



BOARD OF DIRECTORS 2023

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MICHELLE BOUCHARD
EXECUTIVE DIRECTOR

AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD

Board of Directors Meeting

August 03, 2023, 9:00 am

Bacciocco Auditorium, 2nd Floor
1250 San Carlos Ave., San Carlos, CA

Members of the public may participate remotely or in-person, provided that they satisfy the safety protocols listed below.

Members of the public may participate remotely via Zoom at <https://us06web.zoom.us/j/87581188408?pwd=OFNUYTVFdExlOXRkR2tQOENXQUhhUT09> or by entering Webinar ID: **875 8118 8408**, Passcode: **033088** in the Zoom app for audio/visual capability or by calling 1-669-900-6833 (enter webinar ID and press # when prompted for participant ID) for audio only. The video live stream will be available after the meeting at <https://www.caltrain.com/video-board-directors>

Members of the public also may participate in person at: San Mateo County Transit District, Bacciocco Auditorium - Second Floor, 1250 San Carlos Ave., San Carlos, CA, or any other noticed location provided they comply with the following safety protocols:

Please Note the Following COVID-19 Protocols for In-person Attendance:

Visitors who have been exposed to the COVID-19 virus, who have received a positive COVID-19 test results, or who are experiencing any of the following COVID-19 related symptoms should refrain from participating in person:

- Cough
- Fatigue
- Sore Throat
- Headache
- Shortness of Breath
- Nausea or vomiting
- Muscle or body aches
- Diarrhea
- Fever or Chills
- Loss of taste or smell
- Congestion or runny nose

Public Comments: Public comments may be submitted to publiccomment@caltrain.com prior

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

to the meeting's call to order so that they can be sent to the Board as soon as possible, while those received during or after an agenda item is heard will be included into the Board's weekly correspondence and posted online at: <https://www.caltrain.com/about-caltrain/meetings>.

Verbal public comments will also be accepted during the meeting in person and through Zoom* or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Participants using Zoom over the Internet should use the Raise Hand feature to request to speak. For participants calling in, dial *67 if you do not want your telephone number to appear on the live broadcast. Callers may dial *9 to use the Raise Hand feature for public comment. Each commenter will be recognized to speak, and callers should dial *6 to unmute themselves when recognized to speak.

Each public comment is limited to two minutes. The Board Chair has the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

August 03, 2023 - Thursday

9:00 am

All items to which [Government Code section 84308](#) applies have been marked with an asterisk

A double asterisk indicates that one or more Directors of the JPB serve on the governing board of a public agency with which the JPB proposes to contract. Under Government code section 1091(a)(9), this relationship is considered to be a noninterest but it must be disclosed.

PART I OF MEETING (CALL TO ORDER): 9:00 am

1. Call to Order / Pledge of Allegiance
2. Roll Call
3. Consideration of requests, if any, of Directors to participate remotely due to Emergency Circumstances

PART II OF MEETING (CLOSED SESSION): 9:05 am estimated

4. Conference with Legal Counsel – Pending Litigation (Gov. Code § 54956.9(d)(1)) [Abel Cuevas v. Peninsula Corridor Joint Powers Board, Santa Clara County Superior Court, Case No.: 21CV385375]

PART III OF MEETING (REGULAR SESSION): 9:40 am estimated

5. General Counsel Report – Report Out from Above Closed Session
6. Public Comment for Items Not on the Agenda
Comments by each individual speaker shall be limited to two (2) minutes. Items raised that require a response will be deferred for staff reply.
7. Report of the Executive Director Informational

8. Consent Calendar

Members of the Board may request that an item under the Consent Calendar be considered separately.

- | | | |
|------|---|--------|
| 8.a. | Meeting Minutes as of June 1, 2023 | Motion |
| 8.b. | Appointment of the Citizens Advisory Committee Representative and Alternate | Motion |

Approved by the Finance Committee

- | | | |
|------|--|------------|
| 8.c. | Renew Findings of an Emergency Regarding the North Channel Embankment of the San Francisquito Creek Bridge Due to Erosion Pursuant to Public Contract Code §22050* | Resolution |
| 8.d. | Accept Statement of Revenues and Expenses for the Period Ending May 31, 2023 and June 30, 2023 | Motion |
| 8.e. | Award of Contract for Next Generation Visual Message Signs Project | Resolution |
| 8.f. | Award of Contract for 2023 Grade Crossing Improvements Project | Resolution |
| 8.g. | Approve Ground Lease Amendment with HPS-San Mateo, LLC* | Resolution |
| 8.h. | Approve and Ratify Fiscal Year 2024 Insurance Program | Resolution |
| 8.i. | Amendment No. 1 to MOU with Prologis for the Railyards Preliminary Business Case* | Resolution |
| 8.j. | Authorize the Executive Director to Execute an Interim Agreement Between the Transbay Joint Powers Authority and the Peninsula Corridor Joint Powers Board to Support Advancement of the San Francisco Downtown Rail Extension Project* ** | Resolution |
| 8.k. | Approve Execution of Stadler Electric Multiple Unit Option and Funding Plan* | Resolution |

Approved by the Technology, Operations, Planning, and Safety (TOPS) Committee

- | | | |
|------|---|------------|
| 8.l. | Authorize the Execution of the Necessary Agreements and Amendments to Receive Funds to Support the Completion of Preliminary Design and CEQA/NEPA Environmental Clearance for the Bernardo Avenue Undercrossing Project* ** | Resolution |
|------|---|------------|

- | | |
|--|---------------|
| 8.m. Award of Contract for the Bike Parking Station Program* | Resolution |
| 9. Draft 2023 Fare Change Recommendations | Informational |
| 10. Update on Ridership Growth Action Plan and Near-Term Marketing Strategy | Informational |
| 11. Peninsula Corridor Electrification Project (PCEP) Monthly Progress Report | Informational |
| 12. Reports | |
| 12.a. Report of the Citizens Advisory Committee | Informational |
| 12.b. Report of the Chair | Informational |
| 12.c. Report of the Local Policy Maker Group (LPMG) | Informational |
| 12.d. Report of the Transbay Joint Powers Authority (TJPA) | Informational |
| 13. Correspondence | |
| 14. Board Member Requests | |
| 15. Date/Time of Next Regular Meeting: Thursday, September 7, 2023 at 9:00 am.
The meeting will be accessible via Zoom and in person at the San Mateo County Transit District, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA. | |
| 16. Adjourn | |

Information for the Public

All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board. If you have questions on the agenda, please contact the JPB Secretary at 650.508.6242. Agendas are available on the Caltrain website at www.caltrain.com. Communications to the Board of Directors can be e-mailed to board@caltrain.com.

Free translation is available; Para traducción llama al 1.800.660.4287; 如需翻译 请电 1.800.660.4287

Date and Time of Board and Committee Meetings

JPB Board: First Thursday of the month, 9:00 am; JPB TOPS and AMP Committee: Two Wednesdays before the Board meeting, 1:30 pm and 3:30 pm respectively. The date, time, and location of meetings may be changed as necessary. Meeting schedules for the Board and committees are available on the website.

Location of Meeting

Members of the Public may attend this meeting in person or remotely via Zoom. *Should Zoom not be operational, please check online at <https://www.caltrain.com/about-caltrain/meetings> for any updates or further instruction.

Public Comment*

Members of the public are encouraged to participate remotely or in person. Public comments may be submitted by comment card in person and given to the JPB Secretary. Prior to the meeting's call to order, public comment may be sent to publiccomment@caltrain.com so that they can be sent to the Board as soon as possible, while those received during or after an agenda item is heard will be included into the Board's weekly correspondence and posted online at: <https://www.caltrain.com/about-caltrain/meetings>.

Oral public comments will also be accepted during the meeting in person or through Zoom or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Each commenter will be automatically notified when they are unmuted to speak for two minutes or less. The Board Chair shall have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

Accessible Public Meetings/Translation

Upon request, the JPB will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least 72 hours in advance of the meeting or hearing. Please direct requests for disability-related modification and/or interpreter services to the Title VI Administrator at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or email titlevi@samtrans.com; or request by phone at 650-622-7864 or TTY 650-508-6448.

Availability of Public Records

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that is distributed to a majority of the legislative body, will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that the public records are distributed or made available to the legislative body.



Executive Director's Monthly Report: July 2023

Executive Director Michelle Bouchard

Report prepared for August Board meeting; data current through June 2023.









Who We Are and What We Do

Caltrain Mission: Caltrain is a customer-focused rail system offering safe, reliable, accessible, and sustainable transportation service that enhances quality of life for all.

Caltrain Vision: To be a vital link in the statewide rail network by improving connectivity to other transit systems, contributing to the region's economic vitality, and partnering with local communities to ensure that diverse constituencies receive a world-class travel experience.



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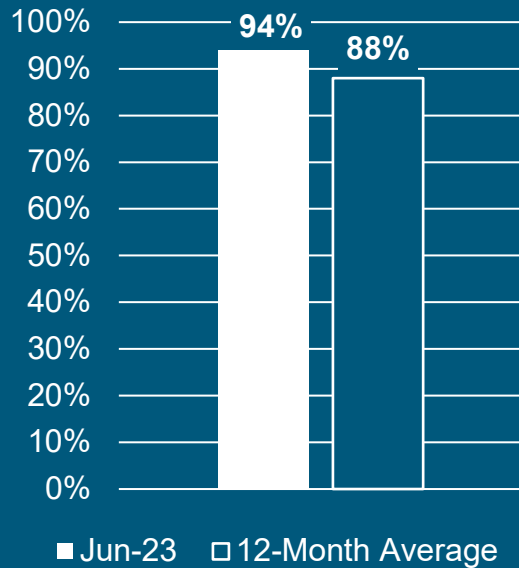




Performance at a Glance

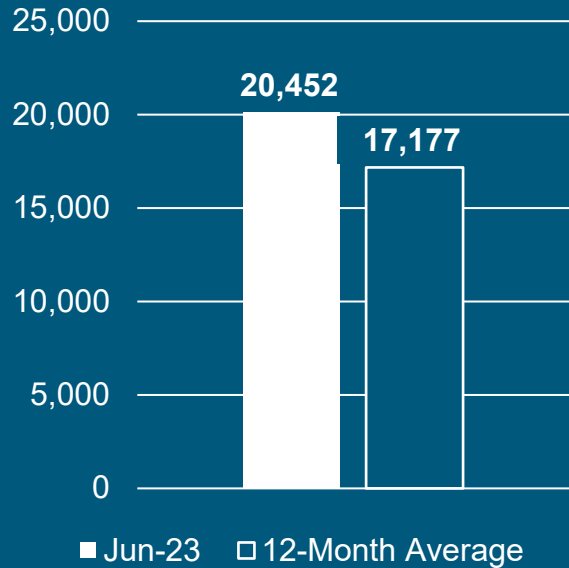
On-Time Performance

Percentage of trains arriving within six minutes of the scheduled time



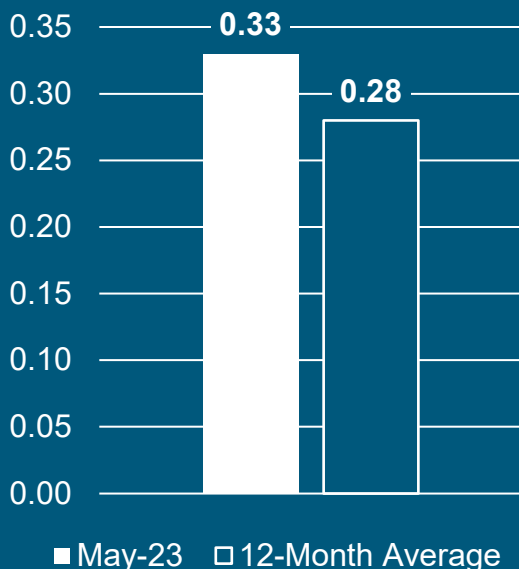
Average Daily Ridership

Average estimated weekday ridership



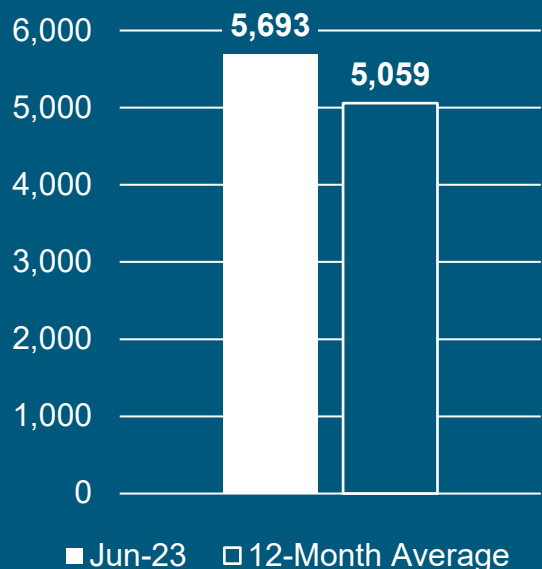
Farebox Recovery Ratio

Ratio of fare revenue to operating costs



Mean Distance Between Failures

Average miles travelled by locomotives before maintenance/repair is required

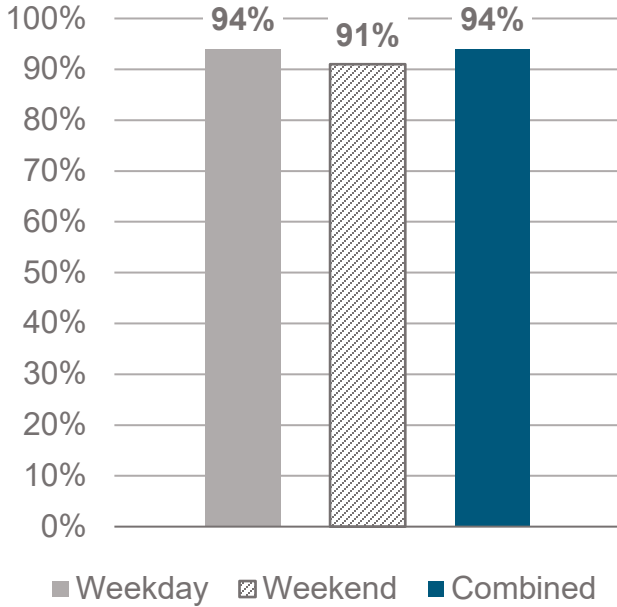


Note: June financials are not yet available due to ongoing year end close out activities for FY 2023.



On-Time Performance

Performance This Month (June-23)

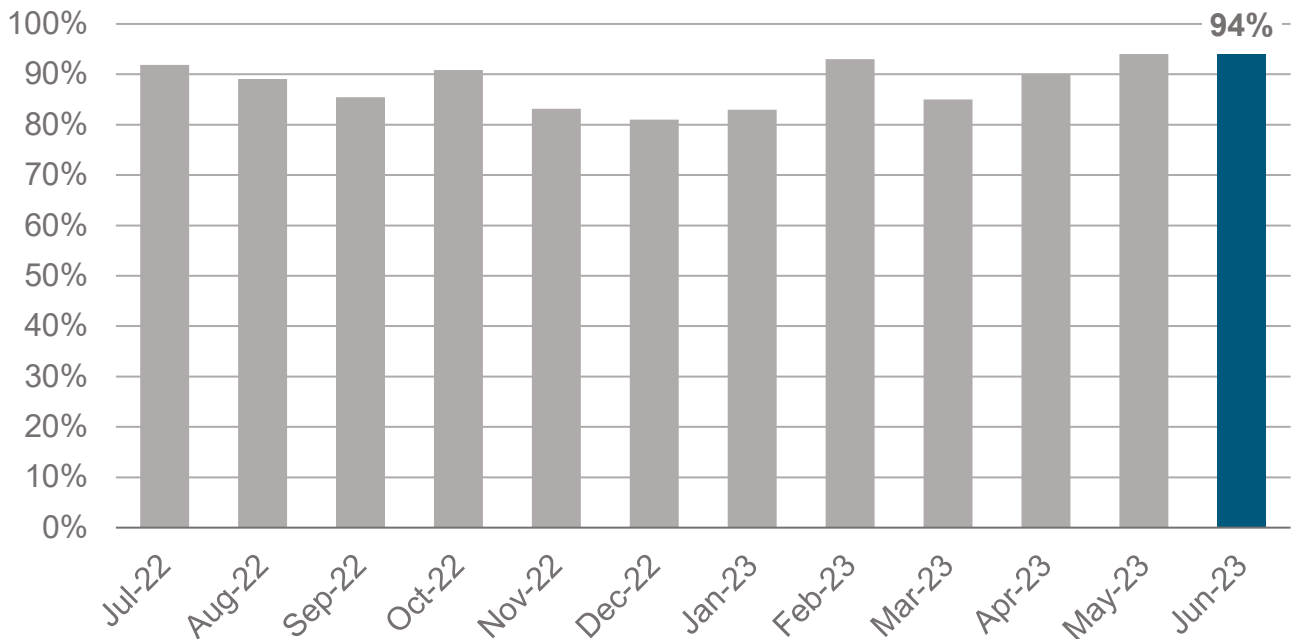


Trains are considered on-time if they arrive within six minutes of the scheduled arrival time at end-line locations (i.e. San Francisco, San Jose Diridon, Tamien, and Gilroy).

The on-time performance (OTP) goal for Caltrain is 95 percent. Combined OTP for the month of June was 94%.

Note that weekend OTP includes holidays.

Monthly On-Time Performance in the Past Year



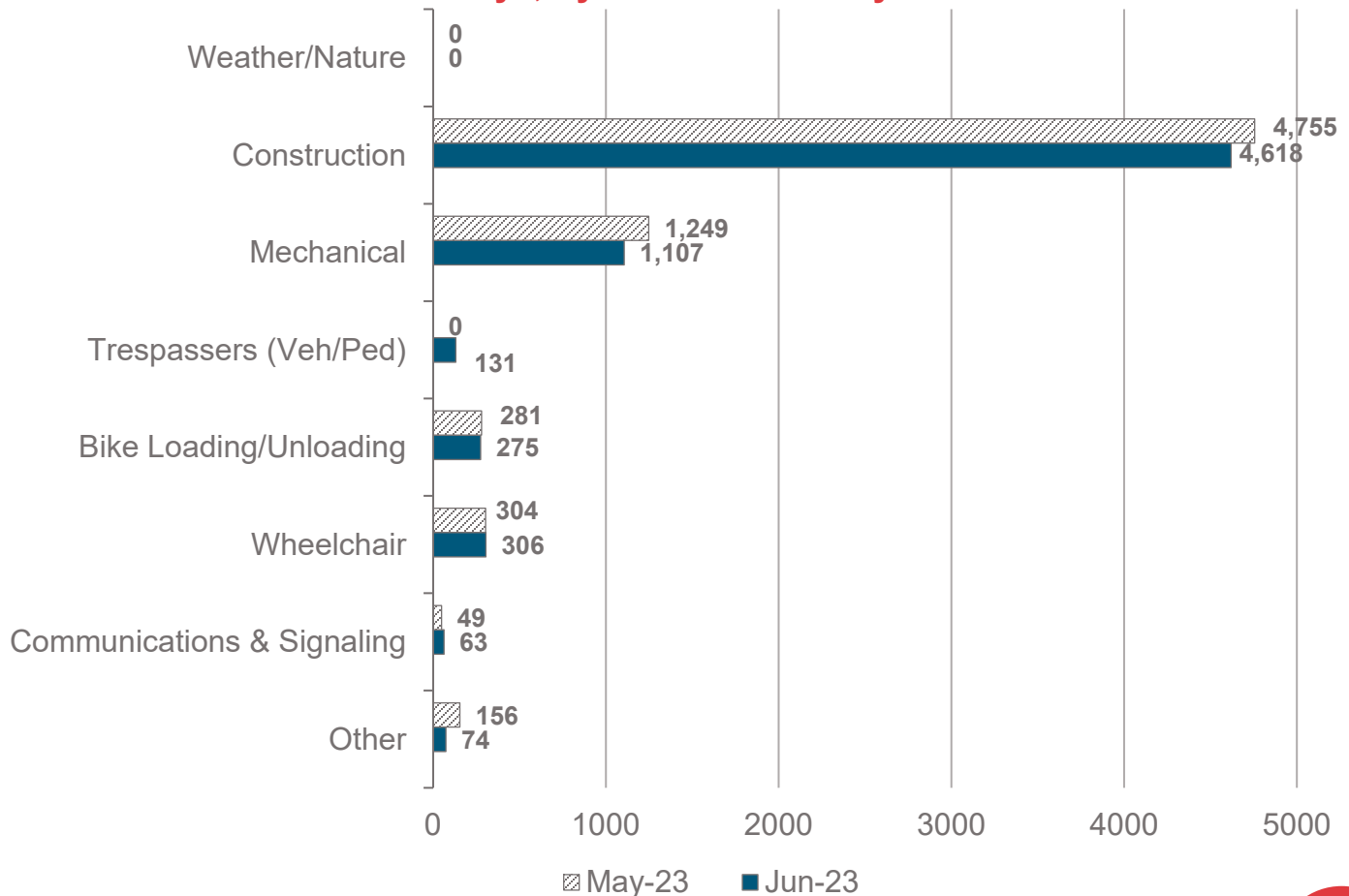


Delays and Cancellations

	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>
Number of Late Trains	245	169	162
Average Minutes Late for Late Trains	16	13	14
Number of Cancelled Trains	10	9	12

Trains are considered late if they arrive at their end-line destination six minutes or more after the scheduled time. Average Minutes Late represents the average difference in actual arrival time from the scheduled arrival time for late trains. Cancelled Trains includes trains forced to terminate mid-run, as well as those that are annulled before they begin to operate.

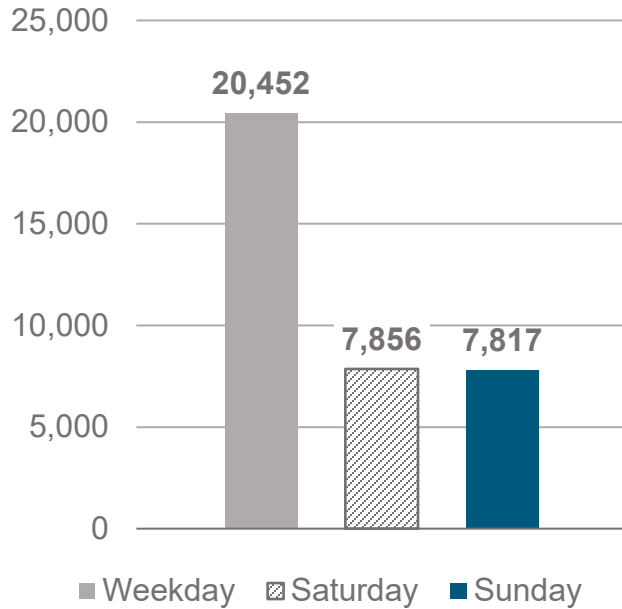
Reasons for Train Delays, by Minutes of Delay





Ridership and Revenue

Average Daily Ridership (June-23)

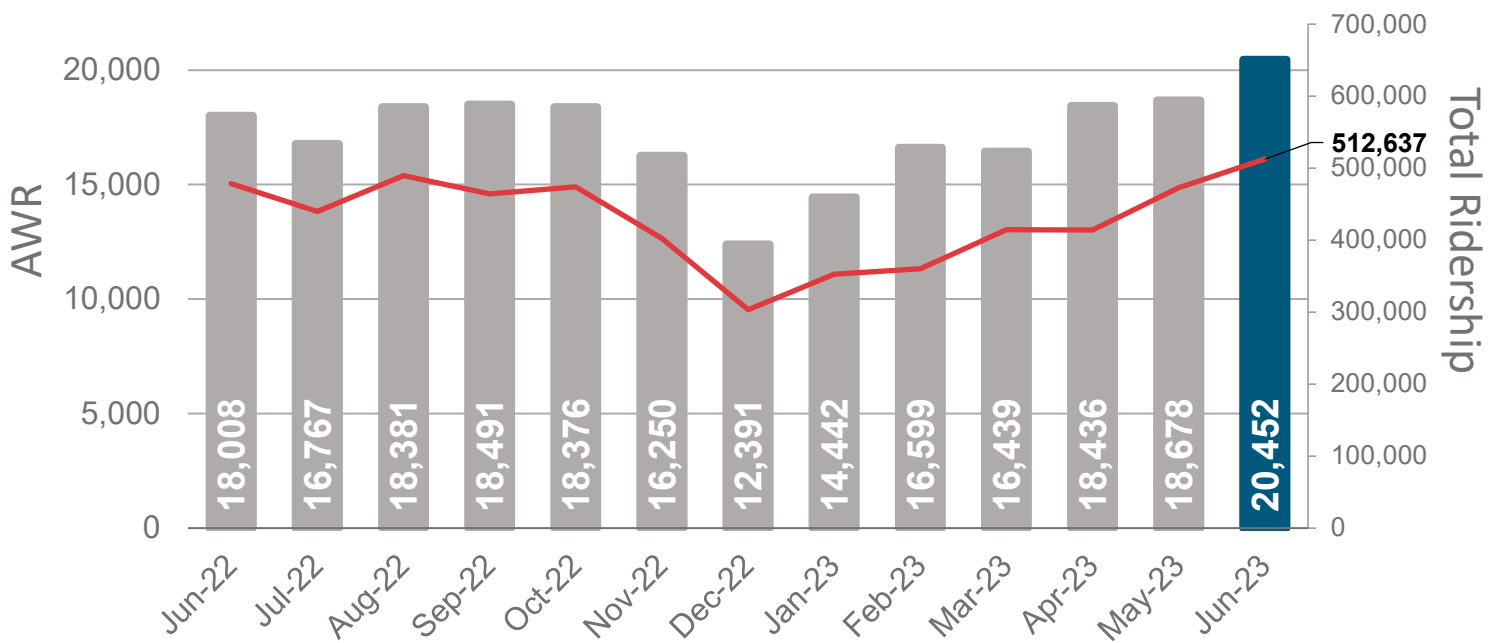


Average weekday ridership (AWR) increased by approximately 14 percent compared to the same month in the prior year as riders continue to return to the Caltrain system for increased work and leisure travel.

Ridership in the Past Year

Average Weekday Ridership

Total Monthly Ridership



Since April 2020, ridership estimates have been developed using daily conductor counts at 14 key stations and Clipper cards used at all stations due to significant impacts to ticket sales and usage patterns from the COVID-19 pandemic.





Ridership and Revenue

Special Service Ridership Report

Giants

- Thirteen regular season home games in June.
- Total additional ridership boarding and alighting at San Francisco station was 58,562.
- Year-to-date additional ridership is 144,624, a 10% decrease compared to 2022 (159,806) and a 4% increase compared to 2019 (139,262).
- *Please note, a bus bridge was in effect for the 6/10 & 6/11 games.*

Other Special Events

- SF LGBTQ+ Pride Celebrations (6/24)
 - Total additional ridership was 2,928.
 - Average ridership per train was 209, a 12% increase compared to 2022 (187).
 - Special Trains: None
- SF LGBTQ+ Pride Celebrations and Parade (6/25)
 - Total additional ridership was 9,453, a 10% decrease compared to 2022 (10,458).
 - Special Trains:
 - 3 Pre-Special Trains
 - 3 Post Special Trains



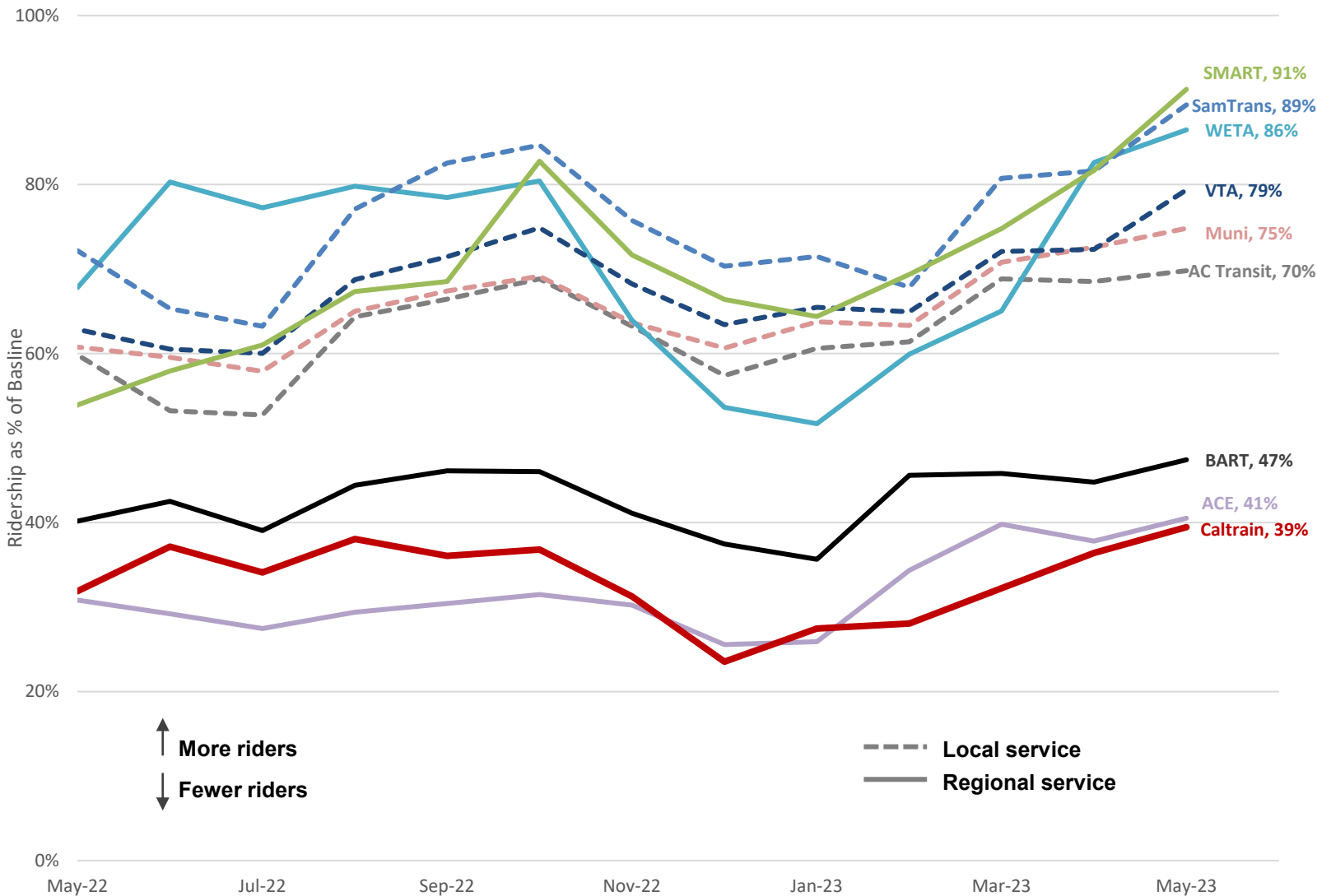


Ridership and Revenue

Public Transit Ridership Recovery in the Bay Area

The below chart represents total monthly ridership as a percentage of baseline (defined as total monthly ridership reported in February 2020).

