

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

Minutes of October 6, 2022

MEMBERS PRESENT C. Chavez (arrived (9:06 am), J. Gee, G. Hendricks, D. Pine, C. Stone (Vice Chair)

(REMOTE):

MEMBERS PRESENT (IN PERSON): D. Davis, S. Heminger (Chair), M. Zmuda

MEMBERS ABSENT: S. Walton

STAFF PRESENT: M. Bouchard, G. Martinez, J. Harrison, A. Myles-Primakoff, D. Santoro, M. Kumar, R. Hinchman, R. Barnard, A. Piano, L. Millard-Olmeda, S. Sargent, L. Leung, M. Reggiardo, A. Edwin, D. Chazan, C. Fromson, D. Ryan, K. Yin, M. Boomsma, C. Mobley-Ritter, T. Bartholomew, B. Shaw, P. Shrestha, 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 led the pledge of allegiance.

2. Roll Call

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

3. Adopt Findings to Authorize Holding Meetings via Teleconference for 30 Days Pursuant to Assembly Bill (AB) 361

James Harrison, Legal Counsel, recommended that the Board pass a resolution finding a state of emergency and to continue to allow meeting via remote teleconference for the next 30 days.

Motion/Second: Hendricks/Davis

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

Noes: None

Absent: Chavez, Walton, Stone

Aleta Dupree, Oakland, commented on addressing a broader method of engagement to the public to reach worldwide constituency.

Jeff Carter, Millbrae, commented on encouraging public participation in meetings through approving this item.

4. GENERAL COUNSEL REPORT – CLOSED SESSIONS:

4.a. Closed Session: Public Employment. Title: Executive Director

4.b. Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Federal Insurance Co. v. San Mateo County District, et al. (San Mateo Superior Court, Case No. 22-CIV-00512)

4.c. Closed Session: Conference with Legal Counsel - Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Xercor Insurance Services v. San Mateo County Transit District, et al. (San Mateo Superior Court, Case No. 22-CIV-01525)

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

The Board convened in closed session at 9:06 am

The Board reconvened in regular session at 9:35 am

General Counsel James Harrison reported that no action from the closed session.

6. Public Comment for Items Not on the Agenda

Gina Papan, Vice Mayor of Millbrae, clarified that final Environmental Impact Report (EIR) has not been approved by Caltrain Board as previously stated at a High-Speed Rail (HSR) meeting.

Aleta Dupree, Oakland, commented on Clipper and EIR, mobile options, and keeping cards for non-phone users.

Jeff Carter, Millbrae, commented on having a public reception for the new electric cars, and having additional bathrooms and bike cars for the new electric multiple units (EMUs).

Chair Heminger stated that in regard to Commissioner Papan comments there will be a report back to the Board in November.

7. Consent Calendar

- 7.a. Approve Regular Meeting Minutes of September 1, 2022**
- 7.b. Appointment of the Citizens Advisory Committee Representatives and Alternate**
- 7.c. Receive Caltrain Key Performance Statistics – August 2022**
- 7.d. Proclamation Declaring the Month of October as Cybersecurity Awareness Month**
- 7.e. Report of the Acting Chief Financial Officer**
- 7.f. Accept Statement of Revenues and Expenses for the Period Ending June 30, 2022**
- 7.g. Accept Statement of Revenues and Expenses for the Period Ending August 31, 2022**
- 7.h. Approve Adding Federal Employees Liability Act Insurance to the Rail Liability Program**
- 7.i. Authorize Execution of Comprehensive Agreement with the County of Santa Clara in Support of the Mountain View Transit Center Grade Separation and Access Project***
- 7.j. Authorize Execution of Amended Cooperative Agreement to Receive Funding for Additional Final Design Cost and the Construction Manager General Contractor (CMGC) Pre-Construction Phase for the Mountain View Transit Center Grade Separation and Access Project***

- 7.k. Amend and Increase the Fiscal Year 2023 Caltrain Capital Budget by \$11,636,922 from \$90,956,662 to \$102,593,58**
- 7.l. Accept On-Call Transportation Planning and Consultant Support Services Update**
- 7.m. Authorize the Execution of the Necessary Agreements and Amendments to Receive Funds and Act as the Project Lead to Deliver the Final Design Phase of the Rengstorff Avenue Grade Separation Project**
- 7.n. Approve the Compatibility of the Proposed Vehicular Bridge Crossing of the Caltrain Corridor at Communications Hill Boulevard in San Jose***
- 7.o. State and Federal Legislative Update**

Public Comment

Aleta Dupree, Oakland, commented on the budget, bridge crossing, revenue and expenses.

Director Hendricks and Acting Executive Director Bouchard clarified that Item 7k was coming from outside sources and not increasing fares.

Motion/Second: Davis/Zmuda

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

Noes: None

Absent: Walton

Recused: Chavez (on Items 7n and 7j)

8. Authorize Award of Contract for the Guadalupe River Bridge Replacement Project

Director Monique Zmuda said the Finance Committee discussed the cost and overrun of \$11 million over the estimate from the original contract and what funding sources may be available besides state of good repair funds.

