels, which will include grade separations/closures, private development of a Transit Oriented Development and a connection with Dumbarton rail service.

29. Caltrain Downtown Rail Extension (DTX) – Request: \$60,000
Continue to develop Downtown Rail Extension as part of the San Francisco Peninsula Rail Program Memorandum of Understanding. Caltrain has committed to actively participate in a wide range of activities to promote successful delivery of this project.

30. System-wide Planning, Policy & Org Design – Request: \$1,168,468
Include development of interagency agreements on planning and organizational design to support the Caltrain Business Plan findings, and updates to modeling and tools.

31. Capital Contingency Funds - Engineering – Request: \$330,000
Support unforeseen capital expenditures related to the delivery of capital projects/programs.

32. Capital Contingency Funds - Rail – Request: \$660,000
Support unforeseen capital needs related to rail operations.

33. Capital Program Development – Request: \$335,000
Support unforeseen capital planning needs.

34. Capital Project Development – Request: \$335,000
Implement planning and engineering study activities.

Prepared by:

Cynthia Scarella	Manager, Budgets	650.508.6230
Melanie Hartanto	Senior Budget Analyst	
Cleo Liao	Senior Budget Analyst	

RESOLUTION NO. 2020-

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

*** * ***

**ADOPTING FISCAL YEAR 2021 2nd QUARTER OPERATING BUDGET IN THE AMOUNT
OF \$35,072,975 AND AMENDING TO INCREASE THE FISCAL YEAR 2021 CAPITAL
BUDGET BY \$65,035,293 FOR A NEW TOTAL BUDGET OF \$84,154,772**

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 adoption of an operating budget is necessary for obtaining both Federal and State funds to support the Peninsula Commute Service operation known as Caltrain; and

WHEREAS, the adoption of a capital budget complements the JPB's strategic planning process; and

WHEREAS, on June 4, 2020, pursuant to Resolution 2020-29 and in recognition of the economic instability created by the COVID-19 global pandemic, the Board adopted an Interim, First Quarter Fiscal Year 2021 (FY 2021) Operating Budget in the amount of \$42,989,267, and a FY2021 Capital Budget in the amount of \$19,119,479, with the understanding that budgets for the full year would be presented for future Board consideration and adoption; and

WHEREAS, the Executive Director and the Staff Coordinating Council recommend that the Board adopt the Fiscal Year (FY) 2021 2nd Quarter Operating Budget shown as Attachment A, and the Amended FY2021 Capital Budget shown as Attachment B; and

WHEREAS, the local match funding component of the FY2021 Capital Budget is \$18.0 million, requiring a capital investment of \$6.0 million from each of the JPB's three member agencies; and

WHEREAS, the City and County of San Francisco will provide its \$6.0 million FY2021 capital investment from Proposition K funds through the San Francisco County Transportation Authority; and

WHEREAS, San Mateo County will provide its \$6.0 million FY2021 capital investment through the San Mateo County Transportation Authority; and

WHEREAS, Santa Clara County Valley Transportation Authority will provide its \$6.0 million FY2021 capital investment itself, using local and Measure B funds; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby adopts the FY2021 2nd Quarter Operating Budget, a copy of which is attached hereto and incorporated herein as Attachment A, in the amount of \$35,072,975.

BE IT FURTHER RESOLVED that the Board amends to increase the FY2021 Capital Budget by \$65,035,293, for a new total budget of \$84,154,772, attached hereto and incorporated herein as Attachment B, with the understanding that the three JPB member agencies will each contribute \$6.0 million to meet their FY2021 capital investment commitments; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is requested to forward a copy of the FY2021 2nd Quarter Operating Budget and Amended FY2021 Capital Budget to the JPB member agencies at the earliest practicable date; and

BE IT FURTHER RESOLVED that the Board authorizes the Executive Director, or his designee, to take such additional actions as may be necessary to give effect to this

resolution including executing funding agreements, amendments, and submitting required documents to granting agencies to receive the funding identified in the Capital Budget.