Total Monthly Ridership as a Share of Pre-Pandemic Levels



Sources:

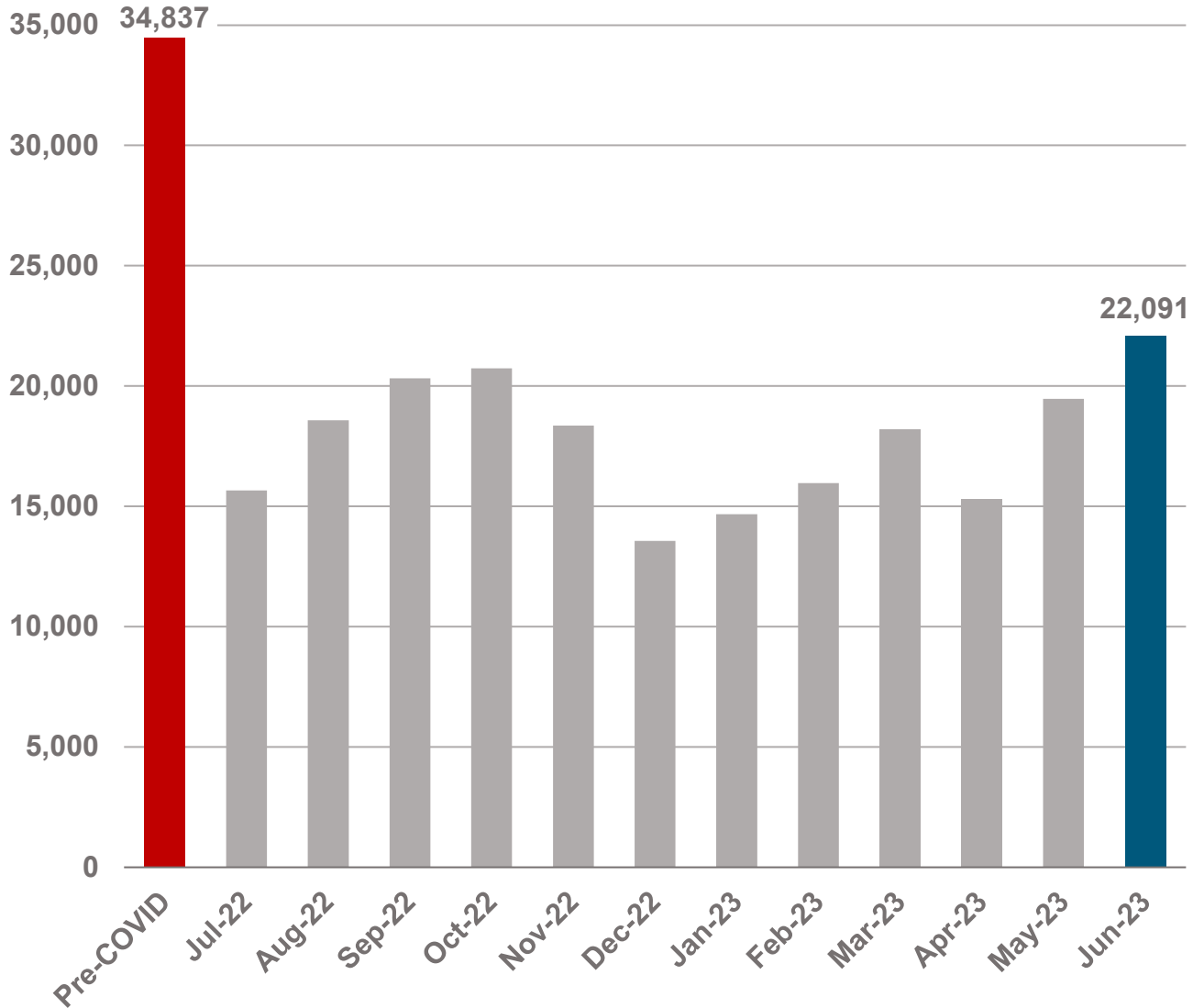
- Caltrain ridership estimates based on conductor counts & Clipper data
- Ridership data for all other agencies retrieved from the National Transit Database





Ridership and Revenue

Monthly BART Transfers at Millbrae in the Past Year



BART Transfers at Millbrae represents the total number of BART-to-Caltrain and Caltrain-to-BART transfers, as measured by Clipper Card data.

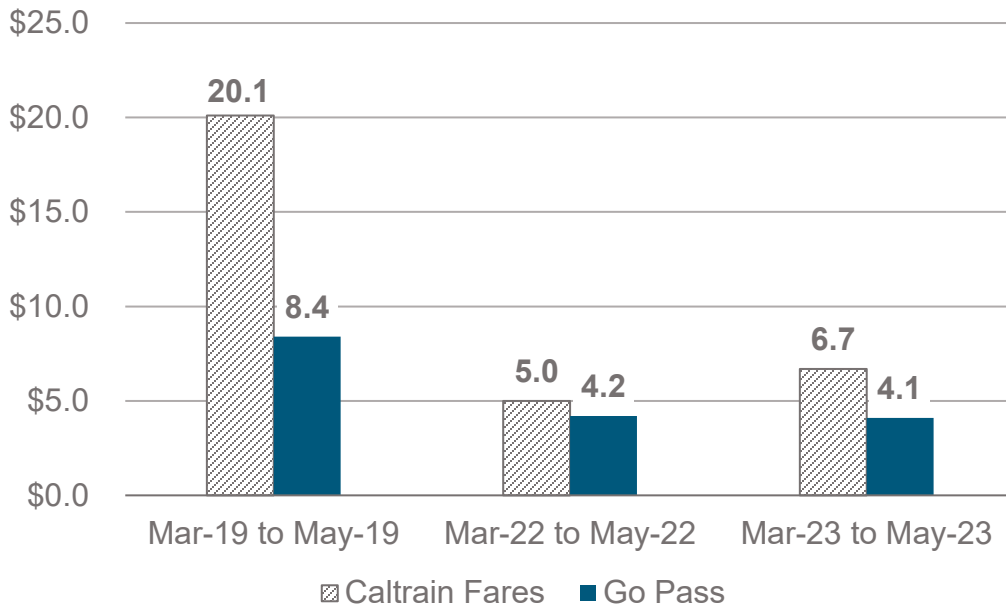
Pre-COVID data is provided for comparison purposes and represents average monthly transfers during the one-year period from March 2019 to February 2020.





Ridership and Revenue

Total Fare Revenues (\$M) - Past 3 Months Comparison

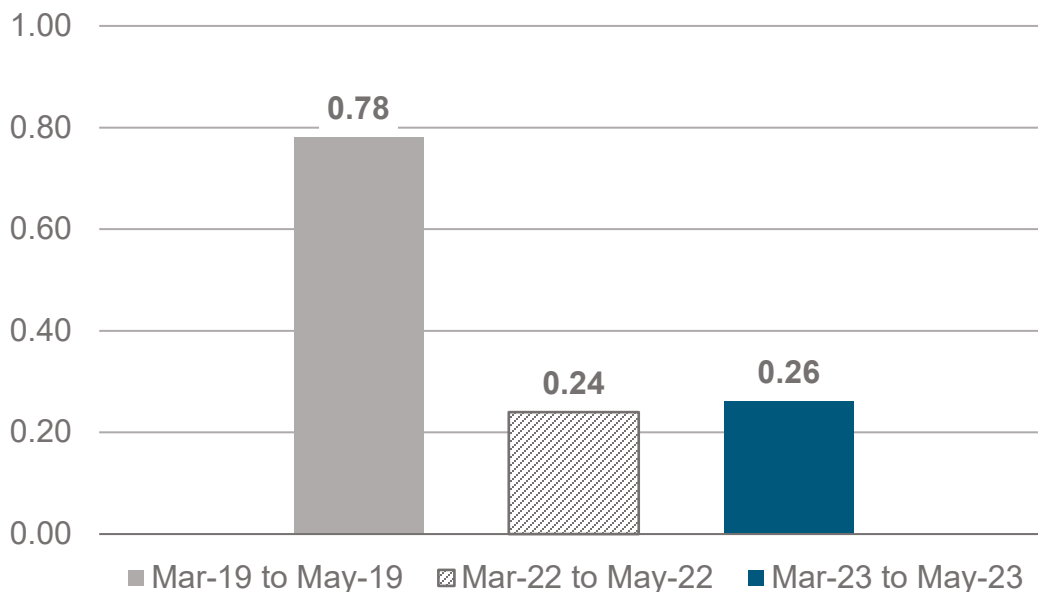


Note: June financials are not yet available due to ongoing year end close out activities for FY 2023.

Fare revenue comes in the form of one-way tickets, daily or monthly passes (“Caltrain Fares”), and the Go Pass program.

Fare revenue is generally more stable than ridership due to many riders paying for monthly passes, which provide consistent revenue regardless of usage.

Farebox Recovery Ratio (3-Month Rolling Average)



Note: June financials are not yet available due to ongoing year end close out activities for FY 2023.

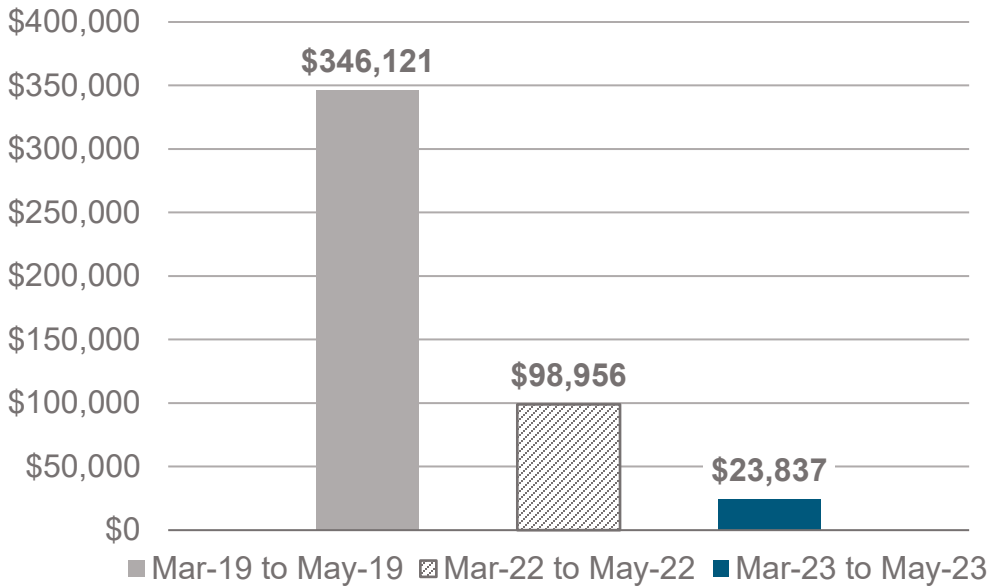
Farebox Recovery Ratio represents how much of the cost of providing service is covered by customer fares. A higher ratio indicates that a greater share of costs are covered by riders.





Ridership and Revenue

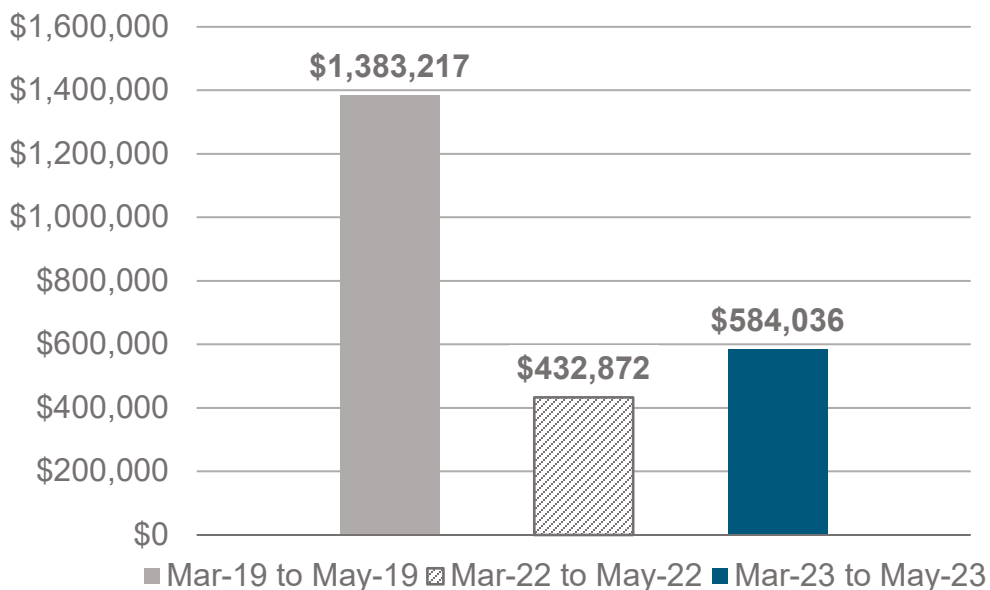
Advertising Revenue (3-Month Rolling Average)



Advertising Revenue declined substantially for transit agencies throughout the country with the onset of the COVID-19 pandemic.

Note: June financials are not yet available due to ongoing year end close out activities for FY 2023.

Parking Revenue (3-Month Rolling Average)



Parking Revenue is generated by purchases of daily and monthly parking permits for parking at Caltrain-owned lots.

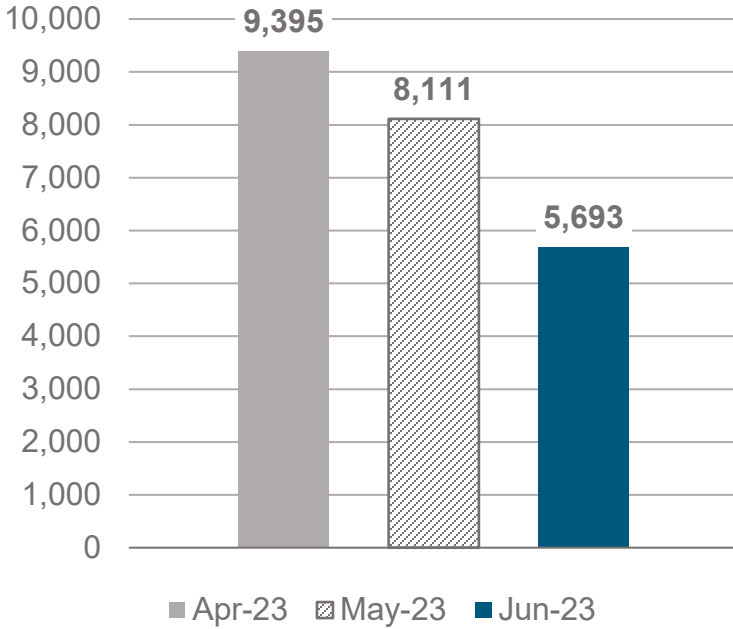
Note: June financials are not yet available due to ongoing year end close out activities for FY 2023.





Maintenance Performance

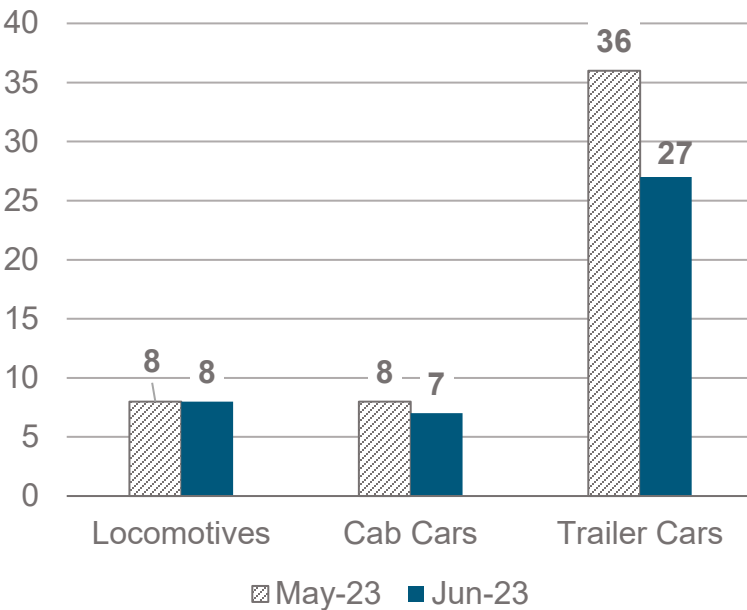
Mean Distance Between Failure (Locomotives)



Mean Distance Between Failure (MDBF) is a measure of fleet reliability that represents the average distance traveled by train cars before maintenance or repair is required. A higher value indicates an improvement in reliability. Data is measured in miles.

The graph to the left represents MDBF for all passenger locomotives in Caltrain’s fleet.

Equipment in Maintenance/Repair



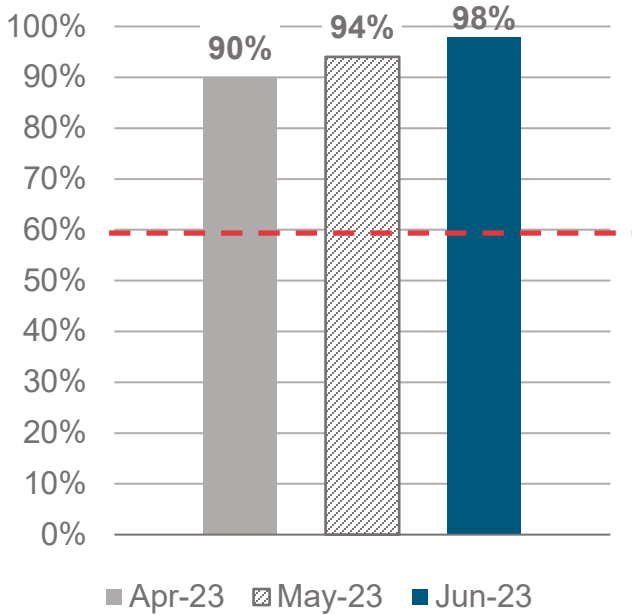
Equipment in Maintenance/Repair represents the number of locomotives and cars that are out of service on an average day each month due to routine and preventative maintenance or other repairs.





Maintenance Performance

Equipment Availability (Locomotives)

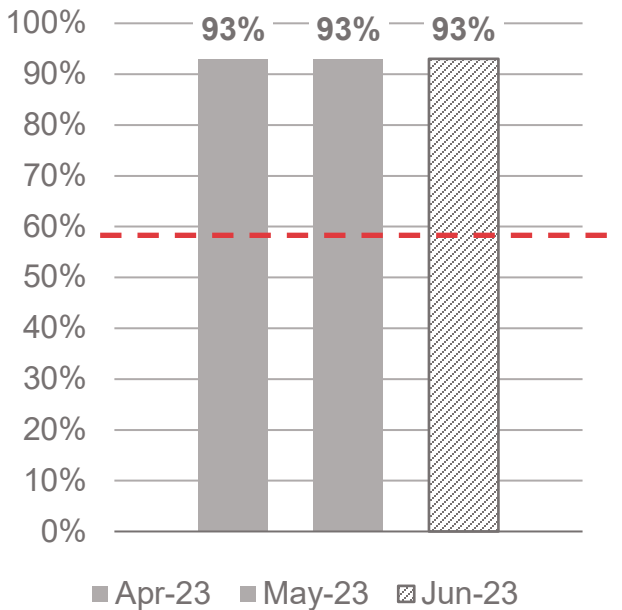


Equipment Availability is the number of cars or locomotives available for service on an average day each month as a percentage of the daily equipment required to run base service.

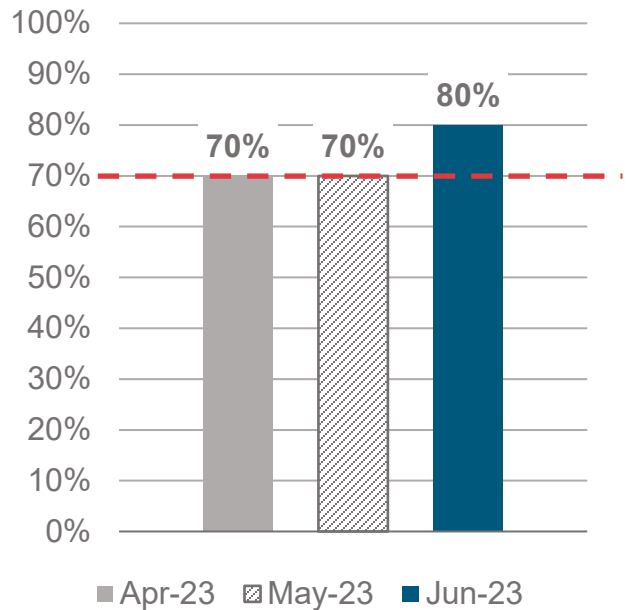
Caltrain currently owns 29 passenger locomotives, with 18 required daily; 36 cab cars, with 21 required daily; and 98 trailer cars, with 69 required daily.

The high average age of Caltrain’s current fleet, with around two-thirds being at the end of its useful life, significantly affects availability.

Equipment Availability (Cab Cars)



Equipment Availability (Trailer Cars)



Note: The dotted red line (- - -) on each graph represents the target line (i.e., the percentage of each equipment type required to run base service on an average weekday).





Service and Program Updates

Temporary Service Reductions for Electrification Construction

Caltrain most recently suspended weekend service between Hillsdale and Palo Alto stations on July 15-16 and July 22-23 in order to accommodate Caltrain Electrification construction and testing. These were the 15th and 16th of approximately 30 weekends in 2023 during which service will be adjusted. Bus bridges remain available to transport customers through the affected areas.

From August 7-25 Caltrain will run reduced weekday service of 90 trains per day and no Baby Bullet trips in order to accommodate further construction.

CalSTA Delivers \$350 Million in Grade Separation Funding

The California State Transportation Agency (CalSTA) announced \$350 million in grade separation funding on July 5, which will help to pay for projects along the Caltrain corridor in Burlingame, Palo Alto and Mountain View.

Caltrain Delays Fare Increases

Caltrain has extended the 20% monthly pass discount through the end of calendar year 2023 to encourage more riders to return to the system. The agency has also implemented a promotional fare discount to keep fares at their current levels until December 31, 2023. A new recommended fare structure will be presented for adoption at the September Board meeting, following public outreach that will be held in August 2023.

Summer of Caltrain Continues

From June 1 through August 31, we are celebrating the “Summer of Caltrain” by offering a variety of customer appreciation activities on board and at stations. An event calendar is available at www.Caltrain.com/summer.





Communications and Marketing Update

Caltrain Communications and Marketing Campaigns for June 2023

- Press Release: "Caltrain Runs Weekend Schedule and Special SF Fireworks Service on July 4"
- Press Release: "Caltrain to Run Chartered 'Quakes Train' in Addition to Regular Service for the California Clasico"
- Press Release: "Caltrain Delays Fare Increases"
- Press Release: "Ride Caltrain to SF Pride Parade & Celebration"
- Press Release: "Electric Trains Running on Caltrain Corridor for the First Time in 160 Year History"
- Press Release: "Caltrain Suspends Train Service Between San Francisco and Millbrae on Weekends for Electrification Construction"
- Press Release: "Caltrain Board of Directors Approves Budgets for FY2024 and FY2025"
- Weekend Service Change
- Clipper Mobile (ongoing)
- 20% Off Caltrain Monthly Pass (ongoing)
- Clipper Start (ongoing)

Digital Communications Report

In June, our messaging shifted away from weekend closures and instead emphasized notable events such as the Summer of Caltrain Campaign, Electrification announcements, and Pride Month. Construction shutdowns continued between Millbrae and San Francisco. This service change has affected all aspects of our communication channels, including social media, websites, mobile apps, and more. We are pleased to receive positive feedback regarding the frequency and effectiveness of our communications. An important milestone was achieved with the successful operation of trains under their own power during various test runs. Furthermore, we launched the Summer of Caltrain Campaign, which will continue until August. This campaign employs both digital and onsite interactions to engage with our valued riders.





Communications and Marketing Update

June Digital Marketing Highlights

- Pride Month
- Summer of Caltrain Campaign
- Customer Appreciation Day
- Solo Violinist at 4th and King
- Weeklong Caltrain Giveaway
- San Mateo County Fair
- Weekend Closures
- Pride Day Celebration at 4th and King
- Public Train Tour was announced
- South Santa Clara County Survey
- Caltrain extended 20% off discount
- Caltrain partnered with SJ Earthquakes for chartered train for the Cali Clasico

June Caltrain Web Numbers

- Page Views: 1.7M
- Sessions: 537K





Capital Projects Update

Project: Guadalupe River Bridge Replacement

Project Description	Status Summary			
	Safety	Schedule	Budget	Funding
JPB will replace the MT-1 railroad bridge and extend and seismically retrofit the MT-2 railroad bridge over the Guadalupe River in the City of San Jose, Santa Clara County, California. The project is located just north of Willow Street and east of State Route (SR) 87 between the Tamien and San Jose Diridon stations.	●	●	●	●

Project Phase: 6 – Construction/Implementation

Project Costs (in thousands of dollars)				Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals	
Totals	63,699	20,031	17,050	02/16/25
Percentages	100.00%	31.4%	26.8%	

Project Highlights – Recent and Upcoming Work

Construction activities in the month of June 2023 included the installation of sheet piling, the completion of all necessary demolition of MT2 foundations, the commencement of construction of 7-foot diameter cast-in-drilled-hole pile foundations for MT2, and the installation of a temporary river diversion system.

In July 2023, JPB anticipates the relocation of any fish on the project site, dewatering of the river, continuation of MT2 foundation construction, and the construction of piers 5 and 6.

Funding status light yellow until planned FY25 funding appropriated by the Board in May 2024 is activated. Schedule status light yellow from mutual agreement with Contractor to delay NTP seven days plus recent challenges with bridge demolition, drilling, and installation of temporary river diversion system.

