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MICHELLE BOUCHARD
EXECUTIVE DIRECTOR

AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD Finance Committee Meeting

August 28, 2023, 2:30 pm

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

Committee Members: Monique Zmuda (Chair), Dev Davis (Vice Chair), Ray Mueller

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://us02web.zoom.us/j/81843266625?pwd=aDExTGltUUJSOUc5TkNnbU1QMTRHUT09> or by entering Webinar ID: # 818 4326 6625, Passcode: 249080, 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
- Congestion or runny nose
- Nausea or vomiting
- Muscle or body aches
- Diarrhea
- Fever or Chills
- Loss of taste or smell
- Shortness of Breath

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

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

Revised August 25, 2023 at approximately 9:10 am

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 28, 2023 - Monday

2:30 pm

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.

1. Call to Order/Pledge of Allegiance
2. Roll Call
3. Public Comment on 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 to reply.
4. Public Hearing for Proposed Fare Structure Revisions
 - a. Open Public Hearing
 - b. Present Staff Report
 - c. Hear Public Comment Informational
 - d. Close Public Hearing
 - e. Board Discussion
5. Adoption of the Fiscal Year 2024-2028 Caltrain Fare Structure and Approval of Associated Title VI Equity Analysis Motion
6. Consent Calendar
Members of the Board may request that an item under the Consent Calendar be considered separately.
 - 6.a. Meeting Minutes of July 24, 2023 Motion
 - 6.b. 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* Motion

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Revised August 25, 2023 at approximately 9:10 am

7. Accept Statement of Revenue and Expenses for the Period Ended July 31, 2023 Motion
8. Authorize Rejection of Proposal for On-Call Soil and Hazardous Waste Environmental Compliance Planning and Support Services and Re-Solicit of RFP (Request for Proposal)* Motion
9. Amendment 1 to Contract with Bell Burnett & Associates to Provide Additional Scope and Capacity for Financial Strategy Planning Consulting Services* Motion
10. Amend and Increase the Fiscal Year 2024 Caltrain Capital Budget by \$5,292,413 from \$510,153,014 to \$515,445,427 and Delegate Authority to Amend Capital Budget Under Specified Circumstances Motion
11. Adopt Declaration of Official Intent to Reimburse Prior Expenditures
Authorize Standing Reimbursement Authority for Use of Credit Facilities Motion
12. Project Labor Agreement Policy Update Informational
13. Committee Member Requests
14. Date/Time of Next Regular Finance Committee Meeting: September 25, 2023 at 2:30 pm.
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 94070.
15. Adjourn

Revised August 25, 2023 at approximately 9:10 am

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 Finance Committee: Two Mondays before the Board Meeting, 2:30 pm. 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.

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**Peninsula Corridor Joint Powers Board
Staff Report**

To: Finance Committee
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
Subject: **Adoption of the Fiscal Year 2024-2028 Caltrain Fare Structure and Approval of Associated Title VI Equity Analysis**

<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

Staff recommends the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) adopt two updated Fare Structures:

1. One effective January 1, 2024 upon Board approval of the proposed changes outlined below (Pre-Clipper Next Generation Fare Structure)
2. One effective upon Clipper next generation execution (Post-Clipper Next Generation Fare Structure)

Staff have undertaken a study to analyze and develop a revised Fare Structure accommodating 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) 2024-2025 budgets.

The First Fare Structure recommended for adoption proposes the following changes:

- Effective January 1, 2024 (FY25):
 - adopt Clipper START as a permanent fare category and
 - reduce minimum group travel discount size from 25 to 15 people;
- Effective March 1, 2024, after completion of current fare promotions, align all Clipper START pricing to match eligible discount (ED) pricing, and change ED day pass pricing to 2x one-way fare price;
- Effective July 1, 2025 (FY26), an increase to the Base fare by \$0.25 from \$3.75 to \$4.00 for adult and \$1.75 to \$2.00 for ED;
- Effective July 1, 2026 (FY27), an increase to the Zone upgrade by \$0.25 from \$2.25 to \$2.50 for adult and \$1.00 to \$1.25 for ED;

- Effective July 1, 2027 (FY28), an increase to the Base fare by \$0.25 from \$4.00 to \$4.25 for adult (the increase in Base Fare will apply only to adult fares due to rounding rules for ED fare);
- FY24-FY28: Monthly Pass Multiplier remains priced at 24 trips (12 roundtrips);

Go Pass Changes in the first recommended fare structure:

- Effective January 1, 2024, reduce the current Go Pass price of \$342 per pass to \$275 per pass;
- Effective January 1, 2024, allow discounts within the Go Pass program for students at schools enrolled in the program, and for residents at affordable housing projects enrolled in the program (discount may be up to 80 percent off the regular Go Pass price).

