

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

Minutes of May 5, 2022

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

MEMBERS ABSENT: D. Pine

STAFF PRESENT: M. Bouchard, G. Martinez, S. Petty, J. Harrison, A. Myles-Primakoff, P. Shrestha, B. Shaw, C. Mobley-Ritter, C. Fromson, J. Wasilco, A. Aknin, N. Fogarty, A. Simmons, T. Bartholomew, L. Millard-Olmeda, C. Valbuena, B. Thompson, R. Hinchman, A. Van de Water, A. Rodriguez, S. Bullock, R. Sebez, D. Seamans, S. Wong, K. Scribner

1. Call to Order / Pledge of Allegiance

Chair Steve Heminger 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 of the Board was confirmed.

3. General Counsel Report – Closed Session

The Board convened into closed session at 9:05 am and reconvened back into regular session at 10:16 am

4. General Counsel Report – Report Out from Above Closed Session

Ms. Seamans announced a quorum of the Board was present.

James Harrison, Legal Counsel, reported that there was no action from the closed session.

5. Public Comments for Items Not on the Agenda

Jeff Carter, Redwood City, commented on accessing the meeting at the new website versus old website.

Aleta Dupree, Oakland, commented on Clipper card usage.

6. Consent Calendar

- a. **Approve Regular Meeting Minutes of April 7, 2022**
- b. **Renew Findings to Hold Meetings via Teleconference for 30 Days Pursuant to AB 361**
- c. **Caltrain Key Performance Statistics – March 2022**

- d. Report of the Chief Financial Officer (CFO)**
- e. Accept Statement of Revenues and Expenses for the Period Ended March 31, 2022**
- f. Fuel Hedge Update**
- g. State and Federal Legislative Update and Approval of Legislative Proposal: Support Assembly Bill (AB) 1944 (Lee)**
- h. Diridon Development Update**
- i. Metropolitan Transportation Commission (MTC)/Regional Update**

Motion/Second: Gee/Walton

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

Noes: None

Absent: Pine

7. Asian Pacific American Heritage Month Resolution

Tasha Bartholomew, Communications Manager, paid tribute to Asian Americans and Pacific Islanders for enriching the history of the United States and asked the Board to approve the resolution.

Public Comment

Aleta Dupree, Oakland, expressed support for this item.

Motion/Second: Davis/Gee

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

Noes: None

Absent: Pine

8. Fiscal Year 2023 Preliminary Operating and Capital Budgets

Michelle Bouchard, Acting Executive Director, provided the introduction for the finance discussions, which included feedback from special March 21st finance workshop meeting, Go Pass, and recapturing ridership.

Grace Martinez, Acting Chief Financial Officer, provided a presentation which included the following:

- Revenue and expenditure assumptions, including reducing non-management labor increase, total reduction in costs, hedged fuel cost, and no costs associated with Measure RR
- Staffing wages and benefits with new FTEs (full-time equivalent) positions including those related to governance
- Budget risk areas and overview with \$33.7 million additional local funding sourced from member agency funding and/or use of unrestricted funds or reserve funding
- Preliminary Capital Budget Projects
- Fiscal year (FY) 23 unrestricted funds & reserves, capital budget funding, use of restricted fund balance, and staff recommendations

Sebastian Petty, Deputy Chief Caltrain Planning, provided a presentation that included the following:

- Feedback from April 25th Finance Committee meeting
- Rationale for recommended approach and avoiding a downward spiral for the business environment of the railroad
- Approach to Service & Fares - maintain current service levels and rebuild ridership, especially with good, electrified service, and not increasing fares
- Approach to capital budget - state of good repair (SOGR, enhancements & studies, and deferred capital maintenance
- FY23 Unrestricted Fund & Reserves - balancing use of unrestricted funds with member contributions
- FY23 Capital Budget – alternative approaches – greater use of the capital reserve account or defer priorities and projects, and potential cuts
- Next steps - Board guidance and input on overall approach, identify funding for FY 23 capital budget, and more detailed FY 23 workplan to accompany draft budget

Public Comment

Jeff Carter, Millbrae, commented on maintaining service levels, operating more trains with the same amount of labor, seeing member contributions on the capital budget, and member agencies contributing to BART.

Adrian Brandt, San Mateo County, commented on fuel costs, savings from cutting one train for the bottom line.

Adina Levin, Friends of Caltrain, commented on not cutting service, keeping Go Pass customers, looking at ridership recovery patterns, and the Diridon ceiling.

Aleta Dupree, Oakland, commented on importance of capital for bridge repair, bridge seismic sensitivity, keeping up critical repair, and the Diridon ceiling.

Ethan Mizzi commented on not cutting service or raising fares and keeping customers.