Note: The Capital Projects information is current as of June 30, 2023, and is subject to change prior to the August 2023 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red





Capital Projects Update

Project: Ticket Vending Machine (TVM) Upgrade

Project Description	Status Summary			
	Safety	Schedule	Budget	Funding
This project will upgrade the existing TVM Server and retrofit and refurbish existing TVM machines to include functions planned for the Clipper program. The new machines will be able to dispense new Clipper cards (excluding discount Clipper cards that require verification of eligibility) and allow customers to add value to existing Clipper cards. In addition, the scope was increased to include upgrades to the credit card reader and database.	●	●	●	●
Project Phase: 6 - Construction/Implementation				
Project Costs (in thousands of dollars)				Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals	
Totals	3,892	2,994	2,944	10/31/23
Percentages	100.00%	76.9%	75.6%	
Project Highlights – Recent and Upcoming Work				
<p>The vendor Ventek is procuring all the materials for the final phase of the TVM upgrade program. Begin Phase 5, the final phase to upgrade the remaining 27 TVMs at the stations.</p> <p>Management Committee evaluated a potential Change Order that would have extended the project schedule.</p> <p>Added scope not approved. Yellow status light to be updated for next report.</p>				

Note: The Capital Projects information is current as of June 30, 2023, and is subject to change prior to the August 2023 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red





Capital Projects Update

Project: Broadband Wireless Communications

Project Description	Status Summary			
	Safety	Schedule	Budget	Funding
The project will design a broadband wireless communications system along the Caltrain corridor for the wayside train maintenance diagnostics and passenger Wi-Fi service. The project will investigate leveraging the existing infrastructure such as the Overhead Contact System (OCS) poles and JPB fiber network to communicate with passing trains. Wayside antennas may be mounted on the OCS poles at a constant interval to communicate with moving trains that will be equipped with radios and antennas.	●	●	●	●
Project Phase: 6 – Construction/Implementation				
Project Costs (in thousands of dollars)				Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals	
Totals	28,820	12,156	7,981	
Percentages	100.00%	42.2%	27.7%	9/30/24
Project Highlights – Recent and Upcoming Work				
<p>Held bi-weekly meetings with the contractor Nomad Digital. Received the Intermediate design package and provided comments to the contractor Nomad Digital. Continued discussions to Stadler to support the Broadband project and the installation of the Wi-Fi equipment in the EMU.</p> <p>Receive the final design package.</p>				

Note: The Capital Projects information is current as of June 30, 2023, and is subject to change prior to the August 2023 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red





Capital Projects Update

Project: MP-36 Locomotive Mid-Life Overhaul Project

Project Description	Status Summary			
	Safety	Schedule	Budget	Funding
<p>This project involves performing mid-life overhaul of six MP-36-3C Locomotives. The mid-life overhaul includes complete disassembly of the main diesel engine, overhauling by reconditioning re-usable main frame components and re-assembly with new engine components and replacement of Separate Head-End Power (SEP-HEP) unit and all electrical components of the SEP-HEP compartment. All areas of the locomotive car body, trucks, wheels and electrical components shall be reconditioned to like-new condition or replaced with new material. The project work is occurring off-site at the contractor's facility location. The 6 locomotives to be overhauled are Locomotive #'s 923, 924, 925, 926, 927 & 928. In order to maintain daily service, only 1 to 2 of these locomotives are released at a time for overhaul work that is expected to take approximately 8 months per locomotive. Due to this restriction, the overall completion of this work is expected to take approximately 4 years.</p>	●	●	●	●
Project Phase: 6 – Construction/Implementation				
Project Costs (in thousands of dollars)				Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals	
Totals	14,833	12,699	7,264	
Percentages	100%	85.6%	49.0%	10/30/24
Project Highlights – Recent and Upcoming Work				
<p>Unit 924 had some reliability issues in May and June, which now may be resolved. Loco only ran limited days in revenue service. Repair of Aux Gen has proven effective. Unit 925 is at Mare Island. Accident repairs due to jack failure causing locomotive to drop. Repairs are underway at contractor cost. Traction motors and air compressor are on-site for installation. Unit 926 is 65% complete and progressing.</p> <p>Inspect 925 damage due to jack failure. Ship after repairs are complete and traction motors are installed. Inspect 926 progress.</p>				

Note: The Capital Projects information is current as of June 30, 2023, and is subject to change prior to the August 2023 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red





Capital Projects Update

Project: Bayshore Station Bridge Painting

Project Description	Status Summary			
	Safety	Schedule	Budget	Funding
This project will perform rehabilitation of the coatings of the existing steel pedestrian overpass bridge at the Bayshore Station in Brisbane. The bridge's paint coatings need rehabilitation due to surface rust. This work combined with a complete repainting of the bridge will bring the structure to a state of good repair.	●	●	●	●

Project Phase: 6 – Construction/Implementation

Project Costs (in thousands of dollars)				Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals	
Totals	6,870	4,388	4,256	09/29/23
Percentages	100.00%	63.9%	61.9%	

Project Highlights – Recent and Upcoming Work

Continued to work with the Construction Management team to prepare and conduct weekly meetings with the Contractor Top Line Engineers. Continued to work with the Contractor in submitting a time impact analysis of the delays of the project in order to determine the extent of delays caused by the Owner or Contractor. Continued to work with PCEP team to identify OCS schedule to better align with the Bayshore Painting operations. Continued to work with the Contractor Top Line Engineers to expedite the painting operations at both the East and West Towers. Worked with Grants and Project Controls Team to identify remaining LPP matching funds.

Continue to work with Project Controls staff in updating the Work Plan.

Note: The Capital Projects information is current as of June 30, 2023, and is subject to change prior to the August 2023 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red





Capital Projects Update

Project: Watkins Ave Grade Crossing Safety Improvements

Project Description	Status Summary			
	Safety	Schedule	Budget	Funding
<p>The scope intended for this Project would include safety improvements at Watkins Ave include the following:</p> <ol style="list-style-type: none"> 1. Installation of quad or exit gates 2. Installation of new pedestrian gates 3. Pavement markers and markings 4. Sidewalk improvements including guard railing and fencing 5. Installation of new sidewalk lighting 6. Contribute to the Atherton station site improvements done by the Town of Atherton. 	●	●	●	●
Project Phase: 6 – Construction/Implementation				
Project Costs (in thousands of dollars)				Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals	
Totals	4,161	2,494	1,242	01/31/2024
Percentages	100.00%	85.6%	29.8%	
Project Highlights – Recent and Upcoming Work				
<p>Held weekly construction meeting with the Contractor Granite Rock. The contractor installed the retaining walls and concrete track panels.</p> <p>Finish construction and obtain substantial completion.</p>				

Note: The Capital Projects information is current as of June 30, 2023, and is subject to change prior to the August 2023 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red



Acknowledgements

This report is made possible by contributions from the following groups and individuals.

Caltrain Planning

Dahlia Chazan, Deputy Chief
Ted Burgwyn, Director, Rail Network and Operations Planning

Communications Division

Robert Casumbal, Director, Marketing & Research
Jeremy Lipps, Digital Communications Manager
Julian Jest, Manager, Market Research & Development

Finance Administration

Ryan Hinchman, Director, Financial Planning & Analysis
Bruce Thompson, Manager, Fare Program Operations
Dapri Hong, Budget Analyst III

Rail Administration / Rail Operations & Maintenance

John Hogan, Chief Operating Officer
Patrice Givens, Administrative Analyst II
Graham Rogers, Business Operations Project Manager
Sam Sargent, Director, Strategy & Policy
Henry Flores, Deputy Director, Rail Vehicle Maintenance
Vivek Nawani, Intern

Rail Development

Rob Barnard, Deputy Chief
Andy Robbins, Director Capital Program Delivery
Jonathan Tillman, Director Capital Programs Management
Robert Cheung, Project Controls Deputy Director
Sowmya Karipe, Project Controls Specialist

Additional Support

Caltrain Staff Coordinating Council
Don Esse, Senior Operations Financial Analyst
Margie Alexander, TASI
Sarah Doggett, MTC



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

Draft Minutes of June 1, 2023

Members Present: P. Burt, R. Mueller, R. Medina, S. Heminger, S. Walton, M. Zmuda,
D. Davis, J. Gee

Members Absent: C. Chavez

Staff Present: M. Bouchard, J. Harrison, T. Bartholomew, S. Bullock, C. Fromson,
K. Kelly, D. Seamans, M. Tseng

1. Call to Order / Pledge of Allegiance

Chair Jeff Gee called the meeting to order at 9:00 am and Director Heminger led the pledge of allegiance.

2. Roll Call

District Secretary, Dora Seamans, confirmed there was a Board quorum present.

3. Consideration of requests, if any, of Directors to participate remotely due to Emergency Circumstances – There were no requests made.

4. Closed Session Conference: Public Employee Performance Evaluation (Gov. Code § 54957(b)(1)) Title: Executive Director

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

Chair Gee stated there were no reportable actions.

*The Board convened in closed session at 9:01 am
The Board reconvened in regular session at 10:00 am*

6. Public Comment for Items Not on the Agenda

Jeff Carter commented on adjusting the length of trains during special events, observed train 237 was standing room only on Memorial Day, and mentioned the Pride Parade occurring later in the month.

Doug Delong, Mountain View resident, commented on the appearance of the joint Zoom meeting locations and improving the video.

Aleta Dupree commented on the electrification infrastructure at Fourth and King station and referenced her experience with riding Capital Corridor and their open payment pilot program.

Adina Levin, Friends of Caltrain and Seamless Bay Area, commented on the open payment feature with Clipper 2.0 to be released next year, opportunity to dovetail with promotion of electric trains, and promotional signage for airport riders.

7. Report of the Executive Director

Ms. Bouchard's report included the following:

- Strengthening the safety culture with the core value of "Safety First and Always"; Executive Safety Committee to develop health and safety policies
- Provide more KPIs (key performance indicators) in safety reporting to be included in Executive Director's report and work on expanding the foul zone of the railroad
- Summer of Caltrain - three-month promotion for rider appreciation and to promote ridership
- Requested APTA (American Public Transportation Association) for external expertise and peer review around rail activation readiness
- Rolled back June's planned fare increase for six months

Ms. Bouchard introduced Leo Quinn, Chief Executive Officer (CEO) for Balfour Beatty Infrastructure, Inc. Chair Gee welcomed Mr. Quinn and noted he will join in person in June.

Mr. Quinn commented on being intimately involved with the project, supported Ms. Bouchard's comments on safety as a priority, and provided assurance around the project schedule.

The Board members thanked Mr. Quinn and his team for reviewing previous Board meeting videos concerning the project and bringing the project back on track. Mr. Quinn mentioned arriving in person on June 13 to review work.

8. Consent Calendar

8.a. Meeting Minutes of May 4, 2023

8.b. Capital Projects Quarterly Status Report – 3rd Quarter Fiscal Year 2023 Robert Barnard

8.c. Authorize the Executive Director to Execute a Service Agreement (Agreement) with the City of Palo Alto for Activities Undertaken in Support of the Connecting Palo Alto Project* - *Approved by Resolution 2023-36*

8.d. Accept Statement of Revenues and Expenses for the Period Ending April 30, 2023

8.e. Adoption of Revisions to the JPB Procurement Policy - *Approved by Resolution 2023-37*

8.f. Renew Findings of an Emergency Regarding the North Channel Embankment of the San Francisquito Creek Bridge Due to Erosion Pursuant to Public Contract Code §22050* - *Approved by Resolution 2023-38*

8.g. Approve Exclusive Negotiating Agreement and Agreement for Comprehensive Planning and Exchange of Easements with IQHQ at the South San Francisco Caltrain Station* - *Approved by Resolution 2023-39*

8.h. Authorization of the Application for and Receipt of Annual Cap and Trade Funding for Ridership Recovery Service Enhancement - *Approved by Resolution 2023-40*

- 8.i. Authorize Execution of Contracts and Amendments for Information Technology Licenses, Maintenance Services and Professional Services, and Technology-Related Products and Services Through Piggyback Contracts and Cooperative Purchasing Programs* - *Approved by Resolution 2023-41*
- 8.j. State and Federal Legislative Update and Approval of Legislative Proposal: Support AB 557 (Hart) and Support AB 1377 (Friedman)
- 8.k. Authorize Execution of Agreement with San Mateo County Transit District in Connection with Bus Bridge Services for the Caltrain Peninsula Corridor Electrification Project (PCEP) 2023 Weekend Closures** - *Approved by Resolution 2023-42*

James Harrison, Legal Counsel, noted that the three Caltrain Board Directors are also on the SamTrans Board, and therefore, disclosed non-interest for the purposes of conflict-of-interest law and noted that these Board Directors are eligible to vote on item 8.k.

Motion/Second: Davis/Walton

Ayes: Burt, Heminger, Medina, Mueller, Walton, Zmuda, Davis, Gee

Noes: None

Absent: Chavez

9. **Recognizing Lesbian, Gay, Bisexual, Transgender and Queer Pride Month and Reaffirming a Commitment to Diversity, Equity, Access, and Inclusion** - *Approved by Resolution 2023-43*

Tasha Bartholomew, Media Relations Manager, provided highlights from the resolution that included the following:

- Chalk muralist to work on Pride mural at Fourth and King Street Plaza in San Francisco
- Caltrain to advance equity, diversity, and inclusion in its policies, programs, and practices

Public comment

Jeff Carter noted Pride Parade at the end of the month, referenced last year's event where Millbrae station parking lot was filled, and commented on a presential candidate, Ron DeSantis.

Aleta Dupree commented on the importance in full inclusion and expressed full support.

Director Gee asked for the date of chalk art. Ms. Bartholomew responded that work should begin before the Pride Parade, and she will notify Board with exact date.

Motion/Second: Zmuda/Davis

Ayes: Burt, Heminger, Medina, Mueller, Walton, Zmuda, Davis, Gee

Noes: None

Absent: Chavez

10. Approval of Revised Settlement Authority Policy for General Liability Claims - Approved by Resolution 2023-44

James Harrison, Legal Counsel, provided the presentation on the recommendation that was referred from the Caltrain Finance Committee, which included the following:

- Background, current policy limits, and revised to \$100,000 to align with SamTrans settlement authority
- Proposed changes – authorize Executive Director (ED) to settle claims up to \$100,000

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

- Reasoning for proposal to exempt the Executive Director, Chief Financial Officer, and General Counsel
- Clarify when individuals are named in any claims and reason to keep current limit as is

Motion/Second: Zmuda/Davis

Ayes: Burt, Heminger, Medina, Mueller, Walton, Zmuda, Gee

Noes: Davis

Absent: Chavez

11. Adopt Fiscal Year 2024 and Fiscal Year 2025 Proposed Operating and Capital Budgets - Approved by Resolution 2023-45

Michelle Bouchard thanked and introduced Kathleen Kelly, interim Chief Financial Officer, for her service since this would be her last Board meeting. Ms. Kelly provided the presentation, which included the following:

- Main change since the May Board meeting was policy-wise for half a million dollars in revenue from VTA (Santa Clara Valley Transportation Authority) to cover the cost of the fourth train to Gilroy and Measure RR funds needs decreased for FY (fiscal year) 2025
- Farebox and parking revenues and GoPass in FY2023 stayed high
- FY 2025 Farebox revenue trend up with GoPass revenue as a significant source
- Parking revenue trend upwards as with fare revenue and looking at strategies
- FY2024 and FY2025 Expenses – administrative cost changes due to ten new FTE (full-time equivalent) on operating side related to planning, electrification, and safety and system engineering support
- Capital budget requests focused on capital expense requests, current unprogrammed balances for reprioritization, and capital commitments from all three funding partners for \$5 million dollars and prioritize programs to match available funding
- Projected funding sources – three-member agency contributions confirmed
- Capital Reserve Policy and proposal for Capital Endowment Fund to go to the Board in future

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

- Differences in costs between fuel and electricity and securing the best electrical rates
- Timing for review of the reserves for capital projects and operations and capital endowment plan proposals
- Two-year budget balanced and ability to contribute to reserves, capital deferment to achieve balancing, and potential future consequences
- Use of Measure RR funds operating expenses, proposal for Capital Endowment Funds, and CIP (Capital Improvement Plan) development
- Need for the State Legislature to take concerns of current financial conditions seriously and the need for funding for state of good repair

Public comment

Jeff Carter reiterated PG&E (Pacific Gas and Electric Company) rates are high, recommended exploring SFPUC (San Francisco Public Utilities Commission) for electricity service, and commented on the importance of state of good repair.

Aleta Dupree spoke in support of Measure RR funding and possible funding from the State and referenced the City of New York electricity funding for their transportation system.

Adina Levin expressed appreciation for a two-year balanced budget, three counties providing capital funding, 22nd Street project not included in list, and concern for the use of Measure RR funds for the operating budget.

Adrian Brandt commented on level boarding, high electricity costs, new trains have regenerative braking, and fare study to get distanced base equitable fares.

Motion/Second: Heminger/Walton

Ayes: Burt, Heminger, Medina, Mueller, Walton, Zmuda, Davis, Gee

Noes: None

Absent: Chavez

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

Sherry Bullock, Program Director of CalMod Program, provided the presentation which included the following:

- Project highlights – project eleven months for completion, findings for short circuit tests, safety and security update, project contingency, and shared risk pool
- Top Risks – increased crew size for wiring crew, subcontractor onsite to increase regulation work, and focusing on traction power

Casey Fromson, Chief Communications Officer, presented on the following:

- Current and future weekend shutdowns August through December and regular service other weekends with big events including the Bay to Breakers
- Communication to public on what to expect
- Public electric train tour at Diridon Station on July 29th with additional tours in Fall 2023

Keith McCoy, Senior Vice President of Operations and Program Director, Balfour Beatty Infrastructure Inc. (BBII), presented on the following:

- May highlights – working on solutions together and June targets and focus areas
- OCS (Overhead Catenary System) progress - at 104 percent of overall plan; OCS interim milestone management; TPS interim milestone management and being accountable

The Board clarified with staff that assessments will be made for having longer trains when there are large events (such as Giants games, expressed appreciation for the updates, and looked forward to a future in person meeting with the BBI CEO on June 13th.

Public comment

Aleta Dupree commented on the remaining eleven poles to complete and referenced BART (Bay Area Rapid Transit) buying electricity in open market.

Adrian Brandt expressed support for the prior speaker's comment on checking with BART for their electricity purchases. He also commented on the wireless crossing optimization system and two-speed check activation increased downed gate times.

Doug DeLong expressed appreciation for the details on short circuit testing.

Adina levin commented on the construction progress and the procurement and installation of software for electronic schedule communication, such as in google maps, to riders.

The Board members had a discussion and staff provided further clarification in response to the following Board comments and questions regarding the regulation status in OCS progress since the last meeting and reviewing state of construction on June 13th.

13. Update on Implementation of Governance Memorandum of Understanding (MOU)

James Harrison, Legal Counsel, provided the presentation which included the following:

- Background, MOU Terms (appointment of its own Executive Director, five new direct reports and managing agency role), and negotiated shared services agreement
- MTC
- Timeline for negotiation of amendments, ongoing discussions, indemnification, and Managing Agency role to support JPB through partial or fully shared services
- MOU terms included the following:
 - MTC (Metropolitan Transportation Commission) has paid \$12.6 million to the SMCTD (San Mateo County Transit District) and has allocated the remaining \$7 million for payment expected this summer (for a total \$19.6 million)
 - City/County of San Francisco (CCSF) and VTA to compensate SMCTD for \$15.2 million for its initial investment by August 4th
 - Revision of the RPOA (real property ownership agreement) – parties to continue efforts to reach agreement
 - Shared Services Agreement – parties have been meeting to discuss terms

- Authority of Caltrain ED (Executive Director) has authority over Rail Division employment decisions subject to compliance with SMCTD's policies

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

- Codify the MOU through supplement to SamTrans employment policies so the role of Executive Director over the rail division and employees are spelled out
- Clarification of two triggers – MTC's payment triggers the presentation of a revised real property ownership agreement

Public comment

Aleta Dupree referenced BART, Metrolink, and a JPA (joint powers authority) regarding managing agencies and wants SamTrans and Caltrain to work together to implement the MOU.

Director Walton left at 11:34 am

14. Reports

14.a. Report of the Citizens Advisory Committee

Brian Shaw, Chair, provided an update on CAC discussions regarding:

- Three positions open for reappointment or new member(s)
- Distanced based fares – understand staff's position and the equity point to make it more accessible for low-income and minority riders
- Customer issues at Bayshore Station with inconsistent messaging on where to get off trains, riders being overcharged, and need for printed schedules
- Impacts of tree removals during storms
- PG&E (Pacific Gas and Electric Company) electricity sourcing
- Fare enforcement update - data needed to understand patterns and effectiveness of the process, revenue from citations and transit, and police response times
- Cameras at crossings with intrusion detection would notify police but would not stop intruders climbing through holes in the fence
- For June, update on whistle microphones, two-speed checks, and corridor crossing strategies

14.b. Report of the Chair

Chair Gee provided the following updates:

- Ongoing talks with BART (Bay Area Rapid Transit) on the 20-minute frequency schedule change
- Quality of life issues affecting transit properties and request for future update

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

Director Burt provided an update on LPMG discussions, which included the following:

- The May in-person workshop was highly valued by participants, focused on corridor-wide crossing strategy; they broke up into working groups based on geography and discussion included sharing different experiences, priorities/challenges for grade separations, and problem solving
- LPMG as a vehicle to help cities understand how to drive ridership and how to include cities and towns that may not physically touch corridor to hear their voices and interests too

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

Chair Gee reported on the following:

- Budget completed and he thanked member agencies for their financial contributions
- Chair of TJPA appointed an ad hoc committee to assist their Executive Director on the Master Cooperative Agreement

Vice Chair Davis left at 12:15 pm

Director Burt commented on level boarding, its effects on performance, and suggested further Board consideration due to its impact on system-wide performance.

Public comment

Adina Levin commented on level boarding, the Downtown Extension Portal project, TJPA update, and advocacy at the state level for fiscal gap funding for operational challenges.

Adrian Brandt commented on the level crossing strategy and including train horn quiet zones as part of that strategy since that is a benefit of grade separations.

Aleta Dupree commented on level boarding, referenced experience riding Capital Corridor, and spoke in support of more accessibility for those with mobility challenges.

Jeff Carter cited example with a bridge at Candlestick Park with stairs at the end that slowed people down. He noted that when a ramp was installed, it easier and quicker without people having to step up or down and similar to level boarding.

15. Correspondence

Chair Gee noted the correspondence was available online.

16. Board Member Requests

There were no Board Member requests.

17. Date/Time of Next Regular Meeting: Thursday, August 3, 2023 at 9:00 am.

18. Adjourn

Meeting adjourned at 12:21 pm

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Joint Powers Board
Through: Michelle Bouchard, Executive Director
From: Dora Seamans, JPB Secretary
Subject: **Appointment of the Citizens Advisory Committee Representative and Alternate**

<input type="checkbox"/> Staff Coordinating Council Reviewed	<input type="checkbox"/> Finance Committee Recommendation	<input type="checkbox"/> Technology, Operations, Planning, and Safety Committee Recommendation	<input type="checkbox"/> Advocacy and Major Projects Committee Recommendation
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Purpose and Recommended Action

The Board of Directors representing the City and County of San Francisco, recommend the following appointments/reappointments to the Joint Powers Board Citizens Advisory Committee:

- Brian Shaw, *as a regular member, representing San Francisco County to a term ending June 30, 2026*
- Rob Jacques, *as an alternate member, representing San Francisco County to a term ending June 30, 2026*

Discussion

The CAC Bylaws state:

1. Article 1 – Membership, Section 1: As prescribed by the Peninsula Corridor Joint Powers Board (“JPB” or “Board”), the Citizens Advisory Committee (“CAC” or “Committee”) shall consist of nine (9) members, three appointed from each constituent county (San Francisco County, San Mateo County, Santa Clara County). Each county will select its county committee members and the JPB will affirm these appointments. CAC members should reflect the demographics of Caltrain riders. The Citizens Advisory Committee shall act in an advisory capacity to the JPB. Its activities shall include seeking the views of various groups of users and potential users of Caltrain and ancillary transit facilities; develop proposals and recommendations for meeting the needs of the various groups; reviewing and commenting on staff proposals and actions as requested by the JPB; and assisting the JPB in any matter which the Board may deem appropriate.
2. Article 1 – Membership, Section 2: CAC members shall serve three (3) year terms.

Budget Impact

There is no impact on the budget.

Prepared By:	Dora Seamans	Executive Officer/District Secretary/JPB Secretary	650-508-6242
	Margaret Tseng	Deputy District Secretary/Deputy District Secretary	650-551-6108

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Finance Committee Name
Through: Michelle Bouchard, Executive Director
From: Robert Barnard, Deputy Chief, Caltrain Design & Construction
Subject: **Renew Findings of an Emergency Regarding the North Channel Embankment of the San Francisquito Creek Bridge Due to Erosion Pursuant to Public Contract Code §22050**



Staff Coordinating
Council Reviewed



Finance
Committee
Recommendation



Technology,
Operations, Planning,
and Safety Committee
Recommendation



Advocacy and
Major Projects
Committee
Recommendation

Purpose and Recommended Action

Staff recommends that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB):

1. Renew findings previously adopted by the Board pursuant to California Public Contract Code section 22050(c)(2) (Resolution No. 2023-19) on March 29, 2023, and renewed at its subsequent meetings on May 4, 2023 (Resolution 2023-23) and June 1, 2023 (Resolution 2023-38), that an emergency exists at the north channel embankment of the San Francisquito Creek Bridge due to erosion and scouring caused by recent winter storms; that this emergency does not permit a delay resulting from a formal solicitation for bids, and that immediate action is necessary to respond to the emergency; and
2. Continue to authorize emergency repairs of the north channel embankment of the San Francisquito Creek Bridge;
3. Delegate authority to approve all plans and/or designs with regard to the emergency repairs to the Executive Director, or designee; and
4. Authorize the Executive Director, or designee, to take all other actions required to respond to said emergency.

Discussion

Background: The JPB owns and maintains the San Francisquito Creek Bridge, which is located in Palo Alto between Control Points Alma (29.98) and Mayfield (33.50). In early January 2023, after a week of heavy rain, Caltrain Engineering staff inspected the Bridge and discovered that storms had eroded the soil on the creek bank supporting the northern abutment of the Bridge. Further investigation showed that additional erosion resulting from future storms could undermine the abutment, bridge, and tracks.

Conditions Warranting an Emergency Declaration: The time required to obtain competitive bids would unduly delay the JPB's ability to make emergency repairs to these essential facilities, and given the erosion, the need for emergency actions cannot be delayed. The schedule for (1) preparing a design, (2) issuing an invitation for bids, (3) receiving proposals, (4) evaluating proposals, (5) awarding and executing a contract, and (6) mobilizing a contractor does not allow for construction to occur during the creek window from 6/15/23 to 10/15/23. The JPB must therefore continue to act as expeditiously as possible to repair necessary facilities to prevent or mitigate loss or damage to life, health, property, or essential public services.

Legal Basis for Emergency Declaration: The JPB has the authority to undertake emergency repairs pursuant to California Public Contract Code section 22050, which requires that the Board, by a four-fifths vote, make findings based on substantial evidence that the emergency will not permit delay resulting from a competitive solicitation of bids, and that action is necessary to respond to the emergency. Public Contract Code section 1102 defines an emergency as "sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services." The Board made these findings at its March 29, 2023, meeting (Resolution 2023-19) and renewed these findings at its subsequent meetings on May 4, 2023 (Resolution 2023-23) and June 1, 2023 (Resolution 2023-38). Section 22050(c) requires the Board to review the emergency action at its next regularly scheduled meeting and at every subsequent regularly scheduled meeting until the action is terminated to determine that there is a need to continue the action by a four-fifths vote.

Actions Taken: To date, JPB staff has:

1. Increased frequency of visual inspections of the Bridge and conducted immediate inspections during/after a storm.
2. Prepared and issued Work Directive Proposal Request packages to retain on-call bench consultants (WSP, AECOM, Jacobs, and TRC), to assist the JPB in obtaining the required environmental permits, designing the repair, estimating the cost of the proposed work, and providing construction management services, respectively.
3. Engaged the U.S. Army Corps of Engineers, the Regional Water Quality Control Board, and the California Department of Fish and Wildlife to coordinate a unified approach to obtaining the necessary regulatory permits and approvals.
4. Received confirmation from the City of Menlo Park and the City of Palo Alto that both cities want the scope of the project to address erosion around city assets, in addition to JPB's rail bridge.
5. Produced a 15% design, draft 35% design, and final 35% design for the emergency restoration work.
6. Reduced the estimated cost of the project from \$10.4 million to \$5.3 million based on increasing clarity on the scope of the project and its design.
7. Selected Walsh Construction Company II, LLC to perform the repairs because Walsh has a crew onsite that specializes in emergency work and because of Walsh's experience on JPB in-water construction projects, such as the Guadalupe River Bridge Replacement Project.

8. Met regularly with the City of Menlo Park, the City of Palo Alto, the San Francisquito Creek Joint Powers Authority, and Stanford University to coordinate the scope of the project and jointly review iterative design updates.
9. Met at the project site with the City of Menlo Park and the City of Palo Alto to review options for construction access and management of bicycle and pedestrian traffic.
10. Prepared and distributed a draft trilateral agreement between the JPB, the City of Menlo Park, and the City of Palo Alto.

Ongoing and Future Activities:

1. As the design of the project progresses, JPB staff will obtain independent cost estimates from consultants and the contractor. Iterative comparison of these estimates will provide clarity on cost expectations and assure fair and reasonable pricing.
2. JPB will enter into a trilateral agreement with the City of Menlo Park and the City of Palo Alto to define cost sharing arrangements and other responsibilities.
3. As JPB staff simultaneously prepares the construction contract, advances the design, and pursues construction permits, JPB staff will continue to evaluate the optimal use of construction incentives in the context of the project.
4. By awarding this contract through an emergency procurement instead of a standard competitively bid process, the JPB will be able to complete the work on a timely basis in order protect public health and safety. Staff anticipate that work within the creek will be complete by October 15, 2023, and that all remaining work will be complete before the end of 2023.
5. JPB staff will report regularly to the Board regarding the status of the project.

Budget Impact

Staff intend to use contingency funds to support the emergency repairs. Project costs are expected to exceed available contingency funds. Therefore, additional funding sources are under consideration, including anticipated funding from other project stakeholders, namely the City of Menlo Park and City of Palo Alto.