During the Caltrain Board of Directors meeting on August 3, 2023, staff was requested to analyze whether a change in the minimum eligible users for Go Pass could be integrated into the recommendation. Staff conducted a sensitivity analysis of the potential revenue loss to the 2023 Go Pass program if the number of minimum eligible users was reduced. The analysis estimates a small negative fiscal impact (approx. \$61,000 (0.4 percent) of total Go Pass revenue) associated with reducing the minimum eligible users. Any negative fiscal impact is expected to be offset by increased revenue from the higher ridership driven by increased availability of the Go Pass. Staff recommends reducing the minimum eligible users from 84 to 20 to engage new smaller organizations for which the 84 minimum eligible users was cost prohibitive. This recommendation is anticipated to have minimum fiscal impact in the 2023 calendar year and has the potential to increase new participation in the Go Pass program and overall ridership.

- Effective January 1, 2024 reduce the current Go Pass required amount of minimum eligible users from 84 to 20.

The Second Fare Structure recommended for adoption will take effect upon execution of the Clipper next generation project. Staff recommends the following additional changes:

- Free or Reduced Cost Transfers Regional Transit Pilot Program
 - The Pilot Program will provide a transfer discount up to the region's highest local transit fare to Clipper riders (excluding pass products) transferring to Caltrain within two hours of the first boarding; and
- Open Payment Acceptance
 - Customer may purchase a Caltrain One-Way ticket at all Clipper Stand Alone Validators with a credit card and will effectively pay the same price as riders who use Clipper.

Discussion

Background: In May of 2022, the Board adopted an updated Fare Structure that included the following schedule of fare changes:

- Effective July 1, 2023 (FY24), an increase to the Base fare of \$.50;
- Effective July 1, 2023 (FY24), an increase to the Monthly Pass Trip Multiplier from 12 days (24 trips) to 15 days (30 trips);
- Effective July 1, 2025 (FY26), 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 ED riders;
- Effective July 1, 2027 (FY27) an increase to the Base fare of \$.50;
- Effective July 1, 2028 (FY29) a reduction of the Clipper discount on Adult fares from \$.55 to \$.25; and

Participation in Clipper START, the regional means-based fare program was through June 30, 2023, based on the Metropolitan Transportation Commission's (MTC) previous end date for the pilot.

Temporary Changes: Caltrain experienced significant decline in ridership due to the Covid-19 pandemic. To recover lost ridership, in May 2022 the Board postponed previously adopted fare increases and postponed the fare increases scheduled to take effect in July 2023. 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 (a) Caltrain Fare Structure adopted in Resolution 2019-32, and (b) Federal Transit Administration 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, postponing the 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 previously adopted fare changes scheduled to take effect on July 1, 2023, so that the prices in effect on June 30, 2023 would 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.

Staff presented the recommended fare changes to the Caltrain Citizens Advisory Committee (CAC) on Wednesday, July 19, 2023. Staff also presented to the Caltrain Board of Directors on August 3, 2023. These items were informational only. Public outreach was held in August, which included a public meeting on August 21, 2023.

Equity Analysis of Fare Changes

Caltrain performed a Title VI Equity Analysis for the recommended fare changes in the revised Fare Structures using 2022 systemwide ridership and rider demographic information collected in the 2022 Caltrain Triennial Customer Survey. JPB's Title VI Disparate Impact policy establishes a 10 percent threshold difference for determining whether a fare adjustment has an

adverse impact on minority populations compared to non-minority populations. Similarly, the Disproportionate Burden threshold to determine if a fare adjustment has an adverse impact on low-income populations compared to non-low-income populations is also established at 10 percent.

The findings of the analysis confirms that there is no Disparate Impact on minority populations, and no Disproportionate Burden on low-income populations for all recommended fare changes. The percentage difference between the minority cost change and non-minority cost change for FY26-FY28 is less than 1 percent, falling well within the 10% Disparate Impact threshold. The percentage difference between the low-income cost change and non-low-income cost change is also within the 10 percent Disproportionate Burden threshold, at under 1 percent. The analysis can be located at www.caltrain.com/meetings/2023/08/jpb-finance-committee.

Budget Impact

There is no anticipated impact to the FY2024-2025 budgets. The small adjustments to Clipper START and eligible discount prices could reduce fare revenue by up to \$40,000; however, it is likely the small price reductions could increase ridership, and potentially increase fare revenue. The reduction of the Go Pass minimum eligible users from 84 to 20 could reduce fare revenue by up to \$61,000 based on Calendar 2023 enrollment; however, it is likely the reduction could increase participants, and potentially increase total fare revenue.

