

**Peninsula Corridor Joint Powers Board  
Finance Committee Meeting  
1250 San Carlos Avenue, San Carlos CA 94070  
Minutes of May 23, 2022**

**Members Present:** Monique Zmuda (Chair), Glenn Hendricks, Jeff Gee (Acting Chair)

**Members Absent:** None/Monique Zmuda

**Staff Present:** M. Bouchard, G. Martinez, L. Millard Olmeda, C. Mobley Ritter, R. Barnard, B. Thompson, C. Valbuena, S. Bullock, M. Kumar, J. Ye, D. Seamans, S. Wong, K. Scribner

**1. Call to Order/Pledge Of Allegiance**

Chair Monique Zmuda called the meeting to order at 2:34 pm and led the Pledge of Allegiance

**2. Roll Call**

District Secretary Dora Seamans confirmed the presence of a board quorum.

**3. Public Comment For Items Not On The Agenda**

There was no public comment.

**4. Consent Calendar**

**4a. Approve Meeting Minutes of April 25, 2022**

**4b. Accept Quarterly Fuel Hedge Update**

**4c. Authorize the Execution of Agreement to Accept Funding and Act as Project Lead for the South Linden Avenue and Scott Street Grade Separation**

**4d. Update on Regional Fare Coordination and Integration Study**

The Board had a discussion and staff provided further clarification in response to the Board members questions on Item 4d and whether whether the \$230,000 covered the whole first year cost or both first and second year costs.

Motion/second: Hendricks/Gee

Ayes: Gee, Hendricks, Zmuda

Noes: None

Absent: None

**5. Authorize Execution of Change Order to Wabtec Railway Electronics for Crossing Optimization Work Under Contract No 18JT49 and Completion of Crossing Optimization Project**

Michelle Bouchard, Acting Executive Director, introduced Director Sherry Bullock, Director of Rail Integration, who provided the presentation on the following:

- Crossing Optimization Project Overview with project elements and benefits
- Crossing optimization change order, chronological events, and scope elements
- Caltrain Positive Train Control (PTC) project budget and cost at completion
- Project work accomplished, project schedule, and June Board Action

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

- Whether the work was part of the global settlement piece done a month ago
- Whether an element of the PTC project was part of the electrification project
- Why the contract contingency amount needs to be increased now rather than later
- Expanding the wireless crossing contract authority to tap into additional funds
- Approval of this contract amendment to complete the work in 2024

Motion/second: Gee/Zmuda

Ayes: Gee, Zmuda

Abstain: Hendricks

Noes: None

Absent: None

**6. Execute Contracts for Technology Related Products and Services through Piggybacking Contracts and Cooperative Purchasing Programs**

Michelle Bouchard, Acting Executive Director, introduced the Mehul Kumar, Executive Officer of IT, who noted that this contract was for executing contracts in excess of \$150,000 for standard license renewals and is done annually.

Motion/second: Hendricks/Gee

Ayes: Gee, Hendricks, Zmuda

Noes: None

Absent: None

**7. Execute Contracts for Information Technology Licenses, Maintenance Services, and Professional Services**

Mehul Kumar, Executive Officer of IT, stated that this contract helps leverage cooperative agreements to reduce procurement timelines and do procurements at a faster pace.

Motion/second: Hendricks/Gee

Ayes: Gee, Hendricks, Zmuda

Noes: None

Absent: None

Items 8 and 9 were heard together.

**8. Accept Report of the Chief Financial Officer (CFO)**

**9. Statement of revenues and expenses for the period ended April 30, 2022**

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

- There was an increase in insurance reserves to \$2 million to cover potential expenses not covered by the policy
- The forecast projection for Fiscal Year 2022 is about \$8.3 million

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

- Farebox revenue was down from what was forecasted and staff would follow up to clarify if it was because there was not as much growth and or decline in ridership
- Confirmed that this year's surplus will be used to balance next year's budget

Public comment

Aleta Dupree, Oakland, commented on Measure RR uses and appreciating the chart breakdown of fare revenues.

Jeff Carter, Millbrae, commented on seeing additional farebox revenue breakdowns.

Motion/second: Hendricks/Gee

Ayes: Gee, Hendricks, Zmuda

Noes: None

Absent: None

**10. Adopt Fiscal Year 2023 Proposed Operation and Capital Budgets**

Michelle Bouchard, Acting Executive Director, stated this presentation incorporated feedback from prior Board workshop and meeting discussions. She stated this was a transitional year with efforts to drive ridership and revenue results and providing service levels that are attract riders. She noted that there may not be any additional federal aid while they were working on longer term budget solutions.

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

- The operating budget, similar to the preliminary budget presented in May, allowed for a 27 million funding reserve as consistent the Board policy for minimum reserves
- Operating budget relied on slow steady ridership recovery and maintaining service with no fare increases
- Assumptions included no further federal assistance and no member agency funding
- Reducing the deficit and proposed budget outlook, revenues, and expenditures
- Overview of significant changes on funding included advancement of Local Partnership Program (LPP) funds for the Guadalupe bridge replacement project
- Fiscal Year 2023 capital budget funding and the need for additional member contributions to balance
- Member contribution reduced to \$2.3 million for each agency
- Summary and next steps to seek Board adoption, finalize \$7.0 million in member contributions, and utilize \$21.7 million in unrestricted funds

#### Public comment

Aleta Dupree, Oakland, spoke in support of approving this to the full Board, capital budget for a bridge, no fare increases, setting up reserves, keeping service levels up, and once an hour service.

Jeff Carter, Millbrae, commented on keeping this budget, agency contributions to the capital budget, and agencies contribution for BART.

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

- Positioning for the next couple of years by adding to operational reserves
- Not using all of Measure RR in the operational budget
- Whether \$1.5 million is enough to get thru electrification
- Revenue assumptions based on steady recovery of riders
- Capital funding concerns causing the deferral of projects and planning work, and increased expenses and costs over time
- Discontinuing 'old' methods of all agencies meeting lowest member contribution funding
- Status of updated reserve policy

Motion/second: Hendricks/Gee

Ayes: Gee, Hendricks, Zmuda

Noes: None

Absent: None

#### **11. Committee Member Requests**

None

**12. Date/time of next regular finance committee meeting**

Monday, June 27, 2022, at 2:30 pm via Zoom (additional location, if any, to be determined)

**13. Adjourn**

The meeting adjourned at 3:54 pm.

An audio/video recording of this meeting is available online at <https://live-smctd-2021.pantheonsite.io/caltrain/video-board-directors> . Questions may be referred to the Board Secretary's office by phone at 650.508.6279 or by email to [board@caltrain.com](mailto:board@caltrain.com).