Prepared By:	Robert Barnard	Deputy Chief, Design & Construction	650.508.7783
	Mike Boomsma	Project Manager	808.208.2355

(00490076)

Resolution No. 2023-

**Board of Directors, Peninsula Corridor Joint Powers Board
State of California**

* * *

**Renewing Findings of an Emergency Regarding the North Channel
Embankment of the San Francisquito Creek Bridge Due to Erosion Pursuant to
Public Contract Code §22050**

Whereas, the Board previously authorized repair pursuant to California Public Contract Code section 22050 by a four-fifths vote of the Board on March 29, 2023 (Resolution 2023-19), making findings that: there was an emergency to repair the north channel embankment of the San Francisquito Creek Bridge due to erosion that threatens the integrity of the structure supporting the JPB's tracks; that the emergency does not permit a delay resulting from a formal solicitation for bids; and that action is necessary to respond to the emergency; and

Whereas, Resolution 2023-19 also authorized emergency repairs of the north channel embankment of the San Francisquito Creek Bridge without adopting plans and specifications or giving notice to potential bidders; and

Whereas, California Public Contract Code Section 1102 defines an emergency as "sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services"; and

Whereas, California Public Contract Code section 22050 authorizes the JPB to repair and take other immediate actions required to address an emergency, and requires that findings based on substantial evidence must be made that the emergency will not permit delay resulting from a competitive solicitation of bids, and that the action is necessary to respond to the emergency, by a four-fifths vote of the Board; and

Whereas, Resolution 2023-19 delegated to the Executive Director, or designee the authority: to approve all plans and/or designs; to execute a contract with Walsh Construction II, LLC, to undertake emergency repairs of the north channel embankment at the San Francisquito Creek Bridge at a price that staff has determined is fair and reasonable; and to take all other actions required to respond to said emergency, provided that the Executive Director reports such actions to the Board at each monthly Board meeting until the emergency situation is resolved, with a final report to be made at the first Board meeting after the emergency is resolved; and

Whereas, pursuant to Public Contract Code section 22050(c), the Board must review the emergency action at its next regularly scheduled meeting and at every subsequent regularly scheduled meeting until the action is terminated to determine that there is a need to continue the action by a four-fifths vote; and

Whereas, the Board most recently renewed its findings via Resolution 2023-38 at its June 1, 2023 Board meeting; and

Whereas, following months of heavy rain in January 2023, assessments of the condition of the north embankment supporting the San Francisquito Creek Bridge Main Track 1 (MT-1) and Main Track (MT-2) by the Peninsula Corridor Joint Powers Board (JPB) revealed significant erosion on the slope of the embankment, threatening the integrity of the north approaching track structure; and

Whereas, the JPB consulted with the U.S. Army Corps of Engineers (USACE), the regional Water Quality Control Board, and the California Department of Fish and Wildlife concerning environmental permits for restoration activities to preserve the integrity of MT-1 and MT-2 tracks in light of the significant erosion of the northern embankment which occurred as the result of the 2022-2023 winter storms; and

Whereas, there is a continued and ongoing emergency to repair the north channel embankment of the San Francisquito Creek Bridge due to erosion that threatens the integrity of the structure supporting the JPB's tracks; and

Whereas, action is necessary to respond to this continued and ongoing emergency to prevent or mitigate loss or damage to life, health, property or essential public services; and

Whereas, the time required to obtain competitive bids will unduly delay the JPB's ability to make emergency repairs to these essential facilities, and substantial evidence supports the conclusions that the need for emergency actions cannot be delayed, and that the JPB has and must continue to act as expeditiously as possible to repair necessary facilities; and

Whereas, JPB staff have engaged Walsh Construction, which is currently working on the Guadalupe River Bridge project, about Walsh's capacity to undertake emergency repair work; and

Whereas, Walsh has a crew onsite that specializes in emergency work and has capacity to undertake the repair work, in addition to the Guadalupe River Bridge project, and is currently preparing a cost estimate; and

Whereas, JPB staff will obtain independent cost estimates from consultants and contractor estimates from Walsh Construction, so that iterative comparison of these estimates will provide clarity on cost expectation and assure fair and reasonable pricing.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby:

1. Renews findings from June 1, 2023, that an emergency, as defined by Section 1102 of the California Public Contract Code, exists at the north channel embankment at the San

Francisquito Creek Bridge due to erosion that threatens the integrity of the structure supporting the JPB's tracks; and

2. Renews findings, based on the substantial evidence presented by staff, that the emergency does not permit a delay resulting from a formal solicitation for bids because the time required to obtain competitive bids would unduly delay the JPB's ability to make emergency repairs to these essential facilities, that action is necessary to respond to the ongoing emergency to prevent or mitigate loss or damage to life, health, property or essential public services, that the need for emergency actions cannot be delayed, and that the JPB has and must continue to act as expeditiously as possible to repair necessary facilities; and
3. Continues to authorize emergency repairs of the north channel embankment at San Francisquito Creek Bridge without adopting plans and specifications or giving notice to potential bidders; and
4. Continues to delegate to the Executive Director, or designee, the authority: to approve all plans and/or designs; to execute a contract with Walsh Construction II, LLC, to undertake emergency repairs of the north channel embankment at the San Francisquito Creek Bridge at a price that staff has determined is fair and reasonable; and to take all other actions required to respond to said emergency, provided that the Executive Director reports such actions to the Board at each monthly Board meeting until the emergency situation is resolved, with a final report to be made at the first Board meeting after the emergency is resolved.

Be It Further Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board has reviewed the emergency action taken on March 29, 2023, on May 4, 2023, and on June

1, 2023, to remediate emergency conditions at the embankment of the San Francisquito Bridge, and will continue to conduct such a review at every subsequent regularly scheduled meeting until the action is terminated to determine that there is a need to continue the action by a four-fifths vote pursuant to Public Contract Code section 22050(c).

Regularly passed and adopted this 3rd day of August, 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary
(00490075)

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
Subject: **Accept Statement of Revenues and Expenses for the Period Ending May 31, 2023**

<input type="checkbox"/> Staff Coordinating Council Reviewed	<input checked="" type="checkbox"/> Finance Committee Recommendation	<input type="checkbox"/> Technology, Operations, Planning, and Safety Committee Recommendation	<input type="checkbox"/> Advocacy and Major Projects Committee Recommendation
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Purpose and Recommended Action

Staff proposes that the Finance Committee of the Peninsula Corridor Joint Powers Board (JPB) accept and enter into the record the Statement of Revenues and Expenses for the Period Ending May 31, 2023.

This staff report provides a brief discussion of significant items and trends on the attached Statement of Revenues and Expenses through May 31, 2023, and highlights projections for the end of the year. The statement has been designed to follow the Agency-wide line-item rollup as included in the approved budget. The columns have been designed to provide an easy comparison of year-to-date current actuals to the budget including dollar and percentage variances.

Discussion

Annual Forecast: The annual forecast is based on actual revenue and expense trends through May 2023, augmented by analyzing trends and reviewing details with cost center managers to develop projections through the rest of the year. There is no change from the prior published forecast. Overall, a surplus of \$1.6 million is projected for FY 2023, compared to a \$2.6 million deficit projected in the Approved FY 2023 Budget (the Approved Budget assumed a draw of \$2.6 million from the FY 2022 surplus). The most significant component in the positive change is related to higher-than-assumed Measure RR receipts.

Forecast Revenues: Total Revenue (page 1, line 16) is forecasted to be \$5.1 million higher than budget. This is driven primarily by higher Measure RR sales taxes (page 1, line 12), estimated to be \$5.0 million over budget, due to the continued recovery and high inflation. Other significant increases over the budget are:

- \$2.3 million in Other Income (page 1, line 5), driven by additional Advertising revenue and Interest Income;
- \$0.7 million from higher Go Pass revenue (page 1, line 2); and
- \$0.3 million higher Rental Income (page 1, line 4).

These projected increases are partially offset by a \$3.2 million lower non-Go Pass Fare revenue (page 1, line 1) due to slower ridership recovery and PCEP service reductions, which began in December 2022.

Forecast Expenses: Total Expense (page 2, line 50) is forecasted to be \$0.9 million higher than budget, made up of relatively small changes in several line items:

- Debt Service (page 2, line 48) is forecasted \$1.1 million higher than budgeted, because the principal payment in FY 2023 for the Fare Bonds was inadvertently omitted from the budget;
- Other Office Expense and Services (page 2, line 40) are forecasted \$0.2 million higher than budget due to a parking lease at Menlo Park that started October 2022; and
- Security Services (page 2, line 22) are forecasted \$0.1 million higher than budget due to overtime.

Partially offsetting these increases are projected savings in Wages and Benefits (page 2, line 35), which are forecasted to be \$0.3 million lower than budget due to vacancies.

Year-to-Date Revenues: As of May's year-to-date actual, the Grand Total Revenue (page 1, line 16) is \$7 million higher than the adopted budget. As reflected in the year-end projections, this is primarily driven by the increases in Other Income (page 1, line 5) and Measure RR proceeds (page 1, line 12), partially offset by Caltrain Fares (page 1, line 1).

Year-to-Date Expenses: As of May's year-to-date actual, the Grand Total Expense (page 2, line 50) is \$7.5 million lower than the adopted budget. These savings are lower than shown in the year-end projections because much of the savings is based on timing and are largely expected to resolve by year-end.

Other Information: The Agency accounts for revenue and expenditures on a modified cash basis (only material revenues and expenses are accrued) on the monthly financial statement. As such, the variance between the current year's actual and the budget may show noticeable variances due to the timing of expenditures.

Budget Impact

There are no budget amendments for May 2023.

Prepared By: Thwe Han, Financial Reporting Accountant	650.508.7912
Danny Susantin, Grants & Capital Accounting, Manager	650.622.8073

PENINSULA CORRIDOR JOINT POWERS BOARD									
STATEMENT OF REVENUE AND EXPENSE									
Fiscal Year 2023									
May 2023									
% OF YEAR ELAPSED							91.7%		
	JULY TO MAY				ANNUAL				
	CURRENT ACTUAL	ADOPTED BUDGET	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	FORECAST	\$ VARIANCE		
REVENUE									
OPERATIONS:									
1	Caltrain Fares	24,092,267	27,298,000	(3,205,733)	(11.7%)	30,151,000	27,000,000	(3,151,000)	1
2	Go Pass	15,478,171	14,905,000	573,171	3.8%	16,260,000	17,000,000	740,000	2
3	Parking Revenue	1,779,369	1,738,000	41,369	2.4%	1,896,000	1,797,505	(98,495)	3
4	Rental Income	1,178,216	857,417	320,799	37.4%	935,357	1,235,357	300,000	4
5	Other Income	4,704,087	1,598,960	3,105,127	194.2%	1,744,319	4,044,319	2,300,000	5
6									6
7	TOTAL OPERATING REVENUE	47,232,109	46,397,377	834,732	1.8%	50,986,676	51,077,181	90,505	7
8									8
9	CONTRIBUTIONS:								
10	AB434 Peninsula & TA Shuttle Funding	40,000	40,000	-	.0%	40,000	40,000	-	10
11	Operating Grants	10,686,510	10,347,480	339,030	3.3%	11,288,161	11,288,161	-	11
12	Measure RR	106,728,962	100,930,587	5,798,375	5.7%	114,300,000	119,292,000	4,992,000	12
13									13
14	TOTAL CONTRIBUTED REVENUE	117,455,472	111,318,067	6,137,405	5.5%	125,628,161	130,620,161	4,992,000	14
15									15
16	GRAND TOTAL REVENUE	164,687,581	157,715,444	6,972,137	4.4%	176,614,837	181,697,342	5,082,505	16
17									17

PENINSULA CORRIDOR JOINT POWERS BOARD									
STATEMENT OF REVENUE AND EXPENSE									
Fiscal Year 2023									
May 2023									
% OF YEAR ELAPSED							91.7%		
	JULY TO MAY				ANNUAL				
	CURRENT ACTUAL	ADOPTED BUDGET	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	FORECAST	\$ VARIANCE		
18	EXPENSE							18	
19								19	
20	DIRECT EXPENSE:							20	
21	Rail Operator Service	88,704,627	89,346,291	(641,664)	(.7%)	98,257,758	98,257,758	-	21
22	Security Services	6,911,544	7,290,762	(379,218)	(5.2%)	7,935,381	8,028,807	93,426	22
23	Shuttle Services	79,366	114,780	(35,414)	(30.9%)	121,600	121,600	-	23
24	Fuel and Lubricants*	13,449,906	16,077,622	(2,627,716)	(16.3%)	17,539,232	17,539,232	-	24
25	Timetables and Tickets	20,092	124,069	(103,977)	(83.8%)	135,350	135,350	-	25
26	Insurance	8,376,067	8,403,480	(27,413)	(.3%)	9,299,730	9,299,730	-	26
27	Claims, Payments, and Reserves	2,571,491	1,210,000	1,361,491	112.5%	1,320,000	1,336,926	16,926	27
28	Facilities and Equipment Maintenance	6,376,113	6,649,829	(273,716)	(4.1%)	7,258,788	7,107,788	(151,000)	28
29	Utilities	2,351,833	2,399,463	(47,630)	(2.0%)	2,617,600	2,617,600	-	29
30	Maint & Services-Bldg & Other	1,039,186	1,432,773	(393,587)	(27.5%)	1,754,100	1,754,100	-	30
31								31	
32	TOTAL DIRECT EXPENSE	129,880,224	133,049,069	(3,168,845)	(2.4%)	146,239,539	146,198,891	(40,648)	32
33								33	
34	ADMINISTRATIVE EXPENSE							34	
35	Wages and Benefits	11,460,024	12,807,057	(1,347,033)	(10.5%)	13,809,330	13,532,312	(277,018)	35
36	Managing Agency Admin OH Cost	3,498,111	3,268,649	229,462	7.0%	3,565,453	3,565,453	-	36
37	Board of Directors	15,265	52,492	(37,227)	(70.9%)	57,275	57,275	-	37
38	Professional Services	6,549,612	8,592,917	(2,043,305)	(23.8%)	9,422,755	9,305,755	(117,000)	38
39	Communications and Marketing	222,134	370,084	(147,950)	(40.0%)	403,730	403,730	-	39
40	Other Office Expenses and Services	1,843,868	2,532,323	(688,455)	(27.2%)	2,762,496	2,956,896	194,400	40
41								41	
42	TOTAL ADMINISTRATIVE EXPENSE	23,589,013	27,623,522	(4,034,509)	(14.6%)	30,021,039	29,821,421	(199,618)	42
43								43	
44	TOTAL OPERATING EXPENSE	153,469,238	160,672,591	(7,203,353)	(4.5%)	176,260,578	176,020,312	(240,266)	44
45								45	
46	Governance	196,057	320,837	(124,780)	(38.9%)	350,000	350,000	-	46
47								47	
48	Debt Service Expense	2,148,349	2,366,606	(218,257)	(9.2%)	2,581,752	3,711,375	1,129,623	48
49								49	
50	GRAND TOTAL EXPENSE	155,813,644	163,360,034	(7,546,390)	(4.6%)	179,192,330	180,081,687	889,357	50
51								51	
52	NET SURPLUS / (DEFICIT)	8,873,937	(5,644,590)	14,518,527	(257.2%)	(2,577,493)	1,615,655	4,193,148	52
53								53	
54	Draw from FY2022 surplus	-	-	-	-	2,577,493	-	-	54
55	ADJUSTED NET SURPLUS / (DEFICIT)	8,873,937	-	-	-	-	1,615,655	-	55
56								56	
57	Reserve, Beginning Balance	16,115,624	-	-	-	16,115,624	-	-	57
58	FY23 Set aside	-	-	-	-	10,763,226	-	-	58
59	Reserve, Ending Balance	16,115,624	-	-	-	26,878,850	-	-	59
60								60	
61	* Fuel and Lubricants costs were decreased by a realized gain of \$1,457,796 from the fuel hedge program.							61	



BOARD OF DIRECTORS 2023

JEFF GEE, CHAIR
DEVORA "DEV" DAVIS, VICE
CHAIR
PAT BURT
CINDY CHAVEZ
STEVE HEMINGER
RICO E. MEDINA
RAYMOND MUELLER
SHAMANN WALTON
MONIQUE ZMUDA

PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF MAY 31, 2023

MICHELLE BOUCHARD
EXECUTIVE DIRECTOR

TYPE OF SECURITY	MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (Unrestricted) *	Liquid Cash	2.993%	341,982	341,982
County Pool (Unrestricted)	Liquid Cash	2.555%	570,934	570,934
Other (Unrestricted)	Liquid Cash	4.630%	28,029,354	28,029,354
Other (Restricted) **	Liquid Cash	1.000%	38,991,455	38,991,455
			\$ 67,933,725	\$ 67,933,725

Interest Earnings for May 2023 \$ 217,849.54
Cumulative Earnings FY2023 3,214,076.99

* The market value of Local Agency Investment Fund (LAIF) is calculated annually and is derived from the fair value factor as reported by LAIF for quarter ending June 30th each year.

** Prepaid Grant funds for Homeland Security, PTMISEA and LCTOP projects, and funds reserved for debt repayment. The Portfolio and this Investment Report comply with the Investment Policy and the provisions of SB 564 (1995). The Joint Powers Board has the ability to meet its expenditure requirements for the next six months.

Forebox Revenues by Ticket Type	PENINSULA CORRIDOR JOINT POWERS BOARD															
	Previous Years				FY2023											
	FY2019	FY2020	FY2021	FY2022	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	FY2023 Total YTD
REVENUE																
OPERATIONS:																
401400 (TVM)	18,431,265	11,165,620	2,458,837	6,836,440	626,228	770,942	736,862	521,754	451,992	391,581	343,162	396,762	485,901	528,351	506,616	5,760,150
401410 (Clipper)	54,621,910	37,970,696	2,924,987	7,764,755	1,129,007	1,611,378	1,377,219	1,502,886	1,366,749	1,077,607	1,092,550	1,215,740	1,276,841	1,303,858	1,582,029	14,535,865
401420 (Central)	64,908	20,799	309,748	39,911	5,139	945	9,901	11,080	2,767	826	2,263	1,602	5,563	4,667	10,273	55,025
401430 (Mobile App)	4,716,955	5,689,776	830,051	2,808,795	346,758	354,177	342,457	322,502	273,906	192,050	208,607	219,197	265,221	241,414	336,450	3,102,738
401500 (Gilroy)	1,903,941	1,542,171	178,759	449,281	37,440	66,110	80,675	63,053	67,606	56,277	41,509	53,752	54,013	58,449	59,603	638,488
401700 (Go-Pass)	22,929,136	19,705,372	25,737,533	15,337,175	1,417,118	1,415,836	1,432,132	1,462,192	1,479,267	1,490,677	1,333,937	1,332,005	1,478,585	1,302,597	1,333,826	15,478,171
total Farebox Revenue	102,668,114	76,094,433	32,439,915	33,236,357	3,561,691	4,219,387	3,979,245	3,883,466	3,642,288	3,209,018	3,022,027	3,219,058	3,566,123	3,439,337	3,828,797	39,570,438
Less: Go-Pass																
401700 (Go-Pass)	22,929,136	19,705,372	25,737,533	15,337,175	1,417,118	1,415,836	1,432,132	1,462,192	1,479,267	1,490,677	1,333,937	1,332,005	1,478,585	1,302,597	1,333,826	15,478,171
Revenues without Go-Pass	79,738,978	56,389,061	6,702,382	17,899,182	2,144,573	2,803,551	2,547,114	2,421,274	2,163,021	1,718,342	1,688,090	1,887,054	2,087,539	2,136,740	2,494,971	24,092,267
Tickets Sold					Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Total
TVM	2,354,393	1,465,876	315,378	755,674	86,060	86,171	83,501	74,335	61,170	51,304	52,063	47,432	53,222	60,497	70,309	726,064
Clipper	3,521,066	2,620,816	339,753	1,227,757	156,994	179,747	177,647	182,485	159,636	118,367	144,893	148,634	164,277	154,163	189,835	1,776,678
Central	9,167	5,044	-	4,032	319	145	770	879	477	50	275	233	731	794	1,528	6,201
Mobile	543,920	661,515	111,394	381,441	42,175	43,696	41,411	39,967	33,608	25,094	28,997	28,154	31,164	32,484	39,703	386,453
# of tickets sold (without go-pass)	6,428,546	4,753,251	766,525	2,368,904	285,548	309,759	303,329	297,666	254,891	194,815	226,228	224,453	249,394	247,938	301,375	2,895,396
AVG Revenue Per Ticket					Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Total
TVM	\$ 7.83	\$ 9.05	\$ 7.80	\$ 9.05	\$ 7.28	\$ 8.95	\$ 8.82	\$ 7.02	\$ 7.39	\$ 7.63	\$ 6.59	\$ 8.36	\$ 9.13	\$ 8.73	\$ 7.21	\$ 7.93
Clipper	\$ 15.51	\$ 6.32	\$ 8.61	\$ 6.32	\$ 7.19	\$ 8.96	\$ 7.75	\$ 8.24	\$ 8.56	\$ 9.10	\$ 7.54	\$ 8.18	\$ 7.77	\$ 8.46	\$ 8.33	\$ 8.18
Central	\$ 7.08	\$ 9.90	\$ -	\$ 9.90	\$ 16.11	\$ 6.52	\$ 12.86	\$ 12.60	\$ 5.80	\$ 16.53	\$ 8.23	\$ 6.88	\$ 7.61	\$ 5.88	\$ 6.72	\$ 8.87
Mobile	\$ 8.67	\$ 7.36	\$ 7.45	\$ 7.36	\$ 8.22	\$ 8.11	\$ 8.27	\$ 8.07	\$ 8.15	\$ 7.65	\$ 7.19	\$ 7.79	\$ 8.51	\$ 7.43	\$ 8.47	\$ 8.03
Total	\$ 12.40	\$ 11.86	\$ 8.74	\$ 7.56	\$ 7.51	\$ 9.05	\$ 8.40	\$ 8.13	\$ 8.49	\$ 8.82	\$ 7.46	\$ 8.41	\$ 8.37	\$ 8.62	\$ 8.28	\$ 8.32

PENINSULA CORRIDOR JOINT POWERS BOARD							
July 2022 to May 2023						Annual Budget	
REVENUE	FY2019	FY2020	FY2021	FY2022	FY2023	FY2023	% of Budget
401400 (TVM)	16,496,391	10,602,627	1,996,747	5,913,954	5,760,150		
401410 (Clipper)	50,008,189	39,603,124	2,471,947	6,653,494	14,535,865		
401420 (Central)	40,434	42,569	-	34,298	55,025		
401430 (Mobile App)	4,162,826	5,669,514	638,873	2,398,808	3,102,738		
401500 (Gilroy)	1,748,610	1,531,864	149,932	367,557	638,488		
401700 (Go-Pass)	22,355,021	18,444,142	24,543,521	14,279,763	15,478,171		
total Farebox Revenue	94,811,471	75,893,840	29,801,021	29,647,874	39,570,438	46,411,000	85%
Less: Go-Pass							
401700 (Go-Pass)	22,355,021	18,444,142	24,543,521	14,279,762	15,478,171	16,260,000	95%
Revenues without Go-Pass	72,456,450	57,449,699	5,257,500	15,368,112	24,092,267	30,151,000	80%
Tickets Sold							
TVM	2,143,113	1,445,491	264,067	663,466	726,064		
Clipper	3,211,812	2,603,440	278,221	1,067,201	1,776,678		
Central	8,081	5,044	-	3,765	6,201		
Mobile	470,048	655,811	90,490	334,780	386,453		
# of tickets sold (without go-pass)	5,833,054	4,709,786	632,778	2,069,212	2,895,396		
AVG Revenue Per Ticket							
TVM	\$ 7.70	\$ 7.33	\$ 7.56	\$ 8.91	\$ 7.93		
Clipper	\$ 15.57	\$ 15.21	\$ 8.88	\$ 6.23	\$ 8.18		
Central	\$ 5.00	\$ 8.44	\$ -	\$ 9.11	\$ 8.87		
Mobile	\$ 8.86	\$ 8.65	\$ 7.06	\$ 7.17	\$ 8.03		
Total	\$ 12.42	\$ 12.20	\$ 8.31	\$ 7.43	\$ 8.32		

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
Subject: **Award of Contract for Next Generation Visual Message Signs Project**



Staff Coordinating
Council Reviewed



Finance
Committee
Recommendation



Technology,
Operations, Planning,
and Safety Committee
Recommendation



Advocacy and
Major Projects
Committee
Recommendation

Purpose and Recommended Action

The Next Generation Visual Message Signs Project (Project) is to upgrade visual message signs (VMS) at 22 Caltrain stations. Most of the current VMS were installed between 1996 and 2010 and have a life span of five to 10 years. The current VMS and their components are obsolete, there are no repair parts available, and the related software is no longer supported by vendors. The Project will provide new VMS signs along with the following benefits:

1. Standardized data communications physical layer with single mode fiber (SMF);
2. Standardized structural connection to the existing VMS poles and reduced inventory of VMS part numbers; and
3. Improved readability, customer experience and maintainability.

Staff recommends that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB):

1. Award a contract to the lowest, responsive, and responsible bidder, Rosendin Electric, Inc. of San Jose, California (Rosendin), for the Project for a total lump sum amount of \$4,588,482.
2. Authorize the Executive Director or designee to execute a contract with Rosendin in full conformity with the terms and conditions set forth in the solicitation documents and in a form approved by legal counsel.

Discussion

On May 1, 2023, the JPB issued Invitation for Bid (IFB) number 23-J-C-032 for the Project and advertised in a newspaper of general circulation and on the JPB's procurement website. Prior to releasing the IFB, extensive outreach to Small Business Enterprises (SBEs) was conducted. Six potential bidders attended the pre-bid meeting, and two bids were received on June 8, 2023, as follows:

Company	Grand Total Bid Price
Engineer's Estimate	\$4,842,154
1. DMZ Builders, Concord, CA	\$4,795,000
2. Rosendin Electric, Inc., San Jose, CA	\$4,588,482

After the bid opening and evaluation of the bids, staff determined, and legal counsel concurred, that the bid received from Rosendin is the lowest responsive bid from a responsible bidder. Staff also found the price to be fair and reasonable in comparison to the independent cost estimate, and that the bid was received under full and open competition.

Rosendin has committed to subcontract with one certified SBEs for an estimated SBE utilization of 23.54%, exceeding the contract-specific SBE participation goal of 21%.

Rosendin is an established contractor with more than 27 years of experience in low-voltage special systems and 104 years of experience in electrical works. Staff contacted Rosendin's references and confirmed its experience and competency. Based on these findings, staff concludes that Rosendin is appropriately qualified and capable of meeting the requirements of the Project.

Budget Impact

The Project was originally approved by the Board in Fiscal Year (FY) 2020 for \$500,000, funded by San Francisco Proposition K. The adoption of the JPB's FY2023 Capital Budget added \$2,700,000 to the Project, funded by General Capital Funds. The recently-adopted FY2024-25 JPB Capital Budget (SFCTA) added \$1,200,000 for FY2024 and \$2,400,000 for FY2025 to the Project, thereby increasing the total Project budget to \$6,800,000. This Project will have sufficient budget to fund the contract through its duration.

Prepared By:	Patrick Ng	Procurement Administrator II	650.622.8018
	Jin Jiang	Project Manager	650.508.7718

Resolution No. 2023 –

**Board of Directors, Peninsula Corridor Joint Powers Board
State of California**

* * *

**Awarding a Contract to Rosendin Electric, Inc. for the
Next Generation Visual Message Signs Project for a Total Lump Sum Amount of \$4,588,482**

Whereas, on May 1, 2023, the Peninsula Corridor Joint Powers Board (JPB) issued Invitation for Bids (IFB) number 23-J-C-032 for the Next Generation Visual Message Signs Project (Project); and

Whereas, staff conducted extensive Small Business Enterprise (SBE) outreach and six potential bidders attended the pre-bid meeting; and

Whereas, in response to the IFB, the JPB received two bids after conducting outreach to SBEs, advertising in a newspaper of general circulation, and posting the IFB on the JPB's procurement website; and

Whereas, staff and legal counsel have reviewed the bids and determined that Rosendin Electric, Inc. of San Jose, California (Rosendin) submitted the lowest responsive and responsible bid; and

Whereas, Rosendin has committed to subcontract with one certified SBE for an estimated SBE utilization of 23.54%, which exceeds the JPB's contract-specific SBE participation goal of 21%; and

Whereas, staff determined the total lump sum price to be fair and reasonable in comparison to the independent cost estimate, and that the bid was received under full and open competition; and

Whereas, staff and legal counsel determined Rosendin's bid to be responsive to the IFB;
and

Whereas, staff recommends that the Board of Directors (Board) award a contract to Rosendin to deliver the Project for a total lump sum amount of \$4,588,482.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract to Rosendin Electric, Inc. of San Jose, California for the Next Generation Visual Message Signs Project for a total lump sum amount of \$4,588,482; and

Be It Further Resolved that the Board authorizes the Executive Director or designee to execute a contract on behalf of the JPB with Rosendin in full conformity with all the terms and conditions of the solicitation documents and in a form approved by legal counsel.