Regularly passed and adopted this 1st day of October, 2020 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

PENINSULA CORRIDOR JOINT POWERS BOARD
Proposed FY2021 2nd Quarter Budget

	FY21 Q1 Adopted	FY21 Q2 Proposed	\$ CHANGE FY21 Q2 vs FY21 Q1	% CHANGE FY21 Q2 vs FY21 Q1		
	A	B	C = B - A	D = C / A		
REVENUE						
OPERATIONS:						
1	Farebox Revenue	8,015,496	8,400,000	384,504	4.8%	1
2	Parking Revenue	126,782	126,782	-	0.0%	2
3	Shuttles	368,000	554,415	186,415	50.7%	3
4	Rental Income	343,026	220,426	(122,600)	-35.7%	4
5	Other Income	382,137	430,620	48,483	12.7%	5
6	TOTAL OPERATING REVENUE	9,235,441	9,732,243	496,802	5.4%	6
7						7
8	CONTRIBUTIONS:					8
9	AB434 & TA Shuttle Funding	431,300	435,549	4,249	1.0%	9
10	Operating Grants	1,135,439	1,217,689	82,250	7.2%	10
11	JPB Member Agencies	12,020,136	5,596,433	(6,423,703)	-53.4%	11
12	CARES Act Funding		38,258,012	38,258,012		12
13	TOTAL CONTRIBUTED REVENUE	13,586,875	45,507,683	31,920,808	234.9%	13
14						14
15						15
16	GRAND TOTAL REVENUE	22,822,316	55,239,926	32,417,610	142.0%	16
17						17
18						18
19	EXPENSE					19
20						20
21	OPERATING EXPENSE:					21
22	Rail Operator Service	24,850,000	21,469,462	(3,380,538)	-13.6%	22
23	Security Services	1,705,477	1,680,477	(25,000)	-1.5%	23
24	Shuttle Service	694,000	1,121,082	427,082	61.5%	24
25	Fuel and Lubricants	1,650,270	1,426,749	(223,521)	-13.5%	25
26	Timetables and Tickets	22,500	29,166	6,666	29.6%	26
27	Insurance	5,100,000	103,333	(4,996,667)	-98.0%	27
28	Claims, Reserves, and Payments	237,948	240,687	2,739	1.2%	28
29	Facilities and Equipment Maint	1,153,630	1,219,978	66,348	5.8%	29
30	Utilities	673,675	685,904	12,229	1.8%	30
31	Maint & Services-Bldg & Other	430,873	383,618	(47,255)	-11.0%	31
32	TOTAL OPERATING EXPENSE	36,518,373	28,360,456	(8,157,917)	-22.3%	32
33						33
34	ADMINISTRATIVE EXPENSE					34
35	Wages and Benefits	3,299,828	2,543,391	(756,437)	-22.9%	35
36	Managing Agency Admin OH Cost	1,274,516	1,295,160	20,644	1.6%	36
37	Board of Directors	11,025	-	(11,025)	-100.0%	37
38	Professional Services	644,633	1,585,122	940,489	145.9%	38
39	Communications and Marketing	75,375	20,208	(55,167)	-73.2%	39
40	Other Office Expense and Services	570,079	673,201	103,122	18.1%	40
41	TOTAL ADMINISTRATIVE EXPENSE	5,875,456	6,117,082	241,626	4.1%	41
42						42
43	Long-term Debt Expense	595,438	595,437	(1)	0.0%	43
44						44
45	GRAND TOTAL EXPENSE	42,989,267	35,072,975	(7,916,292)	-18.4%	45
46						46
47						47
48	PROJECTED SURPLUS / (DEFICIT)	(20,166,951)	20,166,951	40,333,902	-200.0%	48