Andy Robbins, Director, Capital Program Delivery, provided a presentation that included the following:

- Purpose and need for Guadalupe River Bridges replacement and extension including a structurally deficient bridge
- The lowest responsive and responsible bidder was Walsh Construction Company II, LLC
- Updated cost projection and review of cost increases by category
- Fiscal year 2024 and 2025 Budgets Alternative Analysis

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

- Project funding concerns especially for fiscal year 2023/2024 (FY23/24)
- Use of state of good repair (SOG) money and creating future budget issues for future boards
- Need for a multi-year funding strategy/commitment to be healthy and not ask partner agencies for annual contributions
- Have a list of capital improvement priorities and contingency for the project capital
- Include risk sharing in the contracts and provide standard incentives to be on time and or under budget for every large contract over 5 million

- No room for further contract negotiation, the current options were either to approve or reject this request and or restart the entire process
- Need for an ad hoc major capital project committee to discuss design build, incentives, and different risks associated with different delivery methods
- Work with planning team to develop a robust CIP
- Concurrently bring on a firm to do long-term 5 to 10 year strategic financial planning and establish a capital renewal fund (firm contract to be brought to the Board next month)
- Have a Board workshop well before discussion in May/June budgets discussion around February/March

Public Comment

Adina Levin, Friends of Caltrain, commented on having a multi-year capital program, having an earthquake safe piece of the system, and member contributions.

Motion/Second: Davis/Heminger to approve the recommendation as presented (and to have subsequent discussions with the contractor on an amendment that would have an incentives clause for being on time and under budget)

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

Noes: Hendricks

Absent: Stone, Walton

9. Adopt Revised Disclosure Policy and Receipt of Disclosure Training

Grace Martinez, Acting Chief Financial Officer, stated the training by bond counsel is part of Caltrain compliance as issuers of debt obligations.

Rudy Salo, Nixon Peabody, provided a presentation that included the following:

- Background on Federal Securities laws - investors need accurate, complete, and timely information of the securities information
- Issuers obligations under the federal securities and antifraud laws and how misstatements, omissions, and negligence can be fraud
- Issuers need to comply with federal securities laws - tell entire credit story, adopt disclosure policies and procedures, stay on top of secondary market disclosure when issuing bonds
- Issuers and borrowers need to file annually and file within 10 business days' notice for each occurrence of specific events
- Board of Directors responsibilities include making a reasonable delegation in correction with any future public bonds issuances and being part of the JPB's disclosure policies and procedures, including analysis and being aware of major trends and developments

Motion/Second: Hendricks/Davis

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

Noes: None

Absent: Walton

10. Filipino American History Month Resolution

Tasha Bartholomew, Communications Manager, presented the resolution to recognize and commemorate Filipino American History month.

Motion/Second: Gee/Chavez

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

Noes: None

Absent: Walton

11. Metropolitan Transportation Commission (MTC)/Regional 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 committee discussions on the following:

- Agendizing a grade crossing presentation on reporting gates down
- Allowing non-service animals aboard trains
- Determining seat restrictions
- Building tracks that can sustain higher temperatures to minimize derailments
- Safety awareness

b. Report of the Chair

There was none.

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

Director Jeff Gee reported discussions on the legislative update, a corridor-wide grade separation study, and grade separation tool kit.

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

Director Jeff Gee reported on re-branding the project to include regional efforts, governance study recommendations, and Board approval requirements for managing this major project.

Report of the Executive Director

Chair Heminger suggested moving this report up on the agenda list.

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

- Completed service change September 12th
- San Francisco Railyards Project community meeting with Prologis
- Testing in Segment 4 weekend of October 22-23 and 29-30
- Grade security and also grade crossing work in Palo Alto December 5-18
- Engaging with state leadership for state and federal funds
- Electric train celebration

Public Comment

Adina Levin, Friends of Caltrain, commented on the CAC, legislative report funding, regional items, and Metropolitan Transportation Commission (MTC) staff working on strategy for state fiscal bridge funding.

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

Pranaya Shrestha, CalMod Chief Officer, provided the presentation that included the following information:

- Electric Trains celebration September 24
- Safety and security and additional resources to manage safety
- Construction update: 161 poles remaining to be installed
- Signal system, major signal work in December 5-9 and 12-16 on weekdays, and in 2023
- December 10-11 and 17-18 weekends schedule changes
- Program budget - \$556 million left to complete this project
- Budget for Management Oversight & Support
- Major Contract Progress - completed 77 percent of work, remaining work is testing and cutovers, and with \$50 million shared risk contingency

Casey Fromson, Chief Communications Officer, provided a presentation that included the following information:

- Federal funding update – movement on federal side (potential \$51 million from House appropriations bill)
- Community Project Funding of \$10 million dependent on election results in December
- Federal and state partnership for intercity rail grant program likely to be awarded in 2023 with more information expected in October to then assess the application
- State funding update – January 2023 announcement of awards expected
- Applying for full \$410 million of \$10.9 billion transportation package over 4 years to keep project on task and help with Caltrain's full fiscal health

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

- Identified roadway worker protection training
- Night and weekend work increasing safety with no cost increase
- Not sacrificing safety for productivity
- Contract funding does not from contingency and part of the budget

Director Davis left at 12:10 pm

Public Comment

Jeff Carter, Millbrae, commented on expediting work for the schedule adjustment, looking into safety issues, and expressed concerns about elections affecting funding.

Adrian Brandt, San Mateo County, commented on the first train celebration, gate down time, and having wireless crossing optimization installed.

Aleta Dupree, Oakland, commented on completing poles by year-end, overhead wire electrification, and new trains.

14. CORRESPONDENCE

Correspondence was available online.

15. BOARD MEMBER REQUESTS

Chair Heminger requested a list of priorities for capital improvements that need additional funding.

Director Davis requested including incentives for the contractor in the Guadalupe River project to come in on time and under budget.

Director Gee requested having a committee for delivery projects and having a capital improvement projects team write incentive clauses for each delivery process

Chair Heminger suggested moving the Executive Director report up earlier in the agenda

16. DATE/TIME OF NEXT REGULAR MEETING:

Thursday, November 3, 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.

17. ADJOURN

Adjourned at 12:20 pm

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.