Regularly passed and adopted this 3rd day of August, 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
Subject: **Award of Contract for 2023 Grade Crossing Improvements Project**

<input checked="" type="checkbox"/> Staff Coordinating Council Reviewed	<input checked="" type="checkbox"/> Finance Committee Recommendation	<input type="checkbox"/> Technology, Operations, Planning, and Safety Committee Recommendation	<input type="checkbox"/> Advocacy and Major Projects Committee Recommendation
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Purpose and Recommended Action

The 2023 Grade Crossing Improvements Project (Project) involves work within two cities at three grade crossings: 4th Avenue and 5th Avenue in San Mateo, and Churchill Avenue in Palo Alto.

In San Mateo, this Project will install four-quadrant gates and a vehicle detection system at the 4th and 5th Avenue grade crossings to improve safety and prevent vehicles from driving around a down gate. The Project will also make it safer for pedestrians to cross the tracks by installing new sidewalk gates, pavement markers, markings, and signage to clearly identify the railroad crossing.

At the Churchill Grade Crossing in Palo Alto, the Peninsula Corridor Joint Powers (JPB) will coordinate with the City of Palo Alto to improve signal pre-emption at the intersection to allow motorists to clear the tracks more efficiently when a train approaches. The work will also include providing a wider pedestrian crossing area, modifications to sidewalk gates, pavement markings and signage to better guide and protect the large volume of pedestrians and bicyclists generated by the adjacent school.

The cities of San Mateo and Palo Alto each applied and received funds from the California Public Utilities Commission through the Section 130 Program to make railroad grade crossings safer. The Project funds are administered and managed by the California Department of Transportation (Caltrans) Division of Local Assistance.

Staff recommends that the Board of Directors (Board) of the JPB:

1. Award a contract to the lowest, responsive, and responsible bidder, Stacy and Witbeck, Inc. of Alameda, California (Stacy and Witbeck), for the Project for a total lump sum amount of \$1,157,000.
2. Authorize the Executive Director or designee to execute a contract with Stacy and Witbeck in full conformity with the terms and conditions set forth in the solicitation documents and in a form approved by legal counsel.

Discussion

This Project is a rebid of two previous solicitations.

On December 8, 2022, the JPB issued an Invitation for Bid (IFB), solicitation number 22-J-C-041, for the Churchill Ave Grade Crossing Improvements Project (Churchill Project). The Churchill Project received a single bid, which was determined to be non-responsive. On April 6, 2023, the Board rejected the single bid for the Churchill Project and authorized staff to re-advertise for the work.

On January 18, 2023, the JPB issued an IFB, solicitation number 22-J-C-085, for the 4th Avenue & 5th Avenue San Mateo Grade Crossing Improvements Project (San Mateo Project). The JPB received no bids for the San Mateo Project.

Staff conducted market research to get feedback from bidders who showed interest in the Churchill and San Mateo Projects but did not submit a bid. Prospective bidders responded that they were busy bidding other jobs and the project scopes were not big enough to attract prime contractors. As a result, the JPB decided to combine these two projects into one for re-advertisement to promote competition and attract more bidders.

On May 2, 2023, the JPB issued a new IFB, solicitation number 23-J-C-077, for the Project and advertised in a newspaper of general circulation and on the JPB’s procurement website. Prior to releasing the IFB, staff conducted extensive outreach to Disadvantaged Business Enterprises (DBE). Four potential bidders attended the pre-bid meeting and two bids were received on June 7, 2023, as follows:

Company	Grand Total Bid Price
Engineer’s Estimate	\$1,448,863
1. Stacy and Witbeck, Inc., Alameda, CA	\$1,157,000
2. Railworks Track System, LLC, Stockton, CA	\$2,346,400

After the bid opening and evaluation of the bids, staff determined, and legal counsel concurred, that the bid received from Stacy and Witbeck is the lowest responsive bid from a responsible bidder. Staff also found the price to be fair and reasonable in comparison to the independent cost estimate, and that the bid was received under full and open competition.

Stacy and Witbeck has committed to subcontract with two certified DBEs for an estimated DBE utilization of 14.89%, exceeding the contract-specific DBE utilization goal of 14%.

Stacy and Witbeck is an established contractor with more than 41 years of construction experience. Staff contacted Stacy and Witbeck’s references and confirmed its experience and competency. Based upon these findings, staff concludes that Stacy and Witbeck is appropriately qualified and capable of meeting the requirements of the contract and is, therefore, the lowest responsive and responsible bidder.

Budget Impact

A San Mateo Grade Crossing Improvement project was originally approved by the Board in Fiscal Year (FY) 2021 for \$2,000,000, funded by a Caltrans Section 130 grant. The adoption and amendment of the JPB's FY2023 Capital Budget added \$3,471,550 to the project, also funded by Caltrans Section 130, thereby increasing the total project budget to \$5,471,550. This amount is sufficient to fund the applicable portion (\$900,000) of the proposed contract.

The Churchill Ave Grade Crossing project was approved by the Board in FY2020 for \$2,520,000, funded by a Caltrans Section 130 grant. This amount is sufficient to fund the applicable portion (\$257,000) of the proposed contract.

Prepared By:	Patrick Ng	Procurement Administrator II	650.622.8018
	Angie Myrechuck	Project Manager	650.508.7962

Resolution No. 2023 –

**Board of Directors, Peninsula Corridor Joint Powers Board
State of California**

* * *

**Awarding a Contract to Stacy and Witbeck, Inc. for the
2023 Grade Crossing Improvements Project for a Total Lump Sum Amount of \$1,157,000**

Whereas, on December 8, 2022, the Peninsula Corridor Joint Powers Board (JPB) issued Invitation for Bid (IFB) number 22-J-C-041 for the Churchill Ave Grade Crossing Improvements Project (Churchill Project) and received a single bid; and

Whereas, on January 18, 2023, the JPB issued an IFB number 22-J-C-085 for the 4th Avenue & 5th Avenue San Mateo Grade Crossing Improvements Project (San Mateo Project) and received no bids; and

Whereas, on April 6, 2023, the JPB Board of Directors (Board) rejected the single, non-responsive bid received in response to IFB 22-J-C-041, and authorized the Executive Director or designee to re-advertise the Churchill Project; and

Whereas, based on the feedback from interested bidders that did not submit a bid on one or both projects, staff determined it was in the best interest of the JPB to combine the two projects (Churchill Project and San Mateo Project) into one solicitation for re-issuance; and

Whereas, on May 2, 2023, the JPB issued a new IFB number 23-J-C-077 for the 2023 Grade Crossing Improvements Project (Project); and

Whereas, in response to the IFB, the JPB received two bids after conducting extensive outreach to Disadvantaged Business Enterprises (DBEs), advertising in a newspaper of general circulation, and posting the IFB on the JPB's procurement website; and

Whereas, staff and legal counsel have reviewed the bids and determined that Stacy and Witbeck, Inc. of Alameda, California (Stacy and Witbeck) submitted the lowest responsive and responsible bid; and

Whereas, Stacy and Witbeck has committed to subcontract with two certified DBEs for an estimated DBE utilization of 14.89%, which exceeds the JPB's contract-specific DBE utilization goal of 14%; and

Whereas, staff found Stacy and Witbeck's lump sum price to be fair and reasonable in comparison to the independent cost estimate; and

Whereas, staff recommends that the Board award a contract to Stacy and Witbeck to deliver the Project for a total lump sum amount of \$1,157,000.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract to Stacy and Witbeck, Inc. of Alameda, California for the 2023 Grade Crossing Improvements Project for a total lump sum amount of \$1,157,000; and

Be It Further Resolved that the Board authorizes the Executive Director or designee is to execute a contract on behalf of the JPB with Stacy and Witbeck, in full conformity with all the terms and conditions of the solicitation documents and in a form approved by legal counsel.

Regularly passed and adopted this 3rd day of August, 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: James Harrison, General Counsel
Subject: **Approve Ground Lease Amendment with HPS – San Mateo, LLC**

<input checked="" type="checkbox"/> Staff Coordinating Council Reviewed	<input checked="" type="checkbox"/> Finance Committee Recommendation	<input type="checkbox"/> Technology, Operations, Planning, and Safety Committee Recommendation	<input type="checkbox"/> Advocacy and Major Projects Committee Recommendation
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Purpose and Recommended Action

In December 2022, the Peninsula Corridor Joint Powers Board (JPB) entered into a long-term ground lease with HPS - San Mateo, LLC (HPS) for development of a transit-oriented development (TOD) at the Hayward Park Caltrain Station. The ground lease provisions include an early termination option, which allows the developer to terminate the lease if it is unable to obtain financing for the project within nine months of the effective date of the ground lease (September 2023).

HPS requested that this termination option be extended to allow for additional time to assemble financing for the project, given current challenging market conditions and the impact of the recent banking crisis. HPS also requested that the other milestones in the ground lease be adjusted accordingly, which will allow them to continue to pay the same Preliminary Term (defined below) rent during this initial period of the ground lease.

Staff recommends that the Board of Directors (Board) of the JPB:

1. Authorize the Executive Director, or designee, to approve the Ground Lease Amendment (Amendment), which includes a six-month extension to the early termination option, as well as the potential for three additional six-month extensions, if requested by HPS and approved by the Executive Director in the Executive Director's discretion.
2. Adjust the ground lease milestones, as part of the Amendment, to allow HPS to continue to pay the Preliminary Term rent until the early termination option period has passed.
3. Adjust all of the ground lease rents upward, as part of the amendment, at the time of each extension based on the Consumer Price Index, to account for the time value of money.

Discussion

In December 2022, the JPB entered into a long-term ground lease with HPS for development on a 2.8-acre property owned by the JPB at the Hayward Park Station, currently used as a parking lot.

The planned Hayward Park TOD, which received approval from the San Mateo Planning Commission in August 2022, includes 191 studio, one- and two-bedroom residential units, including 28 income-restricted units (with 16 reserved for very low-income households and 12 for moderate-income households). The project will also include a publicly accessible bike room and other amenities.

The development is consistent with the Rail Corridor Plan approved by the City of San Mateo in 2005. Based on public input, the site plan was modified to include one building instead of two and added larger sidewalks, an updated bus stop, two additional ADA parking spaces for Caltrain, ramps to the station, and improved bike-pedestrian connectivity.

The ground lease term is 65 years, with two 17-year extension options. At the time the project term sheet was approved by the Board in 2018, the estimated net present value of the ground lease was \$10.3 million, with the JPB receiving an estimated \$37 million in payments by Year 35. Pursuant to the ground lease, the JPB will continue to own the land and the developer is responsible for all risk associated with financing, developing, owning, and maintaining the project.

The rents in the ground lease are designed to step up over time in the following manner:

- Preliminary Term: \$10,000 per month through May 2023.
- Construction Term: \$15,000 per month until issuance of the project Certificate of Occupancy (24 months maximum).
- Stabilization Term: \$20,000 per month until the project reaches 90 percent occupancy (12 months maximum).
- Regular Term: base rent of \$250,000, with participation rent increasing over time, reaching 10 percent of effective gross income in Year 11, and 12 percent of effective gross income in Year 21.

The Hayward Park TOD was initially planned to break ground in fall of 2023, however due to current challenging market conditions HPS is requesting that the early termination option be extended to allow for additional time to assemble financing for the project.

If the developer were to terminate the ground lease, the JPB would become the owner of the development plans and City project approvals, however it would be necessary for the JPB to issue another competitive solicitation to engage a new developer partner and negotiate the terms of a new ground lease. This would likely result in at least a three-year delay to the project.

Given that another developer would be expected to face the same financing challenges and termination of the ground lease would result in significant delays to development with associated delays to receipt of ground lease revenue, staff recommend approving the Amendment. The Amendment allows for one six-month extension to the early termination

option, with the potential for three additional six-month extensions at the discretion of the Executive Director. In addition, the Amendment adjusts the definition of the Preliminary Term (above) to make it coterminous with the early termination option. This means that HPS will continue to pay Preliminary Term rent until the project is financed and ready to begin construction, or until the early termination option is triggered. However, under the Amendment, each time HPS receives an extension, all of the rents will also adjust upward based on the Consumer Price Index to account for the time value of money.

Staff will obtain regular updates from HPS about their progress toward financing the project. In the event additional extensions are requested, staff will develop a recommendation to the Executive Director based on an independent assessment of market conditions and information about the status of comparable planned apartment projects.

Budget Impact

The Amendment effectively delays receipt of future rent increases that were previously expected under the ground lease by ten months, with the potential for an additional 18 months if all extensions are offered and accepted. However, if the Amendment is not approved, it is possible that HPS will choose to terminate the ground lease, which would result in reduced rent revenue in the near term and significant uncertainty about the amount and timing of future revenue from a new ground lease agreement.

Prepared By: Nadine Fogarty Deputy Director, TOD and Real Estate Planning (650) 208-6574

Resolution No. 2023-

**Board of Directors, Peninsula Corridor Joint Powers Board
State of California**

* * *

Approving Amendment to Ground Lease with HPS – San Mateo, LLC for TOD at Hayward Park

Whereas, in December 2022, the Peninsula Corridor Joint Powers Board (JPB) entered into a long-term ground lease with HPS - San Mateo, LLC (HPS) for development of a transit-oriented development (TOD) adjacent to the Hayward Park Station; and

Whereas, the ground lease term is 65 years, with two 17-year extension options; and

Whereas, the rents in the ground lease increase over time in the following manner:

- Preliminary Term: \$10,000 per month through May 2023.
- Construction Term: \$15,000 per month until issuance of the project Certificate of Occupancy (24 months maximum).
- Stabilization Term: \$20,000 per month until the project reaches 90 percent occupancy (12 months maximum).
- Regular Term: base rent of \$250,000, with participation rent increasing over time, reaching 10 percent of effective gross income in Year 11, and 12 percent of effective gross income in Year 21; and

Whereas, when the Board of Directors (Board) approved the project term sheet in 2018, the estimated net present value of the ground lease was \$10.3 million, with the JPB expected to receive an estimated \$37 million in payments by Year 35; and

Whereas, pursuant to the ground lease, the JPB will continue to own the land and the developer is responsible for all risk associated with financing, developing, owning, and maintaining the project; and

Whereas, the ground lease includes an early termination option, which allows the developer to terminate the lease if it is unable to obtain financing for the project within nine months of the effective date of the ground lease (September 2023); and

Whereas, HPS planned to break ground in fall of 2023. However, HPS requested that the early termination option be extended to allow for additional time to assemble financing due to current challenging market conditions and the impact of the recent banking crisis; and

Whereas, HPS also requested that other milestones in the ground lease be adjusted to allow them to continue to pay the same Preliminary Term rent during the initial lease period; and

Whereas, if the developer were to terminate the ground lease, the JPB would become the owner of the development plans and City project approvals. However, the JPB would need to issue another competitive solicitation to engage a new developer partner and negotiate a new ground lease. This process would likely result in at least a three-year delay to the project; and

Whereas, another developer would likely face the same financing challenges, and termination of the ground lease would significantly delay development and lease revenue; and

Whereas, staff recommends that the Board authorize the Executive Director, or designee, to approve the Ground Lease Amendment that: (1) includes a six-month extension to the early termination option with the potential for three additional six-month extensions at the discretion of the Executive Director; (2) adjusts the definition of the Preliminary Term to make it coterminous with the early termination option, meaning that HPS will continue to pay Preliminary Term rent until the project is financed and ready to begin construction, or until the early termination option is triggered; and (3) adjusts all of the rents upward each time the Executive Director grants an extension based on the Consumer Price Index to account for the time value of money; and

Whereas, staff will obtain regular updates from HPS about their progress toward financing the project;

Whereas, in the event additional extensions are requested, staff will develop a recommendation to the Executive Director based on an independent assessment of market conditions and information about the status of comparable planned apartment projects; and

Whereas, if the Amendment is not approved, HPS may choose to terminate the ground lease, which would result in reduced rent revenue in the near term and significant uncertainty about the amount and timing of future revenue from a new ground lease agreement.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorizes the Executive Director, or designee, to approve the proposed Ground Lease Amendment, which:

1. Includes a six-month extension to the early termination option, with the potential for three additional six-month extensions at the discretion of the Executive Director;
2. Adjusts the ground lease milestones to allow HPS to continue to pay the Preliminary Term rent until the project is financed and ready to begin construction or the early termination option period has passed; and
3. Adjusts all ground lease rents upward, at the time of each extension based on the Consumer Price Index, to account for the time value of money; and

Be It Further Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorizes the Executive Director, or designee, to extend the term of the Ground Lease with HPS; and

Be It Further Resolved that staff will obtain regular updates from HPS about their progress toward financing the project, and should additional extensions be requested, staff will

develop a recommendation to the Executive Director based on an independent assessment of market conditions and information about the status of comparable planned apartment projects, and shall provide a report to the Board if any additional extensions are requested including the staff recommendation and the Executive Director's decision regarding the request.

Regularly passed and adopted this 3rd day of August, 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

(JPB Secretary)

(00490407-4)

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Finance Committee
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
Subject: **Approve and Ratify Fiscal Year 2024 Insurance Program**

<input checked="" type="checkbox"/> Staff Coordinating Council Reviewed	<input checked="" type="checkbox"/> Finance Committee Recommendation	<input type="checkbox"/> Technology, Operations, Planning, and Safety Committee Recommendation	<input type="checkbox"/> Advocacy and Major Projects Committee Recommendation
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Purpose and Recommended Action

Staff recommends the Board of Directors (Board) ratify the binding of commitments for the Peninsula Corridor Joint Powers Board's (JPB) insurance program for Fiscal Year (FY) 2024 including:

- Renew Railroad Liability, Commercial General Liability and Excess Automobile Liability policy, inclusive of terrorism coverage, for a total coverage amount of \$200 million, with a \$2 million self-insured retention, for a total premium of \$3,995,250; and
- Renew blanket Railroad Protective Liability policy, with various coverage levels from \$2 million to \$10 million, subject to a zero self-insured retention, with an annual premium of \$44,941; and
- Renew \$23 million of Railroad Liability coverage in excess of the combined JPB/TASI \$300 million, for a total of coverage amount of \$323 million of Railroad Liability. The additional \$23 million of Railroad Liability coverage has a total premium of \$124,080, and satisfies the Department of Transportation's Rail Passenger Liability Cap adjustment notice of February 2021 to \$323 million; and
- Renew Federal Employees Liability Act Insurance (FELA) policy with a total coverage amount of \$100 million, with a \$1 million self-insured retention, and a total premium of \$2,493,875; and
- Renew Real and Personal Property policy, with total coverage of \$400 million, with a deductible of \$500,000, and a total premium of \$2,858,602. Coverage extends to Centralized Equipment Maintenance and Operations Facility (CEMOF) property, stations, tunnels, bridges, culverts, signals, railroad equipment, and rolling stock. Coverage satisfies the State of California boiler and machinery inspection requirements against perils and provides coverage against terrorism; and
- Renew Public Officials Liability policy, with total coverage of \$15 million, with a deductible of \$75,000, and a total premium of \$154,607; and

- Renew Special Events and Emergency Drill Liability policy with total coverage of \$2 million, with a deductible of \$25,000, and a total premium of \$36,690; and
- Renew Volunteer Accidental Death & Dismemberment (AD&D) policy with a total coverage of \$100,000, with a deductible of \$25,000, and a total premium of \$1,499.

Discussion

Despite the hardening insurance market over the past few years and uncertainty surrounding Covid-19, the FY2024 insurance program provides the JPB with coverage levels similar to those in the FY2023 insurance program. The only change in coverage for FY24 was increasing the FELA limit to \$100 million, and the increasing of the self-insured retention to \$1 million. Previously the FELA coverage limit was \$50 million, and the self-insured retention was \$500,000. The changes were based on collaborative discussions with TransitAmerica Services, Inc. (TASI), general counsel, the risk management team, and the Executive Director. Based on these discussions, staff made a recommendation to increase coverage during FY24, and balance the coverage increase with cost considerations by increasing the self-insured retention as well, based on historical loss history for FELA.

Railroad Liability, Commercial General Liability and Excess Automobile Liability coverage remains the same with total coverage of \$200 million, with a \$2 million self-insured retention. TransitAmerica Services, Inc. (TASI) procures an additional \$100 million. The JPB added an additional \$23 million last year on top of TASI's \$100 million to satisfy the federal government's 2021 \$323 million liability cap. This measure taken by the JPB satisfies contractual obligations with certain vendors that require that the JPB maintain limits equal to or higher than the federal government's liability cap.

Securing Rail Liability coverage remains a challenge. Available capacity in the insurance market has improved somewhat and the JPB's long-term relationship with carriers and underwriters has helped ensure coverage levels are met. Liability premiums increased by about 5% compared to FY2023. Below is an overview of the JPB's FY2023 premiums and updates on the FY2024 premiums we have as of the drafting of this report. Total premiums for FY2024 increased by about 10% compared to FY2023.

Premium Element	FY2023	FY2024
Liability: Railroad, Commercial General, Excess Automobile	3,941,425	4,119,330
FELA Insurance (FY23 9 month premium annualized)	2,574,000	2,493,875
Property Insurance	2,000,621	2,858,602
Pollution Liability (2-year premium for FY2023)	78,697	0
Public Officials, AD&D ,Special Events & Railroad Protective Liability	230,125	237,738
Totals	8,824,868	9,709,545

The JPB's liability coverage limits will remain at \$200 million with an additional \$100 million provided by TASI. In addition, the JPB will maintain the additional \$23M in limits given the inflationary increase of the Passenger Rail Cap for a total of \$323 million of limits in FY2024.

Limits on the JPB's Public Officials Liability program remain the same with limits of \$15 million and a self-insured retention of \$75,000. Limits on Property also remain unchanged at \$400 million with a dedicated \$500,000 self-insured retention. The JPB will renew the annual Special Events and Emergency Drill Liability policy with a limit of \$2 million. This coverage includes a \$25,000 self-insured retention and protects the JPB during what are sometimes higher hazard operations for its annual special train events and emergency training exercises. The JPB procures AD&D insurance for the volunteers working at these special events. The JPB will continue to carry the Railroad Protective Liability insurance program designed specifically for construction activities along the JPB right-of-way.

Budget Impact

Funding for the payment of \$9.7 million of premiums associated with the recommended program is included in the FY2024 Operating Budget adopted at the June 1, 2023 Board meeting.

Prepared By: Ryan Hinchman Director, Financial Planning & (650) 508-7733
Analysis

Resolution No. 2023-

**Board of Directors, Peninsula Corridor Joint Powers Board
State of California**

* * *

Approve and Ratify Fiscal Year 2024 Insurance Program

Whereas, the Executive Director of the Peninsula Corridor Joint Powers Board (JPB) has approved an insurance program for Fiscal Year (FY) 2024 with premiums totaling \$9,709,545, which program was presented to the Staff Coordinating Council (SCC); and

Whereas, in conjunction with the expiration of the JPB's existing insurance program on June 30, 2023, JPB staff renewed its insurance program for FY2024 based on the plan approved by the Executive Director, with the following significant elements:

1. Renew Railroad Liability, Commercial General Liability and Excess Automobile Liability policy, inclusive of terrorism coverage, for a total coverage amount of \$200 million, with a \$2 million self-insured retention, for a total premium of \$3,995,250. JPB also procures \$23 million in excess of \$300 million additional policy limits so as to satisfy the federal government's new \$323 million Rail Passenger Liability Cap, as well as meet contractual requirements that the JPB maintain limits up to the rail liability cap, for an annual premium of \$124,080.
2. Renew blanket Railroad Protective Liability policy, with various coverage levels from \$2 million to \$10 million, subject to a zero self-insured retention, with an annual premium of \$44,941.
3. Renew Real and Personal Property policy, with total coverage of \$400 million, with a deductible of \$500,000, and a total premium of \$2,858,602. Coverage extends to Centralized Equipment Maintenance and Operations Facility (CEMOF) property, stations, tunnels, bridges, culverts, signals, railroad equipment, and rolling stock. Coverage satisfies the State of California boiler and machinery inspection requirements against perils and provides coverage against terrorism.

4. Renew Public Officials Liability policy, with total coverage of \$15 million, with a deductible of \$75,000, and a total premium of \$154,607
5. Renew Special Events and Emergency Drill Liability policy with total coverage of \$2 million, with a deductible of \$25,000, and a total premium of \$36,690.
6. Renew Volunteer Accidental Death & Dismemberment (AD&D) policy with a total coverage of \$100,000, with a deductible of \$25,000, and a total premium of \$1,499;
and

Whereas, staff recommend that the Board approve and ratify the renewal of the JPB's insurance program for FY2024, as delineated above.

Now, Therefore, Be It Resolved that the Peninsula Corridor Joint Powers Board hereby approves and ratifies the renewal of the JPB's insurance program for FY2024, including the types of coverage, limits and premiums recited above.

Regularly passed and adopted this 3rd day of August, 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Dahlia Chazan, Deputy Chief, Caltrain Planning
Subject: **Amendment No. 1 to MOU with Prologis for the Railyards Preliminary Business Case**

<input type="checkbox"/> Staff Coordinating Council Reviewed	<input checked="" type="checkbox"/> Finance Committee Recommendation	<input type="checkbox"/> Technology, Operations, Planning, and Safety Committee Recommendation	<input type="checkbox"/> Advocacy and Major Projects Committee Recommendation
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Purpose and Recommended Action

In July 2019, the Peninsula Corridor Joint Powers Board (JPB or Caltrain) executed a Memorandum of Agreement (MOU) with Prologis 4th & King, LLC (Prologis) to fund the preparation of a Preliminary Business Case (PBC) for the 4th & King Railyards. The MOU allocates responsibilities for the completion of the PBC and requires Prologis to reimburse Caltrain for the technical work required for preparation of the PBC.

The MOU currently requires an amendment to extend its term by two years and to augment the scope with additional work and costs of approximately **\$1,423,677** jointly supported by Caltrain and Prologis.

For these reasons, Staff recommends that the Board of Directors (Board) of the JPB:

1. Authorize the Executive Director, or designee, to execute the amendment to the MOU with Prologis; and
2. Authorize the Executive Director, or designee, to file any required documentation and to take any additional actions necessary to give effect to deliver this action.
3. Authorize the receipt of \$274,174 from Prologis as reimbursement for the costs of conducting a Phasing Analysis.

Discussion

The San Francisco Railyards (SF Railyards) is a 20-acre site that includes the 4th and King Caltrain Station, rail storage, and other rail facilities. It is owned by Prologis, and subject to a perpetual transportation operating easement held by the JPB. Pursuant to the MOU, the JPB and Prologis are currently partnering to conduct a PBC to explore the potential for redevelopment of the site into a regional transit center with a new rail station, added Caltrain service, housing, offices, and public spaces.

Since the original MOU was signed in 2019, Caltrain and Prologis have collaborated, consistent with the MOU's scope, to advance the development of four conceptual development options for a quantitative comparison. In late 2022, however, the project teams determined that an investigation of project phasing would be a valuable addition to help identify the sequence of steps necessary for a first phase of commercial development while ensuring Caltrain's ability to continue serving passengers.

Prologis has approved the phasing scope and cost and has agreed to reimburse Caltrain for those costs. Amending the MOU will provide a vehicle for Caltrain to invoice Prologis for this added cost.

Additionally, the MOU Amendment #1 proposes to extend the original two-year term to four years, updates Caltrain's point of contact, and reflects Caltrain's expected expenditures for project management support for the effort. Caltrain's project management costs, while reflected in the MOU to illustrate the JPB's commitment to the PBC process, are funded through ~~regular-prior year~~ budget allocations, and thus do not create a budget impact in the context of the MOU. Only the phasing cost of \$274,174 creates a need for a budget amendment, which will come to the Board in September.

The Board most recently received an update on the Railyards PBC process in its June meeting, based on materials provided to the Advocacy and Major Projects (AMP) Committee on May 24, 2023. This item was also presented to the Finance Committee on July 24, 2023. The Finance Committee voted to advance to the full Board for approval.

Budget Impact

The budget impact of this MOU Amendment #1 is the addition of a budget item to receive \$274,174 from Prologis, to reimburse Caltrain for the costs of the phasing analysis. The total project budget, including the \$274,174 from this MOU shall be \$4,676,623. A separate capital budget amendment item will be presented to the board for approval in September.

The San Francisco Railyards Preliminary Business Case project was originally approved by the board in Fiscal Year (FY) 2022 for a budget of \$2,000,000 funded by Prologis. In FY 2023, \$250,000 was added to the project funded by General Capital Funds, increasing the total project budget to \$2,250,000.