FY2020-2021 CAPITAL BUDGET

Item #	PROJECT NAME	Project Sponsor	PRIOR YEARS APPROVED	FY21 ADOPTED JUNE BOARD	AMENDMENT #1	PROPOSED FY21 CAPITAL BUDGET	Federal Funds	State Funds	STA SOGR Funds	Members			Member Funds Total	Other						Other Funds Total	TOTAL PROPOSED FY21 CAPITAL BUDGET	
										SF	SM	VTA		Project Savings	AB664	SF Prop K other	Regional Funds	San Mateo County Transportation Authority	Other			
i. SOGR																						
Right of Way																						
1	Marin Street and Napoleon Street Bridges ¹	J Sharma	6,704,000	9,696,000	-	9,696,000	4,965,021	-	1,350,915	-	-	-	-	2,740,064	640,000	-	-	-	-	3,380,064	9,696,000	
2	Fencing - ROW	R Scarpino	-	915,000	585,000	1,500,000	-	915,000	-	250,000	335,000	585,000	-	-	-	-	-	-	-	-	1,500,000	
8	Guadalupe River Bridge Replacement	P Kwan	10,300,000	-	2,100,000	2,100,000	1,680,000	-	-	227,500	192,500	420,000	-	-	-	-	-	-	-	-	2,100,000	
9	San Francisco Creek Bridge Replacement	A Piana	600,000	-	2,000,000	2,000,000	1,600,000	-	-	227,500	172,500	400,000	-	-	-	-	-	-	-	-	2,000,000	
10	Structures Maintenance SOGR	R Scarpino	800,000	-	800,000	800,000	640,000	-	-	160,000	-	160,000	-	-	-	-	-	-	-	-	800,000	
11	System-wide Track Rehab- SOGR	E Stockmeir	5,500,000	-	5,720,000	5,720,000	4,576,000	-	-	1,144,000	-	1,144,000	-	-	-	-	-	-	-	-	5,720,000	
				10,611,000	11,205,000	21,816,000	13,461,021	915,000	1,350,915	1,759,000	250,000	700,000	2,709,000	2,740,064	640,000	-	-	-	-	3,380,064	21,816,000	
Signal & Communication																						
3	Fiber Optic Corrective Repair ²	M Scanlon	-	1,000,000	-	1,000,000	-	-	-	-	-	-	-	-	-	-	-	-	1,000,000	1,000,000	1,000,000	
12	Caltrain Communication System SOGR	M Scanlon	-	-	2,000,000	2,000,000	1,600,000	-	-	-	400,000	400,000	-	-	-	-	-	-	-	-	2,000,000	
13	Rail Network SOGR	M Scanlon	-	-	500,000	500,000	400,000	-	-	-	100,000	100,000	-	-	-	-	-	-	-	-	500,000	
14	TVM Upgrade Phase 4	R Tam / J Navarro	1,795,000	-	1,000,000	1,000,000	800,000	-	-	-	200,000	200,000	-	-	-	-	-	-	-	-	1,000,000	
15	Clipper CID installation and Relocation Plan and Construction	H Chan	500,000	-	1,000,000	1,000,000	800,000	-	-	-	200,000	200,000	-	-	-	-	-	-	-	-	1,000,000	
20	BCCF Buildout Assessment	M Scanlon	-	-	500,000	500,000	-	-	-	500,000	-	500,000	-	-	-	-	-	-	-	-	500,000	
				1,000,000	5,000,000	6,000,000	3,600,000	-	-	-	500,000	900,000	1,400,000	-	-	-	-	-	-	1,000,000	1,000,000	6,000,000
Rolling Stock																						
21	Bombardier	J Navarro	-	-	1,663,825	1,663,825	-	-	-	1,663,825	-	1,663,825	-	-	-	-	-	-	-	-	1,663,825	