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

- Looking at electrification operating costs
- Budgeting for deferred maintenance and higher costs with increased deferred times
- Whether other agencies voted to contribute to Caltrain yet
- What are the proposed solutions so reserves do not get depleted
- Sticking with financial reserve policy currently in place, using capital reserves so member agency contributions can be lower and closer to \$2 million
- New Full Time Employee roles (FTEs)
- Level of contingency capital
- Asset management project reduction

Director Walton left at 11:00 am.

9. Postponement of Approved Fare Increases and 2023 Go Pass Pricing

Bruce Thompson, Acting Manager Fare Operations, provided the presentation, which included the following:

- Fare increases were first approved 2019, postponed in 2021, and recommendation to continue to postpone the two previously adopted 5 percent increase for Go Pass one year from 2023 to 2024 and 2025 to 2026
- Proposed fare change postponement timeline
- Providing incentives to new, former, and current Go Pass customers and continuing to offer discounts, the donation program, and wider distribution of passes to part-time and onsite contract staff

Public Comment

Aleta Dupree, Oakland, commented on fare increase timing.

Jeff Carter, Millbrae, commented on fare zones, same price for 2 miles as 25 miles, should get multi-ride tickets for discount, and wants fare capping.

Adrian Brandt, San Mateo County, commented on paying for two zones when you cross two zone boundaries.

Adina Levin, Friends of Caltrain, commented on individual riders trending toward lower incomes, Go Pass riders trending toward higher income, and increasing fares helping higher income riders.

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

- Whether this proposal defers fare reduction or fare increase for Clipper customers
- Whether a physical Clipper card is needed or fares can be on your phone
- Making it easier to get a youth Clipper card

Director Hendricks expressed not supporting holding off on fare increases.

Motion/Second: Chavez/Heminger

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

Noes: None

Absent: Pine, Walton

10. Adopt Code of Conduct for Public Meetings

Anna Myles-Primakoff, Legal Counsel, provided updates on the proposed Code of Conduct, which included the following:

- Background – set expectations, ensure decorum, and no slandering
- Proposed Code of Conduct was revised to reflect that standing is permitted in meeting room away from doorways

The Board had a discussion and staff provided further clarification in response to the Board members comments and questions regarding whether the Citizens Advisory Committee (CAC) was consulted and what feedback was incorporated.

Public comment

Aleta Dupree, Oakland, commented on the importance of this item to have a safe meeting in person or virtually, and commenters feeling safe despite any differences.

Jeff Carter, Millbrae, commented on safety, the time limit, allowing people to stand at the back of the room, and conducting the meeting in safe and efficient manner.

Adrian Brandt, San Mateo County, commented on bringing the item to Citizen's Advisory committee (CAC) and bringing policies first to the CAC if appropriate.

Motion/Second: Stone/Zmuda

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

Noes: None

Absent: Pine, Walton

11. Downtown Rail Extension Project Update

This item was deferred to the next meeting.

12. REPORTS

a. Report of the Citizens Advisory Committee (CAC)

Brian Shaw, CAC Chair, provided a report with updates on maintenance vehicles on the track, Code of Conduct update, adding language for respect and behavior, fare change and Go Pass pricing, low income-riders, postponed electrification work, and a business intelligence presentation.

b. Report of the Chair

Chair Heminger reported on the passing of Norman Mineta, former San Jose mayor, United States Cabinet member, who helped and mentored many on transportation projects and inspired people to work together across party lines.

Board members expressed condolences for his family and remembered his kindness, philosophy, and community contributions.

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

This item was deferred to the next meeting.

d. Report of the Executive Director

Michelle Bouchard, Acting Executive Director, reported on the following and noted more details available in the online packet:

- Combined brief updates on Items 13 and 14 into this report -electrification is on schedule

- Working diligently on state and federal funding advocacy and with the delegation to fill the \$410 million gap
- Complex signal cutover is going well
- Worked with Transit America Services, Inc. (TASI) and staff regarding March Caltrain collision incident, this week is construction safety week, and the safety and ensuring people get home safely is the most important priority
- Vaccination rates have increased to 87 percent and masks continue to be strongly recommended
- Mask mandates may come back in other states and TASI employees are required to stay masked

Public Comment

Aleta Dupree, Oakland, commented on construction status, possible emission free service down to Gilroy, and foundations.

13. Peninsula Corridor Electrification Project (PCEP) Monthly Progress Report

Provided in the Executive Director Report.

14. COVID-19 Policy Status Update

Provided in the Executive Director Report.

15. CORRESPONDENCE

Correspondence was available online.

16. BOARD MEMBER REQUESTS

There were none.

17. DATE/TIME OF NEXT REGULAR MEETING:

Thursday, June 2, 2022 at 9:00 am via Zoom and in person at the San Mateo County Transit District, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA (additional location, if any, to be determined).

18. ADJOURN

The meeting adjourned at 12:43 pm in memory of political pioneer and former Transportation Secretary Norman Y. Mineta.

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.