Prepared By: Dahlia Chazan

Deputy Chief, Caltrain Planning

650-730-6115

Resolution No. 2023-
Board of Directors, Peninsula Corridor Joint Powers Board
State of California

* * *

Authorizing Execution of Amendment No. 1 to Memorandum of Understanding (JPB-Prologis Work Plan) with Prologis 4th & King, LLC, in Connection with Funding of a Preliminary Business Case for Development of the 4th & King Railyards

Whereas, the Peninsula Corridor Joint Powers Board (JPB) and Prologis 4th & King, LLC (Prologis) executed a Memorandum of Understanding (MOU) on July 19, 2021, to allocate responsibilities for conducting and funding a Preliminary Business Case for the 4th and King Railyards property owned by Prologis; and

Whereas, JPB and Prologis have worked collaboratively and diligently to advance the PBC consistent with the intent of the MOU; and

Whereas, JPB and Prologis have determined that additional scope and cost of approximately \$274,174 are required to evaluate the approach to phasing rail improvements and commercial development at the 4th and King site; and

Whereas, JPB and Prologis have determined that additional scope and cost of approximately \$1,149,503 are required by Caltrain to provide independent program management services for the duration of the PBC; and

Whereas, JPB and Prologis wish to amend the MOU to authorize additional scope and enable Prologis to reimburse Caltrain for the costs of the phasing analysis; and

Whereas, JPB and Prologis wish to amend the MOU to extend its term, update points of contact, and reflect JPB's anticipated expenditures,

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorizes the execution of Amendment No. 1 to the Memorandum of Understanding (JPB-Prologis Work Plan) with Prologis 4th & King, LLC, adding \$1,423,677 of capacity to the MOU, extending its term by two years, and updating the points of contact for JPB; and

Be It Further Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board authorizes the receipt of \$274,174 from Prologis as reimbursement for the costs of conducting a Phasing Analysis; and

Be It Further Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board authorizes the Executive Director, or designee, to take any other actions necessary to give effect to the resolution.

Regularly passed and adopted this 3rd day of August 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Dahlia Chazan, Deputy Chief, Caltrain Planning
Subject: **Authorize the Executive Director to execute an Interim Agreement Between the Transbay Joint Powers Authority and the Peninsula Corridor Joint Powers Board to Support Advancement of the San Francisco Downtown Rail Extension Project**

<input type="checkbox"/> Staff Coordinating Council Reviewed	<input checked="" type="checkbox"/> Finance Committee Recommendation	<input type="checkbox"/> Technology, Operations, Planning, and Safety Committee Recommendation	<input type="checkbox"/> Advocacy and Major Projects Committee Recommendation
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Purpose and Recommended Action

Staff recommends that the Board of Directors (“Board”) of the Peninsula Corridor Joint Powers Board (“Caltrain”):

- 1) Authorize the Executive Director, or designee, to execute an Interim Agreement ("Agreement") between the Transbay Joint Powers Authority ("TJPA") and Caltrain to support advancement of the San Francisco Downtown Rail Extension Project (“DTX” or “The Portal”), until the parties complete the negotiation of a Master Cooperative Agreement.
- 2) ~~Amend the Caltrain Fiscal Year 2024 Capital Budget to include the \$5,018,239 of reimbursable expenses in the Interim Agreement.~~

The Interim Agreement will be effective September 1, 2023, and includes a decision-making process and delivery roles for Caltrain and TJPA, a staffing plan, and a budget and reimbursement mechanism to support Caltrain’s continued and enhanced engagement on the DTX Project in its role as first operator.

Discussion

The DTX Project will connect Caltrain’s regional rail system and the future California High-Speed Rail Authority’s statewide system to the Salesforce Transit Center in downtown San Francisco. TJPA, the project sponsor, is seeking funding for the project through the Federal Transit Administration (“FTA”) Capital Investment Grants (“CIG”) Program New Starts program. For New Starts projects, the FTA requires completion of two phases, Project Development and Engineering, in advance of receipt of a Full Funding Grant Agreement (“FFGA”). The Parties have developed an accelerated master schedule to support a potential FFGA approval in 2025. In July 2022, Caltrain and TJPA approved the Letter of Agreement (“LOA”) describing the parties’ cooperation to complete work needed to meet critical milestones for the project

outlined in the accelerated master schedule and reimbursement from TJPA to Caltrain for such efforts. The LOA expires August 31, 2023.

Over the past year, Caltrain and the TJPA have been negotiating elements of a Master Cooperative Agreement (“MCA”) to address key topics, including design support and coordination; procurement and construction coordination; financial commitments; operations, maintenance and rehabilitation; and asset disposition. However, as described at the June Caltrain AMP Committee meeting, the current MCA draft has significant, unresolved issues. As a result, TJPA and Caltrain have agreed to focus on the near-term elements of the MCA and document those elements in an Interim Agreement before the existing LOA expires. FTA requires “substantial progress” on third-party agreements before the project enters the Engineering Phase in fall 2023. Executing the Interim Agreement will demonstrate progress towards the MCA for this requirement.

The Interim Agreement will govern TJPA and Caltrain’s cooperation in advancing the DTX Project until the MCA is executed; TJPA and Caltrain are targeting October 2024 or earlier to complete the MCA. The scope of the Interim Agreement includes the following items:

- 1) Project Delivery Roles: role of the Project Delivery Team (“PDT”) and joint decision-making process within the PDT.
- 2) Staffing, Budget, and Reimbursement: a staffing plan, description of resource needs, budget, and a reimbursement mechanism, all for Caltrain’s work prior to the MCA.
- 3) Joint Workplan: process for negotiation and execution of other necessary agreements and the MCA.
- 4) 4th and King Yard DTX Preparation: concurrence on the design approach for certain work that needs to progress prior to the MCA related to the 4th and King Yard DTX Preparation.

Project Delivery Roles

Staff and consultants from Caltrain will be integrated into a PDT for design of the DTX Project, commencing during the Interim Agreement term. The PDT will report to the Integrated Management Team (“IMT”) and the Executive Working Group (“EWG”), both of which will be established in 2024. The PDT will be the primary staff-level decision-making body with the responsibility and authority to manage the DTX Project so that it can be delivered within the approved scope, budget, and schedule. However, it will not supersede the authorities of the TJPA Board or the Peninsula Corridor Joint Powers Board.

Staffing, Budget, and Reimbursement

The Interim Agreement includes a staffing plan to implement the joint workplan. TJPA will reimburse Caltrain for reasonable and actual Caltrain staff and consultant costs for the DTX Project during the term of the Interim Agreement. The types of costs and amount are summarized in the following table.

Table 1. Estimated Costs for Caltrain Services in the Interim Agreement

Item	Estimated Costs
Caltrain PDT	\$1,191,429
Caltrain HQ staff	\$823,324
Caltrain Professional Services	\$3,003,486
Total	\$5,018,239

Joint Workplan

The Joint Workplan outlines the scope of work for both agencies over the term of the Interim Agreement. It includes the following tasks: 1) Prepare procurement documents and begin contractor selection; 2) review and conduct studies to support design, procurement, environmental and grant documents; 3) complete work to support FTA deliverables, governance framework development, and Caltrain and TJPA Board items; and 4) reach interim agreements supporting progress toward a comprehensive MCA, including an agreement regarding 4th and King Yard DTX Preparation.

Staff is bringing the key points from the Interim Agreement to the Board Ad Hoc on DTX MCA negotiations, the July Finance Committee, the July AMP Committee, and the August Board to request a capital budget amendment to accept reimbursement funds from TJPA and authority for the Executive Director to execute the Interim Agreement.

Budget Impact

In FY2022, a budget of \$311,329 was established for the DTX Project. During the adoption and amendment of Caltrain’s FY2023 Capital Budget, \$4,019,545 was added to the project, funded by general capital funds and TJPA, resulting in a total project budget of \$4,330,874. The execution of the Interim Agreement between Caltrain and TJPA will provide additional funding of \$5,018,239 that will further increase the total project budget by to \$9,349,113\$5,018,239 in reimbursable expenses. A separate capital budget amendment item will be presented to the board for approval in September.

Prepared By: Gwen Buckley

Principal Planner

650-722-6827

Resolution No. 2023 –

**Board of Directors, Peninsula Corridor Joint Powers Board
State of California**

* * *

Authorize the Executive Director to execute an Interim Agreement between the Transbay Joint Powers Authority and the Peninsula Corridor Joint Powers Board to Support Advancement of the Downtown Rail Extension Project ~~and Amend the Caltrain Fiscal Year 2024 Capital Budget to Include \$5,018,239 to Cover the Reimbursable Expenses in the Interim Agreement~~

WHEREAS, the San Francisco Downtown Rail Extension (“DTX” or “The Portal”) Project will connect Caltrain’s regional rail system and the future California High-Speed Rail Authority’s statewide system to the Salesforce Transit Center in downtown San Francisco; and

WHEREAS, the DTX Project is seeking funding for the project through the Federal Transit Administration (“FTA”) Capital Investment Grants (“CIG”) Program New Starts program; and

WHEREAS, in 2022, the Peninsula Corridor Joint Powers Board (“Caltrain”) and Transbay Joint Powers Authority (“TJPA”) negotiated and executed a Letter of Agreement (“LOA”) describing the parties’ cooperation to complete all work needed to meet critical milestones in the DTX Accelerated Work Plan, negotiate a Master Cooperative Agreement (“MCA”) between TJPA and Caltrain, and authorize reimbursement from TJPA to Caltrain for such efforts; and

WHEREAS, the MCA will address key topics, including design support and coordination; procurement and construction coordination; financial commitments; operations, maintenance and rehabilitation; and asset disposition. However, TJPA and Caltrain have agreed to focus on the near-term elements of the MCA and document those elements in an Interim Agreement before the existing LOA expires; and

WHEREAS, the Interim Agreement, if approved, will be effective September 1, 2023, and will govern TJPA and Caltrain’s cooperation in advancing the DTX Project until the MCA is executed, which is targeted for October 2024; and

WHEREAS, the scope of the Interim Agreement includes project delivery roles, staffing budget and reimbursement, a joint workplan, and a design approach for 4th and King Yard DTX preparation; and

WHEREAS, the Interim Agreement outlines Caltrain’s role in the Project Delivery Team (“PDT”) which will be the primary staff-level decision-making body with the responsibility and authority to manage the DTX Project so that it can be delivered within the approved scope, budget, and schedule; and

WHEREAS, the Interim Agreement includes a staffing plan to implement the joint workplan and includes a budget and reimbursement mechanism for TJPA to reimburse Caltrain for Caltrain staff and consultant costs for the DTX Project during the term of the Interim Agreement; and

WHEREAS, the Joint Workplan outlines the scope of work for both agencies over the term of the Interim Agreement and includes the following tasks: 1) Prepare procurement documents and begin contractor selection; 2) review and conduct studies to support design, procurement, environmental and grant documents; 3) complete work to support FTA deliverables, governance framework development, and Caltrain and TJPA Board items; and 4) reach interim agreements supporting progress toward a comprehensive MCA, including an agreement regarding 4th and King Yard DTX Preparation; and

WHEREAS, the execution of the Interim Agreement between Caltrain and TJPA will provide additional funding that will increase the project budget by \$5,018,239 in reimbursable expenses; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors authorize the Executive Director, or designee, to execute an Interim Agreement with terms that substantially conform to those described herein with TJPA to support advancement of the DTX Project;~~and.~~

~~**BE IT FURTHER RESOLVED** that the Board of Directors approves an amendment the Caltrain Fiscal Year 2024 Capital Budget to include \$5,018,239 to cover the reimbursable expenses in the Interim Agreement.~~

Regularly passed and adopted this 3rd day of August 2023 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Finance Committee
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
Subject: **Approve Execution of Stadler Electric Multiple Unit Option and Funding Plan**

Staff Coordinating Council Reviewed Finance Committee Recommendation Technology, Operations, Planning, and Safety Committee Recommendation Advocacy and Major Projects Committee Recommendation

Purpose and Recommended Action

In 2016, Caltrain executed a contract with Stadler USA, Inc., to procure Electric Multiple Unit trains to serve Caltrain passengers upon completion of the Peninsula Corridor Electrification Project (PCEP), which will electrify the corridor from San Francisco to San Jose. The Stadler contract included two option periods, the last of which will expire on August 15, 2023. The option offers Caltrain the opportunity to purchase additional EMU trainsets at a substantially lower cost than would be available if Caltrain were to undertake a new procurement. In addition to costs savings, the option allows Caltrain to move closer to the goal of a zero-emission corridor while improving service and reliability for Caltrain passengers. The availability of federal funding for replacement vehicles, which will cover 80 percent of the costs of the additional EMU trainsets, means that Caltrain will be responsible for only 20 percent of the costs of the new trainsets.

In addition to the new EMU trainsets, Caltrain also has the opportunity to include a four-car Battery-Electric Multiple Unit (BEMU) demonstration train in the option, The BEMU will enable zero-emission service beyond Caltrain’s electrified corridor, from Tamien to Gilroy, and will demonstrate the viability of BEMU operations in a non-electrified right-of-way. With the support of the Governor and the Legislature, the California State Transportation Agency (CalSTA) recently awarded Caltrain \$80 million for the BEMU demonstration train, which will cover 100 percent of the costs of the BEMU.

Staff therefore recommends the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB or Caltrain) adopt a resolution authorizing the Executive Director or her designee to:

1. Exercise the contract option with Stadler USA, Inc. (“Stadler”) to procure the following:
 - a. Four seven-car Electric Multiple Unit (EMU) trains to replace three existing diesel locomotive trains and one set of railcars; and
 - b. One four-car Battery-Electric Multiple Unit (BEMU) demonstration train to enable zero-emission service beyond Caltrain’s electrified corridor (BEMU Demonstration Project).
2. Execute the Supplemental Agreement with the California Department of Transportation (Caltrans) to authorize JPB to receive \$80 million in Transit and Intercity Rail Capital Program

(TIRCP) funding from the California State Transportation Agency (CalSTA) for the BEMU Demonstration Project; and

3. Take such actions as may be necessary to give effect to the resolution, including but not limited to executing and filing reports and applications, agreements, certifications and assurances, authorized agent forms, related amendments, and any other documentation required to implement this resolution, and for the JPB to apply for and receive all funds.

Discussion

Staff requests that the Board approve a resolution that would permit the JPB to purchase four seven-car EMU trainsets and one four-car BEMU trainset from Stadler.

Staff previously presented to the Board plans to procure the EMUs and BEMU as informational items at the (a) JPB Finance Committee on April 24, 2023, and June 26, 2023; and (b) full Board as part of the Fiscal Year 2024 and Fiscal Year 2025 Preliminary Operating and Capital Budgets on May 4, 2023, and June 1, 2023.

As discussed in those meetings, Caltrain's vision includes a zero-emission corridor benefitting our riders, communities, and the State. Caltrain's goal is to replace all diesel locomotives with zero-emission vehicles in compliance with the California Air Resources Board In-Use Locomotive Regulation. The four EMUs and one BEMU that Caltrain seeks to procure from Stadler will help the agency achieve this vision.

Caltrain Current and Future Fleet Plan

Caltrain's current fleet is made up of 29 diesel locomotives purchased between 1985 and 2003. The locomotives run between San Francisco and Gilroy. Caltrain is nearing completion of the Peninsula Corridor Electrification Project (PCEP), which will transform the corridor from San Francisco to San Jose by electrifying the corridor and replacing most of the diesel locomotive fleet with zero-emission EMU trains, in turn helping the State achieve transportation, safety, and climate goals.

By the end of 2024, with the completion of PCEP, Caltrain will operate 28 trainsets consisting of:

- 19 EMU trainsets
- 9 diesel locomotive trains

This fleet will provide a mix of electric and diesel service from San Francisco to Tamien, continue diesel service in the non-electrified Union Pacific Railroad-owned portion of the corridor between Tamien and Gilroy, and provide sufficient spares.

If the Board approves the procurement of additional vehicles as set forth in the accompanying resolution, Caltrain's fleet would expand to 30 trainsets by 2030, consisting of:

- 23 EMU trainsets
- 6 diesel locomotive trains
- 1 BEMU¹ (for pilot)

¹ A BEMU is a battery-equipped electrical multiple unit that can operate on non-electrified territory with zero-emission service. The Federal Railroad Administration has not yet vetted BEMUs for passenger use in the United States and this is an opportunity

This fleet would allow for over 90% zero emission service on the corridor, significantly improve efficiency and sustainability of Caltrain service, complete a BEMU pilot project that could prove the viability BEMU operations in non-electrified right-of-way south of Tamien, and maintain sufficient spares.

Caltrain has an option on its existing contract with Stadler that would allow the purchase of additional electric trainsets (59 cars) at a lower price than what would be available in a new procurement. Staff estimates that procuring four replacement EMUs under the contract option would save approximately \$100 million to \$120 million in total costs (45% to 60% savings).

There are a number of reasons for increased costs in procuring rail vehicles outside of the Stadler option which include, but are not limited to:

- Small size of trainset order
- Lack of available production capacity
- Inflation in labor and materials
- Supply chain issues
- Manufacturers reluctant to enter into long-term fixed price agreements due to recent economic instability
- Cost escalation uncertainty going forward

The contract option expires August 15, 2023.

Contract Options

In 2016, Caltrain entered the Caltrain CALMOD Electrification EMU Procurement contract with Stadler (Contract #14-PCJPB-P-056) as part of PCEP. The contract provided Caltrain two separate option periods during which it could order up to an additional ninety-six vehicles of any configuration:

1. Option 1 Period. In 2018, during the first option period which has now expired, Caltrain ordered thirty-seven additional train cars as follows:
 - a. Three seven-car EMU trainsets (totaling twenty-one cars)
 - b. Expanding the original sixteen six-car trainsets into seven car trainsets (totaling sixteen cars)
2. Option 2 Period. This period runs from the end of the Option 1 period up to seven years after the effective date of the original contract. The effective date of the contract was August 15, 2016, meaning the **Option 2 Period expires on August 15, 2023**. Because Caltrain ordered thirty-seven additional cars during the first option period, Caltrain may order up to fifty-nine cars during the second option period.

Budget Impact

Budget authority for the purchase of the four seven-car EMUs (\$220M) and one four-car BEMU (\$80M) was included in the FY24 adopted capital budget approved by the Board on June 1, 2023.

Four Seven-Car EMU Trainsets

to test, review, and approve these vehicles for service. If proven successful, BEMUs could benefit Caltrain for service south of Tamien as well as other non-electrified properties in California. The testing area would be Tamien to Gilroy and Gilroy to Salinas.

The project cost for the four seven-car EMU trainsets is not-to-exceed \$220M including trainsets, testing, and training. The project will be funded 80% (\$176M) by Federal Transit Administration (FTA) formula funds distributed by the Metropolitan Transportation Commission (MTC), with \$30.4M for FY23 and FY24 already allocated and the remaining \$145.6M anticipated to be allocated over FY25, FY26, and FY27.

The remaining 20% (\$44M) is a local match requirement and will be funded with monies made available due to CalSTA's January 1, 2023 Transit and Intercity Rail Capital Program (TIRCP) award of \$367M to Caltrain for PCEP, which reimbursed Caltrain for the expenditure of local funds (excluding bond proceeds) temporarily used to close the PCEP shortfall. The \$44M in reimbursed local funds should become available on or about January 1, 2024.

One Four-Car BEMU trainset

The project cost for one four-car BEMU is approximately \$80M, including the trainset, battery components, station and maintenance shop modifications, testing, and training. The project is funded 100% by CalSTA. On July 3, 2023, CalSTA released a [notice of award](#) for the BEMU Demonstration Project for not-to-exceed \$80M. The awarded amount will be from the State General Fund funding provided from the Budget Act of 2021 to the TIRCP. Caltrain anticipates that the California Transportation Commission (CTC) will approve the BEMU allocation at its meeting on August 16-17, 2023. Because the August CTC meeting will occur after the August 15 deadline to exercise the Stadler contract option, the change order with Stadler permits Caltrain to issue the Notice to Proceed (NTP) after the CTC meeting, without incurring any costs. No local match is required is required for the BEMU.

Next Steps

In addition to regular financial reports, staff expects to provide the Board several updates on the procurement of these vehicles and their funding in the coming months as follows:

- August 15, 2023: Stadler Option expires
- August 16 – 17, 2023: CTC Meeting approving allocation of the BEMU funding award made by CalSTA
- Ongoing: Updates regarding Stadler contract option vehicles and progress.

Prepared by: Kate Jordan Steiner Chief Financial Officer 650-508-6466

RESOLUTION NO. 2023 -

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

* * *

**Authorizing Exercise of Contract Option with Stadler USA, Inc., to Procure Four Additional
Electric Multiple Unit (EMU) Trainsets and One Battery Electric Multiple Unit (BEMU)
Demonstration Train**

WHEREAS, at its meeting on July 7, 2016, after a rigorous and lengthy competitive procurement process, the Peninsula Corridor Joint Powers Board (JPB) Board of Directors (Board) awarded Contract #14-PCJPB-P-056 to Stadler USA, Inc. (Stadler) in the total amount of \$550,899,459 for the design, manufacture, and delivery of 96 EMUs, as well as mock-ups, spare parts, special tools, test equipment, manuals, training, and related parts and services (the Contract); and

WHEREAS, the Contract included two option periods during which the JPB could purchase up to an additional 96 EMU train cars at competitively bid and negotiated prices under the same contractual terms as the base order; and

WHEREAS, in 2018, during the first option period, the JPB ordered thirty-seven additional EMU cars, consisting of three seven-car EMU trainsets and sixteen additional cars to expand the original order of sixteen six-car trainsets to seven car trainsets; and

WHEREAS, the second option period under the Contract expires August 15, 2023; and

WHEREAS, staff has determined that purchasing, before the second option period expires, an additional 28 EMU cars, consisting of four seven-car trainsets, will significantly improve efficiency and sustainability of Caltrain service, reduce diesel trips on the JPB's corridor by replacing three

diesel locomotive trains with EMU trainsets, allow for over 90% zero emission service on the corridor, and enhance seating capacity on the JPB's commuter rail service, all in furtherance of helping the State achieve transportation, safety and climate goals; and

WHEREAS, the total project cost for the four EMU trainsets is not-to-exceed \$220,000,000, including the trainsets, testing, and training; and

WHEREAS, the project cost for the four EMU trainsets will be funded 80 percent (\$176 million) by Federal Transit Administration (FTA) formula funds distributed by the Metropolitan Transportation Commission (MTC) and 20 percent (\$44 million) in local matching funds; and

WHEREAS, staff has determined that it is in the best interests of the JPB to procure, before the second option period expires, one four-car battery-powered EMU trainset ("BEMU") demonstration train to enable zero-emission service on the non-electrified portion of the Caltrain corridor, from Tamien Station to Gilroy. The demonstration project will allow the FTA to test, review, and approve use of BEMUs, thereby benefitting not only Caltrain but other non-electrified properties in California; and

WHEREAS, the project cost for the BEMU trainset is not-to-exceed \$80,000,000, including the trainset, battery components, station and maintenance shop modifications, testing and training; and

WHEREAS, the project cost for the BEMU will be funded by the California State Transportation Agency (CalSTA). CalSTA has released a notice of award for the BEMU Demonstration Project for not-to-exceed \$80,000,000, and the California Transportation Commission (CTC) is expected to approve the allocation of funds for the BEMU Demonstration Project at its August 15-16, 2023, meeting.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby:

1. Authorizes the Executive Director, or her designee, to exercise the Contract option with Stadler to procure twenty-eight EMU cars, consisting of four seven-car EMU trainsets, with a project cost not-to exceed \$220,000,000; and
2. Authorizes the Executive Director, or her designee, to exercise the Contract option with Stadler to procure one four-car BEMU trainset, with a project cost not-to exceed \$80,000,000; and
3. Authorizes the Executive Director, or her designee, to Execute the Supplemental Agreement with the California Department of Transportation (Caltrans) to authorize JPB to receive \$80 million in TIRCP funding from CalSTA for the BEMU Demonstration Project; and
4. Authorizes the Executive Director, or her designee, to take any and all actions as may be necessary to give effect to this resolution, including but not limited to executing and filing reports and applications, agreements, certifications and assurances, authorized agent forms, related amendments, and any other documentation required to implement this resolution, and for the JPB to apply for and receive all funds to pay for the EMUs and BEMU.

Regularly passed and adopted this 3rd day of August 2023 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

(00492274-2)

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Dahlia Chazan, Deputy Chief, Planning
Subject: **Authorize the Execution of the Necessary Agreements and Amendments to Receive Funds to Support the Completion of Preliminary Design and CEQA/NEPA Environmental Clearance for the Bernardo Avenue Undercrossing Project.**

<input checked="" type="checkbox"/> Staff Coordinating Council Reviewed	<input type="checkbox"/> Finance Committee Recommendation	<input checked="" type="checkbox"/> Technology, Operations, Planning, and Safety Committee Recommendation	<input type="checkbox"/> Advocacy and Major Projects Committee Recommendation
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Purpose and Recommended Action

The City of Sunnyvale and the City of Mountain View (Cities) are project sponsors for a proposed bicycle and pedestrian undercrossing within the JPB right-of-way (“ROW”), located on the border of these two cities. The project would be located at JPB (Joint Powers Board) milepost 37.5, at the intersection of South Bernardo Avenue and West Evelyn Avenue.

The Cities propose the installation of a pedestrian and bicycle undercrossing at Bernardo Avenue to facilitate access between the northern and southern sides of the JPB ROW, as well as the Central Expressway, which runs parallel to JPB tracks in the project area. Currently, there is no existing access between the northern and southern sides of the ROW.

The purpose of future Service Agreement is for JPB to provide technical input and expertise while the Cities manage completion of preliminary design and CEQA/NEPA (California Environmental Quality Act/National Environmental Policy Act) environmental clearance for the project’s Locally Preferred Alternative (LPA). This phase culminates in the Cities’ production of 35 percent design documents that reflect the community’s LPA, and the CEQA and NEPA Environmental Clearances required by Caltrans.

For this reason, Staff recommends that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (PCJPB or JPB):

1. Authorize the Executive Director, or designee, to execute agreements with the Cities and VTA (Santa Clara Valley Transportation Authority) for the JPB to receive funds to support the completion of preliminary design and CEQA/NEPA environmental clearance for the Bernardo Avenue Undercrossing Project; and
2. Authorize the Executive director, or designee, to file any required documentation and to take any additional actions necessary to give effect to deliver this action.

Discussion

The Bernardo Avenue Undercrossing Project will fill a critical gap in both the local and regional bicycle networks by providing safe, convenient access between Sunnyvale neighborhoods and employment destinations to the north, and Sunnyvale west neighborhoods, schools, and employment locations south of the JPB tracks. Under a previous service agreement, JPB and the cities of Sunnyvale and Mountain View collaborated on the technical review and coordination efforts related to the conceptual design phase of the project (approximately up to 15 percent design), including review of five (5) conceptual design alternatives. The Cities narrowed the number of alternatives to two (2) design concepts — one eastern and one western. The cities presented the two design alternatives to the public, then to each city's Bicycle and Pedestrian Advisory Commission (BPAC), and finally their respective City Councils, resulting in the Eastern design alternative being selected as the LPA by both cities.

VTA awarded \$18 million towards final design and construction funding for the project, sourced from Measure B funds, and in January 2017 the VTA Board recommended the project be awarded a \$500,000 One Bay Area Grant (OBAG) grant for design and environmental review associated with the project. Due to an initial Measure B funding drawdown deadline of July 1, 2022, the City requested and received from VTA an 18-month Measure B Extension, extending the deadline from July 1, 2022, to December 31, 2023. It is understood by the parties that services performed by JPB under the next Service Agreement may qualify to meet the VTA funding drawdown deadline. Confirmation of this qualification will be provided by the Cities prior to execution of the next Service Agreement.

Budget Impact

The Bernardo Avenue Undercrossing project was approved by the board in Fiscal Year (FY) 2023 for a budget of \$4,990,000 funded by Measure B from the City of Sunnyvale, City of Mountain View, and VTA.