22	Upper Level Doors Installation ⁷	J Navarro	-	-	11,000,000	11,000,000	-	-	-	-	-	-	-	-	-	-	-	-	11,000,000	11,000,000	11,000,000	
				-	12,663,825	12,663,825	-	-	-	1,663,825	-	1,663,825	-	-	-	-	-	-	11,000,000	11,000,000	12,663,825	
Station & Intermodal Access																						
23	Stations SOGR	R Scarpino	500,000	-	1,000,000	1,000,000	-	-	-	400,000	600,000	1,000,000	-	-	-	-	-	-	-	-	1,000,000	
24	CCF Crew Quarters Roof Replacement & Trailer Repairs	R Scarpino	-	-	1,000,000	1,000,000	-	-	-	-	1,000,000	1,000,000	-	-	-	-	-	-	-	-	1,000,000	
25	Menlo Park Facility 4000 Campbell Avenue HVAC	R Scarpino	-	-	100,000	100,000	-	-	-	100,000	-	100,000	-	-	-	-	-	-	-	-	100,000	
				-	2,100,000	2,100,000	-	-	-	400,000	100,000	1,600,000	2,100,000	-	-	-	-	-	-	-	2,100,000	
Total SOGR				11,611,000	30,968,825	42,579,825	17,061,021	915,000	1,350,915	3,822,825	850,000	3,200,000	7,872,825	2,740,064	640,000	-	-	-	12,000,000	15,380,064	42,579,825	
ii. LEGAL MANDATES AND REQUIRED ENHANCEMENTS																						
26	Clipper Next Gen Validators Site Prep	J Navarro / H Chan	-	-	1,500,000	1,500,000	1,200,000	-	-	-	-	300,000	300,000	-	-	-	-	-	-	-	1,500,000	
				-	1,500,000	1,500,000	1,200,000	-	-	-	-	300,000	300,000	-	-	-	-	-	-	-	1,500,000	
iii. OPERATIONAL IMPROVEMENTS/ENHANCEMENTS																						
4	Positive Train Control Litigation ³	S Bullock	-	6,600,000	-	6,600,000	-	-	-	-	-	-	-	-	-	-	-	-	6,600,000	6,600,000	6,600,000	
5	Wayside Bike Parking Improvements ⁴	M Reggiardo	4,000,000	349,322	1,040,000	1,389,322	-	-	-	-	-	-	-	-	1,240,000	-	-	-	149,322	1,389,322	1,389,322	
27	Grade Crossing Hazard Analysis Data Collection	G Fleming	-	-	200,000	200,000	-	-	-	200,000	-	200,000	-	-	-	-	-	-	-	-	200,000	
28	FY21 Grade Crossing Safety Improvements Design	R Tam	-	-	500,000	500,000	-	-	-	500,000	-	500,000	-	-	-	-	-	-	-	-	500,000	
29	EAM - Enterprise Asset Management software system	S Chao	-	-	750,000	750,000	-	-	-	750,000	-	750,000	-	-	-	-	-	-	-	-	750,000	
30	Update and Upgrade GIS system	G Fleming	-	-	500,000	500,000	-	-	-	477,175	22,825	500,000	-	-	-	-	-	-	-	-	500,000	
31	San Mateo Grade Crossing Improvements Design ⁸	R Tam	-	-	1,600,000	1,600,000	-	1,600,000	-	-	-	-	-	-	-	-	-	-	-	-	1,600,000	
32	Broadway Burlingame Grade Separation ⁹	J Sharma	4,550,000	-	19,838,000	19,838,000	-	-	-	-	-	-	-	-	-	-	-	18,338,000	1,500,000	19,838,000	19,838,000	
				6,949,322	24,428,000	31,377,322	-	1,600,000	-	1,177,175	772,825	-	1,950,000	-	-	1,240,000	-	18,338,000	8,249,322	27,827,322	31,377,322	



FY2020-2021 CAPITAL BUDGET

Item #	PROJECT NAME	Project Sponsor	PRIOR YEARS APPROVED	FY21 ADOPTED JUNE BOARD	AMENDMENT #1	PROPOSED FY21 CAPITAL BUDGET	Federal Funds	State Funds	STA SOGR Funds	Members			Member Funds Total	Other					Other Funds Total	TOTAL PROPOSED FY21 CAPITAL BUDGET
										SF	SM	VTA		Project Savings	AB664	SF Prop K other	Regional Funds	San Mateo County Transportation Authority		
iv. PLANNING/STUDIES																				
6	22nd St. ADA Feasibility Study ⁵	M Reggiardo	300,000	50,000	-	50,000	-	-	-	-	-	-	50,000	-	-	-	-	-	50,000	50,000
7	Business Plan ⁶	S Petty	5,537,118	509,157	-	509,157	-	-	-	-	-	-	-	-	-	-	-	-	509,157	509,157
33	Capital Planning (CIP)	M Reggiardo	750,000	-	1,250,000	1,250,000	-	-	-	-	500,000	750,000 *	1,250,000	-	-	-	-	-	-	1,250,000
34	San Francisco Station and Terminal Planning	M Reggiardo	-	-	1,000,000	1,000,000	-	-	-	1,000,000	-	-	1,000,000	-	-	-	-	-	-	1,000,000
35	Diridon and South Terminal Area	M Reggiardo	-	-	1,000,000	1,000,000	-	-	-	-	-	1,000,000 *	1,000,000	-	-	-	-	-	-	1,000,000
36	Rail Network and Operations Planning	M Reggiardo	-	-	1,250,000	1,250,000	-	-	-	-	1,250,000	-	1,250,000	-	-	-	-	-	-	1,250,000
37	Redwood City Station Planning	M Reggiardo	-	-	750,000	750,000	-	-	-	750,000	-	-	750,000	-	-	-	-	-	-	750,000
38	Caltrain Downtown Rail Extension (DTX)	A Simmons	-	-	60,000	60,000	-	-	-	-	-	-	-	-	-	60,000	-	-	60,000	60,000
39	System-wide Planning and Policy & Org Design	M Reggiardo	-	-	1,168,468	1,168,468	-	-	-	217,175	750,000 *	967,175	-	-	201,293	-	-	-	201,293	1,168,468
40	Capital Contingency Funds - Engineering		-	-	330,000	330,000	-	-	-	330,000	-	-	330,000	-	-	-	-	-	-	330,000
41	Capital Contingency Funds - Rail		-	-	660,000	660,000	-	-	-	660,000	-	-	660,000	-	-	-	-	-	-	660,000
42	Capital Program Management		-	-	335,000	335,000	-	-	-	335,000	-	-	335,000	-	-	-	-	-	-	335,000
43	Capital Project Development		-	-	335,000	335,000	-	-	-	335,000	-	-	335,000	-	-	-	-	-	-	335,000
			559,157	8,138,468	8,697,625				1,000,000	4,377,175	2,500,000	7,877,175	50,000	-	261,293	-	-	509,157	820,450	8,697,625
TOTAL			19,119,479	65,035,293	84,154,772	18,261,021	2,515,000	1,350,915	6,000,000	6,000,000	6,000,000	18,000,000	2,790,064	640,000	261,293	1,240,000	18,338,000	20,758,479	44,027,836	84,154,772

¹ Other funds includes project savings from the Los Gatos Bridge Replacement project (\$2,102,558) and from the San Mateo Bridge Replacement project (\$456,881) made up of Federal Section 5337 funds (\$1,421,946), prior years VTA funds (\$901,073) and SM funds (\$236,402) and deobligated Prop K funds (\$180,624)

² Insurance proceeds and/or Operating funds

³ Litigation costs funded by operating funds

⁴ San Carlos Transit Village LLC (\$149,322) and Bay Area Air Quality Management District (BAAQMD \$1,240,000)

⁵ Prior year SF member funds

⁶ Unspent funds from Project 100337 Mega Regional Rail Planning (FY19 \$75k) and from Project 100458 Service & Access Planning (FY20 \$434,157)

⁷ Request only for board authority; funding will begin upon commencement of the electrified service from designated operational savings

⁸ Section 130

⁹ SMCTA and City of Burlingame(\$1.5 million)

* Identifies the projects that will be funded by VTA Measure B funds of \$2.5 million