Prepared By: Nicole Soultanov Deputy Director, Capital Program 650-632-6867
Planning

Resolution No. 2023-

**Board of Directors, Peninsula Corridor Joint Powers Board
State of California**

* * *

Authorizing the Execution of the Necessary Agreements and Amendments to Receive Funds to Support the Completion of Preliminary Engineering and Design and CEQA/NEPA Environmental Clearance, for the Bernardo Avenue Undercrossing Project

Whereas, the Peninsula Corridor Joint Powers Board (JPB) is a public agency existing under the laws of the State of California and operates commuter rail passenger service (“Caltrain”) along a seventy-seven (77) mile route between San Francisco and Gilroy, California; and

Whereas, the Santa Clara Valley Transportation Authority (VTA), is a public agency existing under the laws of the State of California and is a member agency of the JPB and is authorized to design, fund, and construct transportation improvements in and near the County of Santa Clara; and

Whereas, the City of Sunnyvale and the City of Mountain View, are California charter cities and municipal corporations (“Cities”), are the sponsors of the Bernardo Avenue Undercrossing Project; and

Whereas, on November 8, 2016, the voters of Santa Clara County enacted 2016 Measure B for 30 years to pay for nine transportation-related program categories (“2016 Measure B”); and

Whereas, on October 5, 2017, the VTA Board of Directors established the 2016 Measure B Program and adopted the 2016 Measure B Program Category Guidelines; and

Whereas, 2016 Measure B includes a “Caltrain Grade Separations” program category for the purpose of funding grade separation projects along the Caltrain corridor in the cities of Sunnyvale, Mountain View, and Palo Alto, separating the Caltrain tracks from roadways to provide increased safety benefits for drivers, bicyclists, and pedestrians and also reduce congestion at the intersections (“Grade Separation Program Projects”); and

Whereas, the implementation of the Grade Separation Program Projects will enable Caltrain to operate more frequent service without negatively impacting local traffic while also making rail operations safer by separating rail operations from local streets; and

Whereas, the JPB is responsible for the safe and reliable operation of its train service and the passengers who use it, and the JPB retains responsibility for the final design and construction of Grade Separation Program Projects occurring on its right of way; and

Whereas, VTA is responsible for the allocation and use of the 2016 Measure B funding for the Grade Separation Program Projects and will provide oversight, guidance, and support throughout all applicable phases of the Grade Separation Program Projects; and

Whereas, the City of Sunnyvale and the City of Mountain View are responsible for the provision of non-2016 Measure B Contribution Requirement to sponsor Grade Separation Program Projects within their respective Cities; and

Whereas, the JPB, the Cities and VTA desire to install a new pedestrian and bicycle undercrossing in the area between South and North Bernardo Avenue to facilitate access across the Caltrain ROW as well as the Central Expressway and East Evelyn Avenue, both of which run parallel to the Caltrain tracks in the project area. The Cities and the JPB staff believe that the

best approach is for the JPB to provide support during the Cities' completion of preliminary engineering and design and CEQA/NEPA environmental clearance, with VTA taking on the Funding and Oversight role and the Cities serving as the Project Sponsors, Funding Partners, and Community Outreach leads; and

Whereas, the Caltrain FY2023 Capital Budget includes \$4,990,000 for the Bernardo Avenue Undercrossing Project, and once the Cities' Councils accept the Service Agreement under preparation between the Cities and JPB, the Executive Director may execute the Service Agreement for the Cities to provide funding for JPB to provide support during the Cities' completion of preliminary engineering and design and CEQA/NEPA environmental clearance;

Whereas, the JPB, Cities and VTA desire to proceed with the next phase of the project including completion of preliminary engineering and design and CEQA/NEPA environmental clearance, which is estimated to be approximately \$0.85 million, costs covered solely by the Cities; VTA has budgeted \$3 million for the final design phase of the Project;

Whereas, the Staff Coordinating Council recommends the Board:

1. Authorize the Executive Director, or designee, to execute agreements with one or both Cities for the JPB to receive funds to support the completion of preliminary engineering and design and CEQA/NEPA environmental clearance, for the Bernardo Avenue Undercrossing project; and
2. Authorize the Executive director, or designee, to file any required documentation and to take any additional actions necessary to give effect to deliver this action.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorize the Executive Director, or designee, execute the necessary agreements to receive funds for reimbursable Caltrain expenses to support the completion of preliminary engineering and design and CEQA/NEPA environmental clearance, for the Bernardo Avenue Undercrossing project; and

Be It Further Resolved that the Board of Directors authorize the Executive director, or designee, to file any required documentation and to take any additional actions necessary to give effect to deliver this action.

Regularly passed and adopted this 3rd day of August, 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary

(00488531)

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
Subject: **Award of Contract for the Bike Parking Station Program**

<input checked="" type="checkbox"/> Staff Coordinating Council Reviewed	<input type="checkbox"/> Finance Committee Recommendation	<input type="checkbox"/> Technology, Operations, Planning, and Safety Committee Recommendation	<input type="checkbox"/> Advocacy and Major Projects Committee Recommendation
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Purpose and Recommended Action

Award of this contract will provide the Peninsula Corridor Joint Powers (JPB) with a dedicated and qualified contractor to operate and maintain staffed and unstaffed bicycle rooms along the Caltrain corridor. This work, known as the “Bicycle Parking Station Program” or “The Program,” will include the continued operation of the existing bicycle valet parking facility at 4th and King Station and the establishment of up to eight unstaffed bicycle parking stations along the corridor. Staff will work with the vendor to determine which stations should receive a bicycle parking station.

Staff recommends that the Board of Directors (Board) of the JPB:

1. Award a contract to BikeHub, Inc. of Alameda, California (BikeHub) to provide start up services, and to manage and operate the Bike Parking Station Program for a total not-to-exceed amount of \$1,787,553 for a five-year base term, which amount is inclusive of \$270,000 for potential tenant improvements to the stations.
2. Authorize the Executive Director or designee to exercise up to five additional one-year option terms for BikeHub to perform additional related services in the amount of \$1,181,553, for a total not-to-exceed amount of \$2,969,106, if deemed in the best interest of the JPB.
3. Authorize the Executive Director or designee to execute a contract with BikeHub in full conformity with the terms and conditions set forth in the solicitation documents and negotiated agreement, and in a form approved by legal counsel.

Discussion

Approximately 20% of Caltrain customers access Caltrain by bicycle. To better serve these customers, the Board adopted the Caltrain Bicycle Parking Management Plan pursuant to Resolution 2017-56. The Board committed to spend at least \$3.5 million on bicycle wayside

improvements at stations as part of the agreement to cap electric multiple unit trainsets at 72 on-board bicycle spaces pursuant to Resolution 2019-22. Consequently, the JPB is working to expand secure bicycle parking options at its stations. Currently, the JPB contracts with BikeHub to manage and operate the existing bicycle valet parking facility at 4th and King Station in San Francisco. The facility has been in operation since 2005 and BikeHub has partnered with the JPB to provide a facility where customers can store and/or repair their bicycles. The current contract with BikeHub will expire on August 31, 2023.

Staff has been working to install the promised bicycle wayside improvements, installing hundreds of on-demand bicycle e-lockers along the corridor since early 2021 through a separate contract. In addition to the e-lockers, the Program seeks to continue the operation of the existing bicycle valet service at 4th and King, as well as allow for the establishment of up to eight unstaffed bicycle stations at other Caltrain facilities. Capital funding has been secured to make the related capital improvements.

On December 21, 2022, staff issued Request for Proposals (RFP) number 22-J-S-087 for the Bike Parking Station Program on the JPB’s e-Procurement website. Staff included standard language setting forth the JPB’s policy regarding small business enterprises (SBEs) in the solicitation. Staff held a pre-proposal meeting and mandatory site walk for proposers to view the locations where the bike parking stations will be located.

On February 17, 2023, the JPB received proposals from two firms: BikeHub, Inc. of Alameda, CA and eLock Technologies, LLC of Berkeley, CA.

A Selection Committee (Committee) composed of qualified staff representing Caltrain Planning, Rail Operations, Caltrain Real Estate, and San Francisco Municipal Transportation Agency Planning reviewed and scored the proposals in accordance with the following weighted criteria:

Evaluation Criteria	Maximum Points
Company Qualifications, Experience & References	15
Qualifications and Experience of Key Personnel	10
Project Understanding and Management Plans	55
Reasonableness of Cost	20
SBE Preference	5

The Committee interviewed both proposers to gain additional insight into their management plans, staffing capabilities and operational plans. Following the interviews, the Committee re-scored the proposals and reached the consensus that BikeHub is the highest ranked proposer and possesses the depth of experience and qualifications to successfully perform the services as required and detailed in the RFP. BikeHub is a qualified small business and applied for (and earned) the evaluation criteria's SBE preference.

BikeHub has been designing and operating secure bicycle parking stations since 2004 and has 18 locations throughout California. Its staff is uniquely qualified to design, develop and operate secure bicycle parking stations. BikeHub has operated the Program for the JPB since 2013 and has shown itself to be an innovative partner invested in the success of these facilities.

Staff negotiated an agreement with BikeHub that allows for the growth and development of the bicycle parking stations with incentives to decrease Caltrain’s costs over time and for services to be provided at fair and reasonable prices. The agreement's aggregate not-to-exceed amount is \$2,969,106, which consists of: \$1,181,553 to operate the 4th and King Street Station and up to eight unstaffed facilities for the five year base term, \$336,000 for Program start-up costs during the base term only, \$270,000 for potential tenant improvements, and \$1,181,553 to operate the 4th and King Street Station and up to eight unstaffed facilities for the five one-year option terms.

Budget Impact

The Wayside Bike Parking Improvement project was originally approved by the board in Fiscal Year (FY) 2019 for \$4,000,000, funded by Transit and Intercity Rail Capital Program (TIRCP) and State Rail Assistance Program (SRA). In FY 2021, \$1,389,322 was added to the project, funded by San Carlos Transit Village LLC and Bay Area Air Quality Management District (BAAQMD), thereby increasing the total project budget to \$5,389,322. This project has sufficient budget to fund the capital-related cost (i.e. installation of new bike parking stations) of the contract amounting to \$606,000, if necessary.

The operational cost for existing bike stations will be funded by the Caltrain’s operating budget. The adopted FY 2024 and FY 2025 Operating Budgets are sufficient to fund the contract’s year-one and year-two costs. Future funding required by this contract will be included in the future operating budgets.

Prepared By:	Danielle Sanderson	Contract Administrator	650.551.6130
	Dan Provence	Principal Planner	650.622.7840

Resolution No. 2023-

**Board of Directors, Peninsula Corridor Joint Powers Board
State of California**

* * *

Awarding a Contract to BikeHub, Inc. for the Bike Parking Station Program for a Total Not-to-Exceed Amount of \$1,787,553 for a Five-Year Base Term, and Authorizing up to Five One-Year Option Terms to Perform Additional Services for a Total Not-To-Exceed Amount of \$2,969,106

Whereas, on November 2, 2017, pursuant to Resolution 2017-56, the Peninsula Corridor Joint Powers Board (JPB) Board of Directors (Board) adopted the Caltrain Bicycle Parking Management Plan; and

Whereas, on June 6, 2019, pursuant to Resolution 2019-22, the Board committed to invest at least \$3.5 million towards bicycle wayside improvements at stations as part of the agreement to cap electric multiple unit (EMU) trainsets at 72 on-board bicycle spaces; and

Whereas, BikeHub, Inc. of Alameda, California (BikeHub) is the incumbent manager and operator of the existing bicycle valet parking facility at 4th and King Station in San Francisco, the contract for which is set to expire August 31, 2023; and

Whereas, on December 21, 2022, the JPB issued Request for Proposals (RFP) number 22-J-S-087 for the Bike Parking Station Program to expand the program to include the existing bicycle valet facility at 4th and King Station and up to eight additional unstaffed facilities along the Caltrain corridor; and

Whereas, the JPB received two proposals after posting the RFP on the JPB's e-procurement website; and

Whereas, the Selection Committee (Committee) scored, interviewed, and ranked these proposals in accordance with the evaluation criteria set forth in the RFP; and

Whereas, the Committee completed its evaluation process and determined BikeHub to be the highest ranked proposer, and which to possess the requisite depth of experience and ability to design, develop and operate secure bike parking stations; and

Whereas, staff completed price negotiations with BikeHub, conducted a price analysis for the base and option terms, and determined that Bikehub's prices are fair and reasonable; and

Whereas, staff has reviewed BikeHub's proposal and has determined that it complies with the requirements of the solicitation documents; and

Whereas, staff recommends that the Board award a contract to BikeHub for the Bike Parking Station Program for a total not-to-exceed amount of \$1,787,553 for a five-year base term, which amount is inclusive of \$270,000 for potential tenant improvements to the stations, and authorize the Executive Director or designee to exercise up to five one-year option terms for additional related services for a total not-to-exceed amount of \$2,969,106, if in the best interest of the JPB.

Now, Therefore, Be It Resolved, that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract to BikeHub, Inc. of Alameda, California to manage and operate the Bike Parking Station Program for a total not-to-exceed amount of \$1,787,553 for a five-year base term, which amount is inclusive of \$270,000 for potential tenant improvements to the stations; and

Be It Further Resolved that the Board authorizes the Executive Director or designee to exercise up to five additional one-year option terms for BikeHub to perform additional related

services in the amount of \$1,181,553, for a total not-to-exceed amount of \$2,969,106, if deemed in the best interest of the JPB; and

Be It Further Resolved that the Board authorizes the Executive Director or designee to execute a contract with BikeHub in full conformity with the terms and conditions of the RFP and negotiated agreement, and in a form approved by legal counsel.

Regularly passed and adopted this 3rd day of August, 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Dahlia Chazan, Deputy Chief Caltrain Planning
Subject: **Draft 2023 Fare Change Recommendations**

<input checked="" type="checkbox"/> Staff Coordinating Council Reviewed	<input checked="" type="checkbox"/> Finance Committee Recommendation	<input type="checkbox"/> Technology, Operations, Planning, and Safety Committee Recommendation	<input type="checkbox"/> Advocacy and Major Projects Committee Recommendation
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Purpose and Recommended Action

Staff recommends the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) receive the attached presentation on the Draft 2023 Fare Change Recommendations.

This item is informational only. Staff will return with a recommended draft Fare Structure for the Board to adopt at a later meeting (currently planned for September 2023).

Discussion

In 2019, the Board approved a series a fare changes to address the JPB’s anticipated budget shortfalls. At that time, the JPB did not have a dedicated source of funding to support operating, maintenance, and capital costs. However, with the passage of Measure RR in November 2020 and receipt of federal economic relief funds, the agency has been able to maintain a balanced budget despite the severe impacts of COVID-19 on Caltrain ridership levels and fare revenues over the past three years.

In June of 2021 the Board postponed the previously approved fare increases due to the COVID-19 pandemic. In May of 2022, the Board further delayed the scheduled increases but adopted an updated Fare Structure that included a revised schedule of fare increases and changes, summarized below.

- An increase to the Base fare of \$.50 on July 1, 2023
- An increase to the Monthly Pass Trip Multiplier from 12 days (24 trips) to 15 days (30 trips) on July 1, 2023
- An increase to the Zone Upgrade from \$2.25 to \$2.50 for Adult riders and a Zone Upgrade increase from \$1.00 to \$1.25 for Eligible Discount (ED) riders on July 1, 2025
- An increase to the Base fare of \$.50 on July 1, 2027
- A reduction of the Clipper discount on Adult fares from \$.55 to \$.25 on July 1, 2028

Additionally, the August 2022 Fare Structure ended Caltrain's participation in Clipper START, the regional means-based fare program, on June 30, 2023, based on the Metropolitan Transportation Commission's (MTC) previous end date for the pilot.

Temporary Changes

Given the significant and ongoing decline in Caltrain ridership over the past three years due to the Covid-19 pandemic, it remains a less than optimal time to increase fares. In addition, MTC has extended the Clipper START pilot program for two additional years, through June 30, 2025, with the possibility of a permanent program continuing after completion of the pilot.

Pursuant to the Caltrain Fare Structure as adopted in Resolution 2019-32, and FTA Circular 4702.1B, which grant the authority to implement special and promotional fare discounts lasting up to six months, on May 24, 2023, Caltrain's Executive Director authorized a promotional fare reduction, which postponed the previously approved May 2022 fare changes to alleviate the economic effects of the Covid-19 pandemic on riders, incentivize Caltrain ridership, and potentially increase overall fare revenue.

The promotional fare reduction delayed the previously adopted fare changes that were scheduled to take effect on July 1, 2023, so that the prices in effect on June 30, 2023 will remain in effect until December 31, 2023. The fare changes adopted in May 2022 will now begin on January 1, 2024, unless a new Fare Structure is adopted by the Board this fall.

Recommendations

Caltrain staff have undertaken a study to analyze and develop a revised Fare Structure with consideration for Caltrain rider needs, post-pandemic ridership challenges, and regional fare changes, resulting in recommended changes to Caltrain's existing fare products and programs. These recommendations are consistent with the agency's forthcoming strategic financial plan and the adopted Fiscal Year (FY) 24-25 budgets.

It is recommended that Caltrain increase its fares more gradually, beginning in FY26 (July 1, 2025), as follows:

- In FY24-25, fares remain unchanged (no increase) to focus on electrified service and growing ridership
- In FY26, an increase to the Base fare by \$0.25
 - \$3.75 to \$4.00 for adult and \$1.75 to \$2.00 for ED
- In FY27, an increase to the Zone upgrade by \$0.25
 - \$2.25 to \$2.50 for adult and \$1.25 for ED
- In FY28, an increase to the Base fare by \$0.25
 - \$4.00 to \$4.25 for adult (the increase in Base Fare will apply only to adult fares due to rounding rules for Eligible Discount fare)
- FY24-28: Monthly Pass Multiplier remains priced at 24 trips (12 roundtrips)

A more gradual delay in fare increases will continue to support the Caltrain Fare Policy framework adopted by the Board in December 2018, which includes as a consideration the structuring of fares to incentivize rider behavior in support of the agency’s policy goals. Maintaining the current pricing structure until FY26 provides stability for customers as the agency focuses on other innovative ways to grow ridership levels. As discussed during the April 2023 special workshop on Caltrain’s fiscal cliff analysis, increasing fares at this time is not expected to substantially “close the gap” through revenue generation, while decreasing fare prices is not expected to significantly increase ridership and would result in revenue loss.

Additionally, it is recommended that the Group Travel Discount have its minimum group size reduced from 25 people to 15 people. Lastly, it is recommended to make a minor technical change in the calculations of the Clipper START fare so that its value aligns exactly with the ED Clipper Card fare (providing a benefit for Clipper START customers).

With regards to Go Pass, it is recommended to reduce the current price of \$342/pass by 20 percent, down to \$273.60/pass. It is additionally recommended that the agency consider creating a Student Pass Program within Go Pass, at a reduced price compared to the regular Go Pass price. The precise price recommendation for the proposed Students program is still under consideration.

Next Steps for Recommended Changes

Staff presented the recommended fare changes to the Caltrain Citizens Advisory Committee (CAC) on Wednesday, July 19, 2023. Staff will present an overview of the draft recommendations to the Finance Committee on July 24, 2023, followed by the Caltrain Board of Directors on August 3, 2023. These items are informational only.

Caltrain will perform a Title VI Equity Analysis for the recommended fare changes in a revised Fare Structure. Public outreach will be held in August, including plans to hold a public hearing at the August 2023 Finance Committee, before presenting the Fare Structure to the September 2023 JPB meeting for adoption.

Budget Impact

The recommended fare changes would not impact the FY24 and FY25 budget, which assumed no increase in fares for the two fiscal years, because fare increases are not proposed until FY26.

Prepared By:	Melissa Jones	Deputy Director, Caltrain Policy Development	650-339-1908
	David Pape	Caltrain Policy and Program Manager	650-418-6025

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Technology, Operations, Planning and Safety Committee
Through: Michelle Bouchard, Executive Director
From: Taylor Huckaby, Deputy Chief Communications Officer
Subject: **Update on Ridership Growth Action Plan and Near-Term Marketing Strategy**

<input type="checkbox"/> Staff Coordinating Council Reviewed	<input type="checkbox"/> Finance Committee Recommendation	<input checked="" type="checkbox"/> Technology, Operations, Planning, and Safety Committee Recommendation	<input type="checkbox"/> Advocacy and Major Projects Committee Recommendation
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Purpose and Recommended Action

This item is for informational purposes only. Caltrain, through its Ridership Growth Task Force, has been focused on developing strategies to retain existing riders, reclaim previous riders, and recruit new customers to the system. This report provides an overview of Caltrain’s planned Customer Acquisition Strategy for the next six to twelve months.

Discussion

This report and accompanying presentation are provided to inform the Board of Caltrain’s ongoing ridership growth efforts including implementation of a preliminary action plan building on prior initiatives. The execution of these strategies will advance coordination with community partners, improve the value proposition for current and potential customers considering using Caltrain’s service, and offer exciting new ways to engage with the agency and fellow riders.

Action Plan Development

Caltrain’s ridership growth action plan has been informed by the following activities:

1. A peer analysis which identified the effectiveness of various ridership growth strategies and lessons learned;
2. Market research via surveys and focus groups to identify perceptions surrounding public transit including barriers to riding and customer experience improvement priorities;
3. Data analysis related to Caltrain service levels, special events, and marketing efforts to identify the most significant drivers of ridership historically; and
4. Recommendations provided by the Board, Citizens Advisory Committee, and other key stakeholders.

Customer Acquisition Strategy

As further outlined in the accompanying presentation, Caltrain is recommending a combination of near- and longer-term customer acquisition strategies to help encourage ridership growth. These strategies can be grouped into the following categories:



Caltrain Modernization Program Peninsula Corridor Electrification Project (PCEP)



Executive Monthly Progress Report

June 30, 2023

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1.0 EXECUTIVE SUMMARY

1.1 Introduction

The Peninsula Corridor Electrification Project (PCEP) will upgrade 51 miles of diesel service to electrified service from San Francisco to San Jose (Tamien Station). The PCEP scope of work includes design and construction of an overhead contact system, traction power facilities, modification of the existing signaling and grade crossing protection system to make it compatible with the electrified railroad, substation improvements at Pacific Gas and Electric (PG&E) substations, and modifications at existing tunnels and Caltrain’s maintenance facility. It also includes the design, manufacturing, assembly, testing, and delivery of the Electric Multiple Units (EMUs).

Caltrain completed a thorough assessment of all aspects of the program including cost, schedule, risks, and organization after the global settlement in 2021. Caltrain re-baselined the program budget and schedule in December of 2021. Caltrain finished a schedule reforecast in March 2023 and is committed to deliver PCEP and achieve revenue service in September of 2024.

1.2 Program Cost and Budget

On December 6, 2021, the JPB adopted a new PCEP program budget of \$2,442,690,697. On January 31, 2023 Caltrain received a \$367 million funding award from California’s Transit and Intercity Rail Capital Program’s (TIRCP) Cycle 6 Existing Project Reserve, representing the remaining funding needed to complete the project. The project is now fully funded in the amount of \$2,442,690,697. As of June 2023, the project is on budget:

- The current project total cost at completion (EAC) is the same as the Board adopted budget of \$2.44 billion.
- As of June 2023, a total of \$8.06M has been drawn down from the Shared Risk Pool of \$50 million. In June 2023, \$0.83M was drawn from the Shared Risk Pool.
- As of June 2023, a total of \$3.52M has been drawn from the project contingency of \$40 million. In June 2023, there was no draw from project contingency.
- As of June 2023, no new awards have been made from the Project incentive pool of \$18.5 million.
- As of June 2023, no incentive was issued from the milestone incentive pool of \$15 million.

1.3 Program Progress and Schedule

As of June 30, 2023, the overall project completion is 83.99%. The current program schedule is projecting a PCEP substantial completion date of April 2024 and Revenue Service by September 2024. Staff is implementing a 2023 path to completion with 31 weekend area focused bus bridges to maximize track access to allow system integration testing, signal cutovers, and proactive OCS construction productivity mitigations for the remaining PCEP work.

1.4 Change Management Board (CMB)

In June 2023, the following item was brought to CMB for approval:

- IRL 293 – Pedestrian Gate Separation

1.5 This Month's Accomplishments

The project team has completed the following notable activities for the month of June 2023:

- Measured monthly project schedule against the reforecast that reflects the path to completion with 31 focused area weekend closures. The reforecast schedule does not change the Project completion date. Interim milestones have been developed and measured against the reforecast schedule.
- Continued to coordinate low voltage power drop applications with PG&E and utilizing generators to support project testing and cutovers.
- Continued bi-weekly project completion road map meeting with Design-Build Contractor Executives to address OCS productivities and TPS findings. Additional third-party crews were added for OCS regulation work.
- Continued operations planning, ambassador, and rail service planning effort for weekend area closures for Segments 1 and 2 OCS construction in June and July, and Segment 1 cutover scheduled in June and August 2023.
- Continued EMU maintenance training.
- Completed Drill Track (Test Track) live runs successfully.
- Completed joint walk verification for Segment 4 Live runs and full energization.
- Commenced operators refresher training at the Drill Track.
- Held Monthly CMB meeting for program status and change order approval.
- Continued to work with FRA on Submitted Programmatic Agreement (PA) amendment review and approval.
- Continued safety special task force working group, including TASI, Rail Operations and PCEP to address communications, process, and procedure improvements. Railroad implemented 10 feet foul instead of 4 feet in mid-May.
- Continued providing PCEP progress updates to funding partners, leadership, elected officials, citizens, and business community.
- Continued Rail Activation effort on path to energization for Segments 4 and 3, including CEMOF.
- Received Caltrans Segment 3 encroachment permit.
- Completed Segment 1 first phase cutover effort without any crossings.

1.6 Upcoming work

For the next six months, the PCEP team has set additional goals as described below:

- Continue bi-weekly project completion road map meeting with Design-Build Contractor Executives to address OCS productivities and TPS findings.
- Continue operations planning, ambassador, and rail service planning effort for remaining weekend area closures for Segments 1 and 2 OCS construction and the last Segment 1 cutover scheduled in August 2023.
- Drill Track Test Track will stay energized for EMU Testing.
- Receive FRA Test request approval and complete EMU PTC testing

- mainline.
- Continue to coordinate with PG&E on low voltage power drop applications, and distribution line de-energization work.
- Complete EMU maintenance training.
- Energize TPS1 by August 20, 2023.
- Complete TPS documentation audit, field validation and test audit.
- Complete Segments 4 and 3 Live runs with the EMUs.
- Energize CEMOF for EMU commissioning.
- Complete Segments 4 and 3 joint punch list walks.
- Finalize close out process and workflows.
- Hold FTA Quarterly progress meeting.
- Hold Monthly CMB meeting for program status and change order approval.
- Develop EMU revenue service maintenance program and diesel fleet exit plan.
- Continue work with FTA and complete Programmatic Agreement (PA) amendment and finalize burial agreement and treatment plan.
- Complete newly defined Milestone 1 (Segments 3 and 4), which will provide 20 miles electrified line for EMU burn-in in fall of 2023.

The PCEP Project is currently on budget and on time for achieving Revenue Service in September of 2024.

1.7 Critical Items

As of June 2023, PCEP has completed Segment 2 signal cutover, fulfilled the \$410M funding gap, and has adequate RWIC to support field construction. The top critical items and related actions are highlighted below.

Table 1-1. Critical Issues and Actions

Critical Issues	Actions
<p>Overhead Contact System (OCS) installation delay due to low productivity</p> <p>Note: The project OCS work was on hold from March 10, 2022, to March 28, 2022 during the safety stand down.</p> <p>Segment 2 OCS was damaged during high wind and heavy rainstorms in late December 2022 and early January 2023</p>	<ul style="list-style-type: none"> • Additional BBII OCS crew training for regulation and variance in the OCS design / installation due to re-design & accommodations to resolve foundation Differing Site Conditions (DSC) issues – Completed. • Hiring additional BBII OCS staff members to prevent schedule slippage and help in future installation planning – Completed. • Hold OCS construction scheduling recovery workshop for remaining OCS installation and testing – Completed. • Increase OCS crews and OCS wiring equipment to increase productivity – Completed. • More track access including weekend area closures for remaining Segments 1 and 2 OCS construction and testing. Weekend bus bridge construction started on February 11, 2023. • OCS storm repair work for Segment 2 is planned for August/September 2023 due to rainstorm and long lead time for materials. • Bring on more regulating crews in May 2023. Mass will start regulating work in the first week of June 2023 – Completed. • Procure more equipment parts and ensure all equipment is performing well for construction – Completed.

Critical Issues	Actions
	<ul style="list-style-type: none"> Bring on equipment fitters and warehouse material manager on site – Completed.
<p>Complete TPS Short Circuit Tests</p> <ul style="list-style-type: none"> TPS 2 short circuit test delays drill track and Segment 4 mainline energization. TPS 2 Short circuit test was performed in May 2023 with some follow up actions. TPS 1 Short Circuit Test is scheduled for October 21st. 	<ul style="list-style-type: none"> Perform comprehensive root cause analysis and develop corrective action plan – Completed. Implement configuration change control process including design drawing, shop drawings, as-built version control to ensure all parties are using the same set of drawings for TPS2 testing – On-going. Perform technical working groups including all vendors and EOR – On-going. Weekly management team briefing on corrective action status – On-going. Perform independent assessment of the TPS – Completed. Develop SSWP for all work performed at TPS for Caltrain review and approval – On-going. Perform field verification and pre-testing before short circuit re-test – Completed. Perform load bank testing prior to short circuit re-test. – Completed. Developed remaining short circuit tests required for system completion.

2.0 SAFETY

There were no reportable injuries in June 2023. The Reportable Injury Rate (RIR) for 2023 YTD is currently 1.55. Overall, since the project’s inception, the RIR is at 1.65, which remains below the national average. Please note that the chart below was updated for the current year. Contractor has advised the Project Team that they had not been reporting all the hours they and their subs had worked.

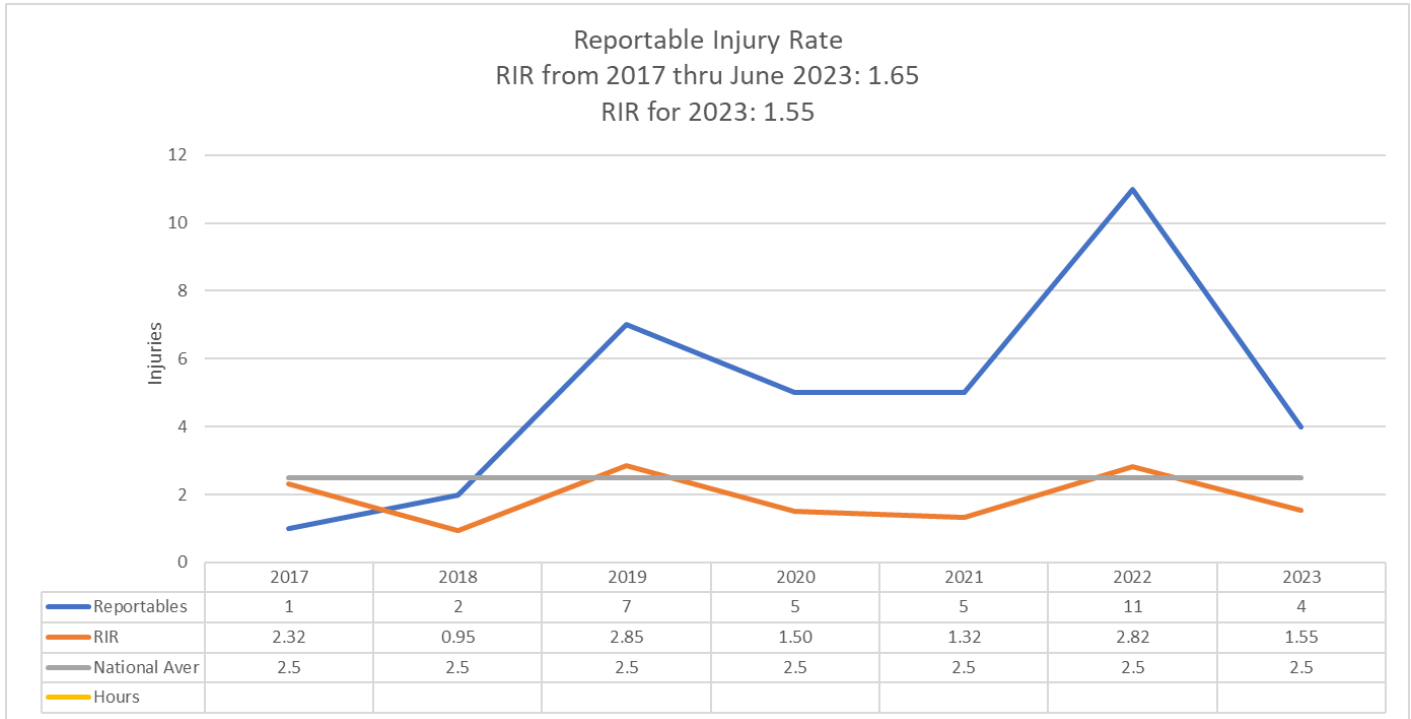


Figure 2-1. Project Reportable Injury Rate (RIR) by Year

Completed Work

Safety staff continues to coordinate with contractors to identify opportunities to improve safety performance. Organizational-wide safety briefings are being performed to ensure staff understand the application of post incident mitigation measures including rules and procedural changes designed to enhance safety. Project Safety continues to reinforce jobsite safety practices throughout the Caltrain alignment, investigate incidents, and identify mitigation measures to prevent re-occurrences. Safety project coordination meetings continue to be conducted monthly to promote a clear understanding of project safety requirements. In addition, Caltrain Safety continues weekly calls with the lead safety staff from Caltrain, PCEP, BBII, and TASI to discuss safety performance and ongoing initiatives. Caltrain initiated the 10’/10’ rule: 10’ from track and 10’ from overhead wires.

Upcoming Work

The Fire/Life Safety Committee continues to work with emergency responders along the

Caltrain corridor on emergency preparedness in advance of energization. The safety team has updated the OCS and EMU emergency responder safety familiarization presentations to include voiceover features for use by the Fire Departments. The presentation will also be shared with other emergency responder jurisdictions through the project Fire/Life Safety Committee.

OCS and EMU First Responder training is currently scheduled for South San Francisco, Redwood City, San Carlos, Belmont and San Mateo in August, September and October.

Police Departments along the corridor are currently being scheduled by the Transit Police to receive this training also.

3.0 IMS PROGRAM SCHEDULE

3.1 Introduction

The Integrated Master Schedule (IMS) Program Summary Schedule depicted in **Figure 3-1** shows the schedule status of the major PCEP projects. The current schedule dates for this program schedule were based on BBII's June 2023 Progress Schedule as well as the Stadler May 2023 EMU Progress Schedule. The Revenue Service Date (RSD) remains as September 26, 2024 and Full Funding Grant Agreement (FFGA) Revenue Completion Date (RCD) remains December 31, 2024.

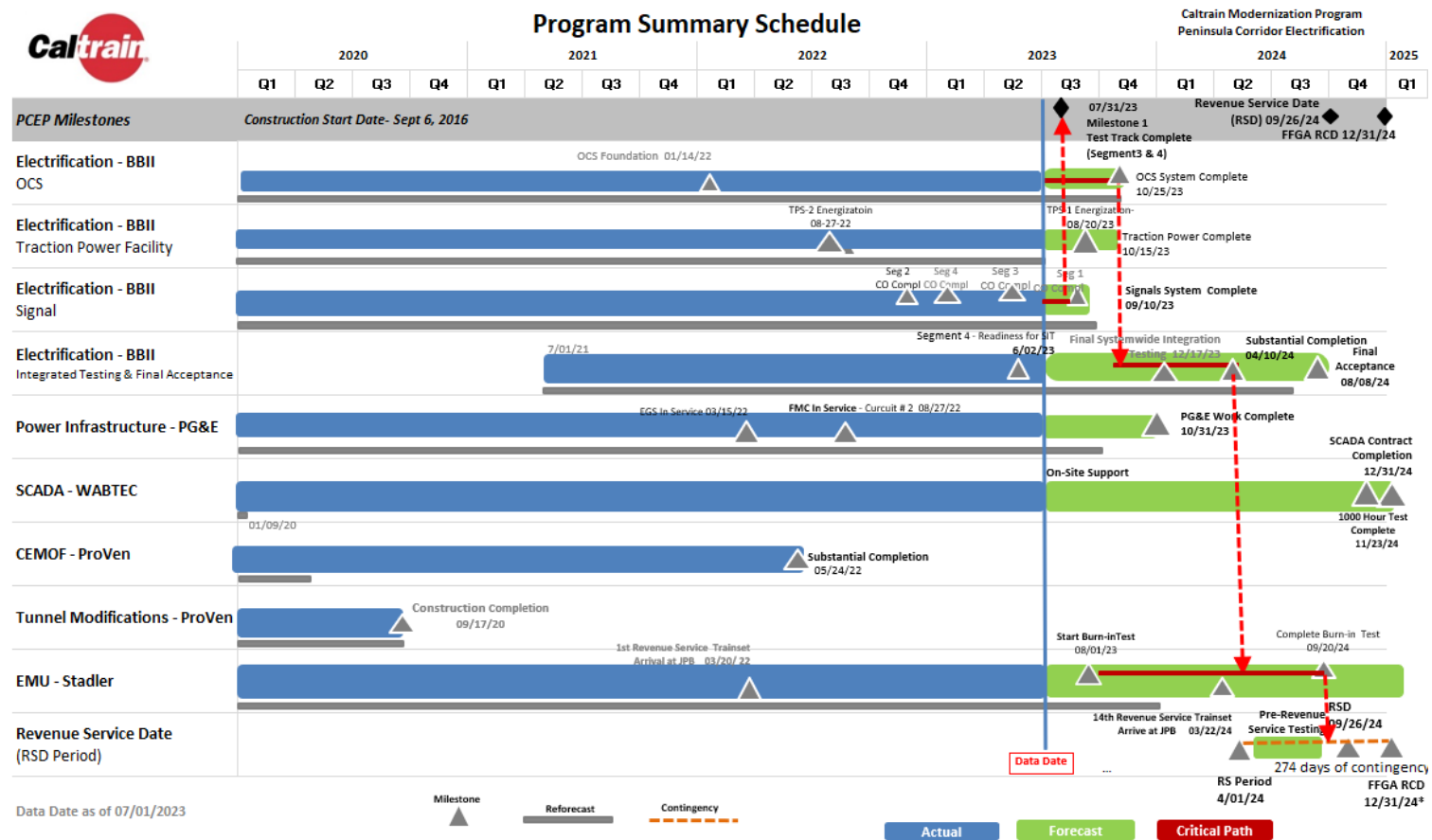


Figure 3-1. Master Program Summary Schedule

3.2 Critical Path Analysis

The current critical path remains basically the same as the last few months (February through May 2023) starting with waiting to receive the PG&E (Low Voltage) Power Design at 4th and King St. for Wayside Power Cubicle (WPC) 1 and 0.11, completing the installation of the Pedestal Housing for the Meter, providing the Low Voltage Power Drop connection at 4th and King St. for WPC-1 and 0.11, Punchlist Verification that Low Voltage Services are ready for energization at Segment 1 and Low Voltage Permanent Power provided for all segments followed by a 50-day Project Schedule Contingency, Substantial Completion, Final Punchlist, Final Acceptance Inspection and Final Acceptance.

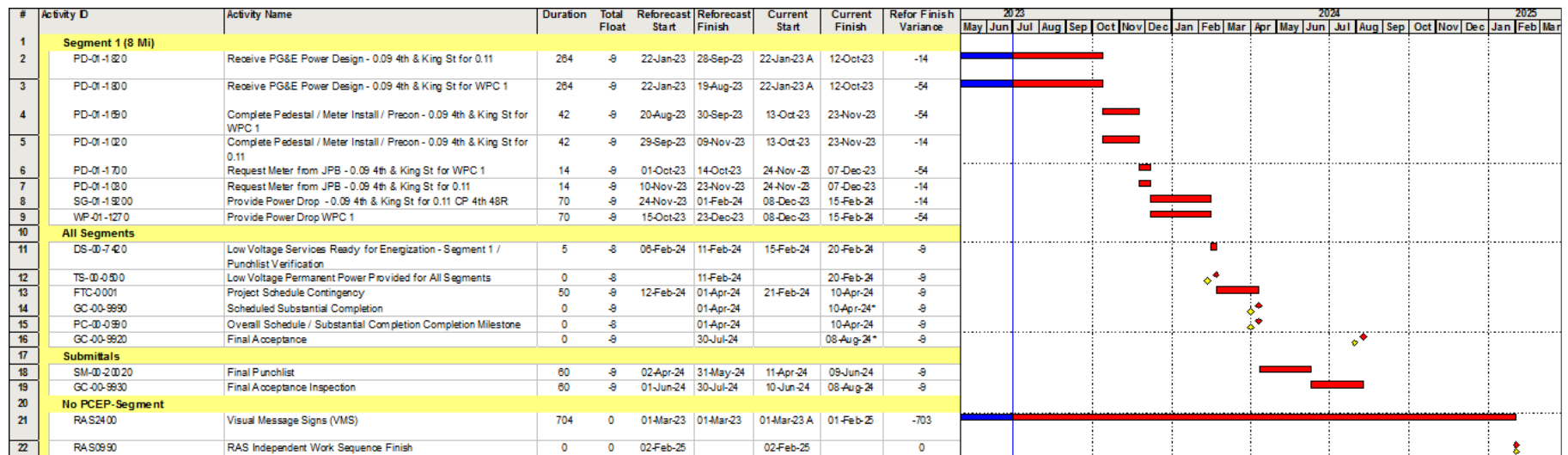


Figure 3-2. Critical Path Schedule

3.3 Schedule Contract Milestone Analysis

The current forecast for Substantial Completion of the project has moved out nine (9) days to April 10, 2024. The revised Milestone No. 1 is now forecasted to be completed on July 31, 2023. The Revenue Service Date and Revenue Completion Date remain the same as September 26, 2024 and December 31, 2024, respectively. Contractor still claims that they are being delayed by PG&E in obtaining the required designs for installing the permanent low voltage power. However, this path can be easily mitigated through the continued use of generators to provide low voltage power. The main challenge for the Contractor is to complete the requirements for Milestone No. 1 and facilitate the live run testing of the EMU trainsets.

Contractor	Milestones	Reforecast (Dec 2022) Dates	Current (June 2023) Forecast	Milestone Finish Date Variance	Remarks
BBII	Segment 4 Completion	05-Feb-23	03-Jul-23	-148	Delayed by the failed short circuit testing which has delayed the EMU live runs within Segment 4. Note: This finish date does not include the Guadalupe Bridge scope of work.
BBII	System Integration Testing Start (Segment 4)	21-May-23	15-Jul-23	-55	Delayed by energization delay of the Overhead Contact System (OCS)
BBII	Completion of Milestone 1 (Segments 3 and 4)	28-May-23	31-Jul-23	-64	Delayed by the delivery and installation of the replacement batteries at Parallel Stations (PS) 6 and 7
BBII	Traction Power Substation #1 Energization	12-Sep-23	20-Aug-23	23	Duration improvement from solving battery and other issues at Traction Power Substation #2.
BBII	Signal Cutovers and Systems Completion	20-Aug-23	10-Sep-23	-21	Delayed by the procurement and delivery of the new 6 Head Cantilever
BBII	OCS Construction Completion	25-Oct-23	25-Oct-23	0	
BBII	System Integration Testing Completion	16-Dec-23	17-Dec-23	-1	Delayed by delays to the Guadalupe Bridge Replacement Project. This testing completion activity includes the End To End Pull Away and Power Scenerio Tests with Contingency.
Stadler	14th Trainset Arrival at JPB Site	12-Oct-23	22-Mar-24	-162	Delayed by Stadler experiencing multiple problems obtaining parts and subassemblies from their Suppliers. They are still committed to deliver the first 14 Trainsets by 22-Mar-24.
BBII	Scheduled Substantial Completion	01-Apr-24	10-Apr-24	-9	Delayed awaiting the receipt of the PG&E (Low Voltage) Power Design at 4th & King St.
BBII	Scheduled Final Acceptance	30-Jul-24	08-Aug-24	-9	Delayed by the Final Acceptance Inspection
JPB	Revenue Service Date (RSD)	26-Sep-24	26-Sep-24	0	
JPB	FFGA Revenue Completion Date (RCD)	31-Dec-24	31-Dec-24	0	

Figure 3-3. Contract Milestone Analysis

4.0 COST AND BUDGET

4.1 Introduction

This section presents an update on program cost and budget. On December 6, 2021, the JPB adopted a new Program budget of \$2.44 billion. Table 4-1 depicts a summary level of program budget, costs, and estimate at completion based on the latest update of the Electrification and EMU projects as of June 30, 2023.

4.2 Program Budget and Cost

Table 4-1. Budget Summary by Project

Description of Work	Current Budget (A) ¹	Cost This Month (B) ²	Cost To Date (C) ³	Estimate To Complete (D)	Estimate At Completion (E) = (C) + (D)	Variance at Completion (F) = (A) – (E)
Electrification	\$1,749,139,439	\$15,548,856	\$1,572,896,648	\$176,242,790	\$1,749,139,439	\$0
EMU	\$693,551,258	\$902,515	\$516,346,535	\$177,204,724	\$693,551,258	\$0
PCEP TOTAL	\$2,442,690,697	\$16,451,371	\$2,089,243,183	\$353,447,514	\$2,442,690,697	\$0

- Column A "Current Budget" includes re-baseline and executed change orders and awarded contracts.
- Column B "Cost This Month" represents the cost of work performed this month.
- Column C "Cost To Date" includes actuals (amount paid) and accruals (amount of work performed) to date.

Table 4-2 depicts program budget, costs, and estimate at completion summarized by major elements of work. This budget table provides additional detail for the program and is broken down by major contracts for Electrification and EMU, minor contracts, real estate, utilities, project management oversight and other indirect support costs.

Table 4-2. Budget Summary by Major Elements

Description of Work	Re-Baseline Budget	Current Budget	Cost This Month	Cost To Date	Estimate To Complete	Estimate At Completion
Electrification	\$1,097,149,881	\$1,097,149,881	\$9,733,746	\$943,909,156	\$153,124,725	\$1,097,033,881
EMU Procurement	\$556,072,601	\$556,248,486	\$0	\$426,548,413	\$138,437,858	\$564,986,271
Minor Construction Contracts (Tunnel, CEMOF, SCADA, Non-BBI OCS)	\$67,055,072	\$68,091,194	\$0	\$64,775,911	\$3,315,283	\$68,091,194
Real Estate Acquisition & Support	\$34,914,177	\$34,914,177	\$83,288	\$24,396,344	\$10,517,833	\$34,914,177
PG&E, Utilities	\$132,088,994	\$132,088,994	\$400,672	\$205,181,437	-\$76,922,043	\$128,259,394
Management Oversight & Support	\$312,699,697	\$315,007,767	\$3,275,076	\$275,910,779	\$39,096,988	\$315,007,767
TASI Support	\$114,488,767	\$114,488,767	\$2,084,004	\$101,297,321	\$28,191,446	\$129,488,767
Finance Charges	\$9,898,638	\$9,898,638	\$92,603	\$9,454,384	\$444,254	\$9,898,638
Insurance	\$6,581,851	\$6,581,851	\$172,590	\$6,291,001	\$290,850	\$6,581,851
Other Required Projects & Services	\$9,084,176	\$10,484,176	\$215,529	\$5,060,734	\$5,623,442	\$10,684,176
Environmental Mitigation	\$14,438,866	\$13,038,866	\$0	\$1,249,084	\$11,589,782	\$12,838,866
Caltrain Capital Overhead (ICAP)	\$48,217,887	\$48,217,887	\$393,864	\$25,168,618	\$23,049,270	\$48,217,887
Contingency	\$40,000,089	\$36,480,012	\$0	\$0	\$16,687,827	\$16,687,827
Total	\$2,442,690,697	\$2,442,690,697	\$16,451,371	\$2,089,243,183	\$353,447,514	\$2,442,690,697

4.3 Program Shared Risk Pool and Contingency

Caltrain and Balfour Beatty Infrastructure, Inc. (BBII) continue implementing new mechanisms to ensure a collaborative approach to Project delivery. The management team meets every week to review the issues log focusing on risk mitigation and issues resolution.

As part of global settlement, a shared risk pool of \$50 million was established to manage risks and mitigation proactively and collaboratively with the design-build contractor. Table 4-3 shows the current shared risk drawdown for the current month and to-date as well as the remaining balance of the shared Risk Pool by Risk Category. Any shared risk items (27 Risk IDs listed below in Table 4-3) that are above \$250,000 require Change Management Board (CMB) approval.

Table 4-3. Shared Risk Pool Status as of June 2023

Risk ID	Risk Description	Risk Amount	Current Month	Executed to Date	Remaining Balance
1	Permanent Power Availability	\$268,572	\$0	\$178,365	\$90,207
2	Different Site Condition for OCS Foundation	\$3,500,000	\$156,321	\$1,217,412	\$2,282,588
3	Different Site Condition for Duct bank	\$2,800,000	\$0	\$435,798	\$2,364,202
4	Condition of existing Fiber backbone infrastructure	\$3,150,000	\$97,794	\$354,244	\$2,795,756
5	Availability of TASI Resource	\$5,777,820	\$0	\$0	\$5,777,820
6	Signal Cutover access and work window	\$5,607,150	\$0	\$0	\$5,607,150
7	Condition of existing signal system	\$538,572	\$0	\$134,751	\$403,821
8	EMI Nonconformance by EMU Vendor	\$750,000	\$13,184	\$13,184	\$736,817
9	Reed Street Cutover	\$90,000	\$0	\$0	\$90,000
10	Availability of low voltage power for cutover testing	\$1,120,000	\$0	\$1,744,137	-\$624,137
11	Third party Permits	\$150,000	\$0	\$0	\$150,000
12	SCADA integration for the entire alignment	\$159,524	\$0	\$0	\$159,524
13	Tunnel OCS Compatibility	\$167,500	\$0	\$0	\$167,500
14	Supply chain issue due to COVID 19	\$300,000	\$0	\$28,923	\$271,077
15	End to end Systems integration commissioning	\$2,100,000	\$0	\$0	\$2,100,000
16	Existing Caltrain Operating systems interface and integration	\$1,400,000	\$0	\$71,920	\$1,328,080
17	Third party Approval	\$150,000	\$325,903	\$339,044	-\$189,044
18	Impact from Caltrain other capital or third-party projects	\$2,166,683	\$0	\$697,117	\$1,469,565
19	Track access delay for BBII Construction	\$1,800,000	\$153,394	\$381,931	\$1,418,069
20	Additional light Maintenance and Protection Needs	\$280,000	\$0	\$164,531	\$115,469
21	Crossing Protection	\$220,000	\$0	\$102,334	\$117,666
22	Power facilities	\$500,000	\$0	\$0	\$500,000
23	NCR's	\$0	\$0	\$0	\$0
24	Potholing	\$1,700,000	\$0	\$107,547	\$1,592,453
25	Pre-Revenue Service Operational Testing	\$250,000	\$0	\$0	\$250,000
26	TRO Contingency	\$3,000,000	\$0	\$0	\$3,000,000
27	Contingency	\$12,000,000	\$85,713	\$2,088,739	\$9,911,261
NA	Unidentified	\$54,179	\$0	\$0	\$54,179
	BBII Risk Pool Total	\$50,000,000	\$832,308	\$8,059,978	\$41,940,023

In addition to the established Risk Pool with BBII, the Re-Baseline Budget includes a program contingency of \$40 million to cover non-BBII potential changes and unknowns. Table 4-4 provides a detailed status of approved transfers from contingency due to executed Contract Change Orders and approved Budget Transfers.

Table 4-4. Program Contingency Drawdown Balance

Change Order	Description	Current Budget Contingency	EAC Contingency
Project Contingency		Previously Reported Balance	\$32,010,612
STA-055-CCO-042	Stadler Project Time Extension – <i>Adjustment of value</i>		\$3,876
STA-056-CCO-043	Passenger Convenience Outlet Current Limit (PCEP Share) – Rev0 (<i>Replaced by Rev1</i>)		\$390,000
STA-055-CCO-043	Passenger Convenience Outlet Current Limit (PCEP Share) – Rev1		(\$716,661)
BT-035C	TASI Support – Electrification (2023-2024)		(\$15,000,000)
PROJECT CONTINGENCY REMAINING BALANCE		\$36,480,012	\$16,687,827

Note: EAC Contingency reflects forecast contingency.

4.4 Electrification Design Builder Contract Incentives

The Global Settlement with BBII also includes incentives based on Milestone completions and remaining contract incentives. Table 4-5 provides a status of Design-Build Contractor incentives Budgeted, Awarded, and remaining Balance.

Table 4-5. BBII Incentives

Incentives	Budgeted	Awarded	Balance
Contract Incentive:			
Quality	\$1,250,000	\$1,000,000	\$250,000
Safety	\$2,500,000	\$1,000,000	\$1,500,000
Community Outreach	\$2,500,000	\$1,750,000	\$750,000
DBE	\$900,000	\$0	\$900,000
Total Contract Incentive	\$7,150,000	\$3,750,000	\$3,400,000
Milestone Incentive:			
Early Signal and Crossing Cutover	\$4,000,000	\$0	\$4,000,000
Early Project Substantial Completion (NTE)	\$8,000,000	\$0	\$8,000,000
Early Revenue Service	\$3,000,000	\$0	\$3,000,000
Total Milestone Incentive	\$15,000,000	\$0	\$15,000,000

4.5 Program Cash Flow and Funding

The remaining program expenditures are cash flowed in Figure 4-1. With the award of the full funding, the program does not expect any cash flow issues due to funding.

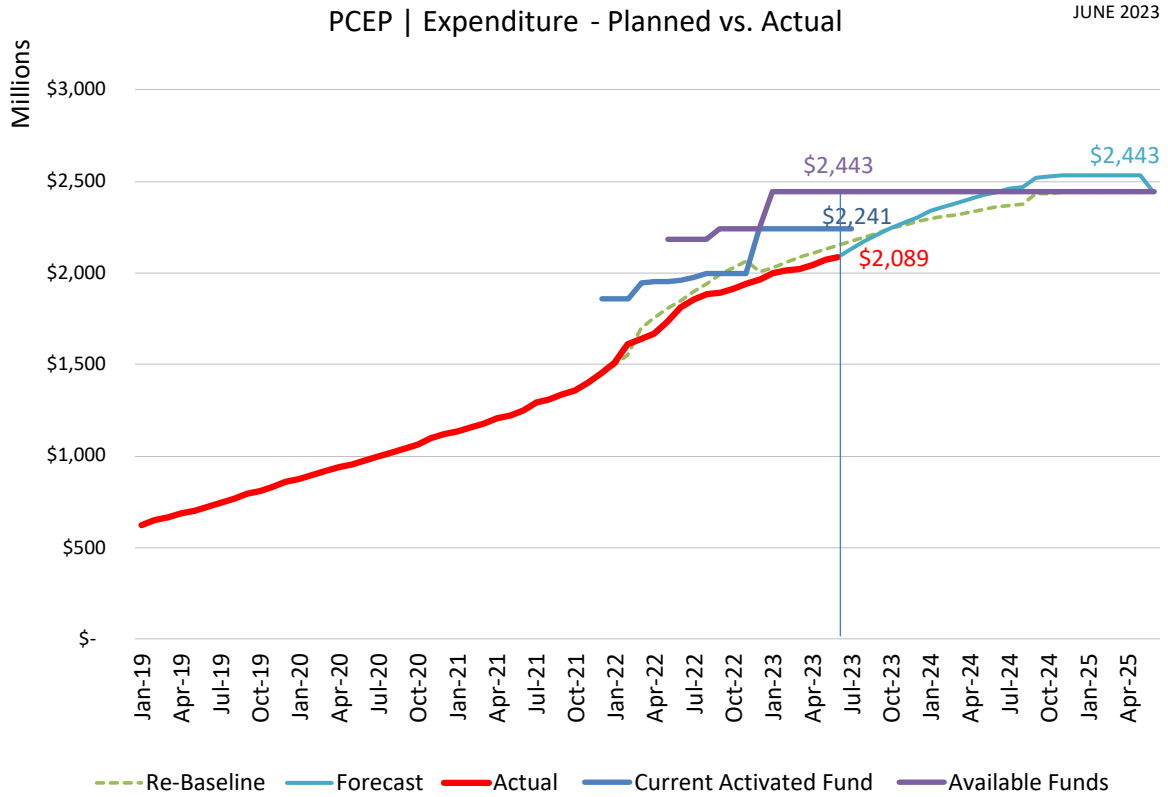


Figure 4.1. Expenditure – Funding Cash Flow

4.6 Issues

Table 4-6. Cost and Funding Issues Identified, and Actions Taken for June 2023

Issues	Actions
Late receiving of PG&E \$99 million reimbursement	<ul style="list-style-type: none"> • Work with PG&E to project reimbursement date. • May need to hold \$100 million bond until PG&E reimbursement is made to support project cash flow needs for FY25.

5.0 CHANGE MANAGEMENT

5.1 Introduction

The change management process establishes a formal administrative work process associated with the initiation, documentation, coordination, review, approval, and implementation of changes during the design, construction, or manufacturing of PCEP. The change management process accounts for the impacts of the changes and ensures prudent use of contingency.

5.2 Change Orders/Shared Risk Pool

5.2.1 Executed Shared Risk

The following Shared Risk items were executed in June 2023:

- Shared Risk Recoverable Costs for Ped Gate Separation / Articulated Gates was executed on June 20, 2023 for \$325,903.
- Storm Drain Repair at Foundation 0.1 - 01 was executed on June 27, 2023 for \$11,248.
- Track Access Delays August 2022 was executed on June 27, 2023 for \$39,184.
- 4th Street Tower Comms Equipment Relocation was executed on June 27, 2023 for \$97,794.
- Underground Boring Scope for JPB Utility Lines at MP 0.3 was executed on June 27, 2023 for \$85,713.
- DSC – Unmarked Storm Drainpipe Damage @ CMV Siding was executed on June 27, 2023 for \$57,818.
- Fiber Slack Enclosure was executed on June 27, 2023 for no cost.
- CEMOF YT-5 Grounding and Bonding and Wire Removal (Design Only) was executed on June 27, 2023 for \$58,007.

5.2.2 CMB Approved Items

- IRL 293 – Pedestrian Gate Separation

5.2.3 Upcoming Change Orders/Shared Risk Items

- Isolation and Protection for Railroad.
- Stadler Time Extension and Added Work.
- EMU Convenience Outlet Modification.
- Debris Pile Removal at FDN 46.1-19.
- September 2022 Track Access Delays.
- Contaminated Fiber Splice Enclosure @ MP 0.37.
- Contaminated Fiber Splice Enclosure @ MP 1.09 @ PS-1.
- Contaminated Fiber Splice Enclosure @ MP 1.70.
- TPS-2 Battery Enclosure and Materials.
- TPS-1 Battery Enclosure and Materials.
- Decoupling the Pre-Check Alarm.
- Relocation of Aerial Utilities at Stanford Station MP 30.5 (Construction Only).

5.3 Issues

Table 5-1. Change Management Issues Identified and Actions Taken for June 2023

Issues	Actions
Segment 4 Maintenance Option in the existing BBII Contract was never exercised. Maintenance of OCS/TPS for Milestone 1 limits (Diridon to San Antonio) will be needed once Milestone 1 is complete and once Caltrain is using it for EMU burn in under 25kV.	<ul style="list-style-type: none"> • Define EMU testing and burn in work schedule – Completed. • BBII provides isolation and protection through September 2023. • Develop evaluation criteria for TASI Maintenance Service proposals. • Perform transition between BBII and TASI on isolation and protection service.