Prepared By: Bruce Thompson Manager of Fare Programs 650-551-6106

Resolution No. 2023-

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

* * *

**Adoption of the Fiscal Year 2024-2028 Caltrain Fare Structure and Approval
of Associated Title VI Equity Analysis**

Whereas, on May 6, 1992, by Resolution No. 1992-31, the Board of the Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) adopted a Codified Tariff, setting forth the rate structure for the Caltrain service; and

Whereas, the JPB has previously amended the Codified Tariff to modify fares in order to implement policy and administrative changes in the Caltrain service; and

Whereas, the JPB is committed to the principles underlying its Caltrain Fare Policy, adopted on December 6, 2018, by Resolution 2018-49, including financial sustainability, equity, customer experience, and ridership; and

Whereas, the JPB revised the Fare Structure (which replaced the Codified Tariff) on September 5, 2019, by adopting Resolution 2019-32, in order to increase Go Pass prices every other year, reduce the Clipper® Discount, increase base and zone fares (alternating every other year), and participate in the regional means-based fare pilot program (Clipper START); and

Whereas, in light of the COVID-19 pandemic, on September 3, 2020, the JPB adopted Resolution 2020-47, postponing the previously approved fare increases, which were to take effect on April 1 and July 1, 2020, until after Fiscal Year 2020-2021; and

Whereas, on June 4, 2020, by Resolution No. 2020-21, the JPB extended the duration of the 2020 Go Pass participant agreements through March 2021 to compensate for their users' loss of use of Caltrain for the duration of state and local shelter-in-place orders; and

Whereas, on June 4, 2020, by adopting Resolution 2020-30, the JPB increased the Caltrain discount associated with Clipper START from 20 percent to 50 percent off single-ride, adult Clipper fares; and

Whereas, on January 7, 2021, the JPB adopted Resolution 2021-01 to reduce the 2021 Go Pass pricing to reflect the shortened program year and continued commute pattern changes caused by COVID-19; to give added flexibility to Go Pass program participants by permitting them to offer otherwise unused 2021 Go Passes to on-site contractors, part-time employees, and graduate and post-doctoral students and to donate unused passes to qualified not-for-profit organizations, and to decrease the 2022 Go Pass price for the Go Pass program participants purchasing passes for at least the last six months of 2021; and

Whereas, on June 3, 2021, by adopting Resolution 2021-33, the JPB, based on the public comment it had received, extended the temporary 20 percent discount on Monthly Pass products, postponed two scheduled 5 percent increases in the Go Pass price, postponed a reduction of the Clipper discount, delayed scheduled increases to the full-price base fare and zone charge, and extended Clipper START; and

Whereas, on May 5, 2022, the Board of the Peninsula Corridor Joint JPB adopted an updated Fare Structure via Resolution 2022-22 that postponed previously approved fare increases and included a schedule of fare changes, including increases to the Base fare, an

increase to the Zone Upgrade, postponement of two Go Pass price increases, and a reduction of the Clipper discount on Adult fares; and

Whereas, due to the COVID-19 Pandemic, Caltrain experienced significant declines in ridership; and

Whereas, the Metropolitan Transportation Commission 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; and

Whereas, the Caltrain Fare Structure as adopted in Resolution 2019-32, and Federal Transit Administration FTA Circular 4702.1B, grant the Executive Director the authority to implement special and promotional fare discounts lasting up to six months; and

Whereas, pursuant to the Fare Structure, Caltrain's Executive Director authorized a promotional fare reduction on May 24, 2023, postponing the Board-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; and

Whereas, 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, would 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; and

Whereas, under Title VI of the Civil Rights Act of 1964 and implementing regulations, including FTA Circular 4702.1B, the JPB is required to perform a Title VI Equity Analysis in conjunction with most fare changes to assess whether they will result in disparate impacts or disproportionate burdens on minority or low-income populations, respectively, and on April 4,

2013, the Board adopted Resolution No. 2013-21, which established Disparate Impact and Disproportionate Burden Policies to set thresholds for when fare or major service changes are deemed to have disproportionate effects on minority or low-income populations; and

Whereas, Staff presented the recommended fare changes to the Caltrain Citizens Advisory Committee (CAC) on Wednesday, July 19, 2023. Staff presented to the Caltrain Board of Directors on August 3, 2023. Public outreach regarding changes to the Fare Structure was held in August, which included a duly noticed public hearing at the August 21, 2023, Finance Committee Meeting; and

Whereas, Caltrain performed a Title VI Equity Analysis for the recommended fare changes in the revised Fare Structures on September 7, 2023, and the findings confirmed that there is no Disparate Impact on minority populations, and no Disproportionate Burden on low-income populations for all recommended fare changes; and

Whereas, staff recommends that the Board adopt two updated Fare Structures: one that will go into effect upon Board approval, and another that will go into effect upon Clipper next generation execution; and

Whereas, 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 that are consistent with the agency's forthcoming strategic financial plan and the adopted fiscal year (FY) 2024-2025 budgets; and

Whereas, the first fare structure recommended for adoption proposes the changes as detailed in Attachment A (Caltrain Fare Structure Prior to Clipper 2.0), including the following changes:

- Adoption of Clipper START as a permanent fare category;
- Reduce the minimum group travel discount size from 25 to 15 people;
- Align all Clipper START pricing to match eligible discount (ED) pricing, and change ED day pass pricing;
- Scheduled increases to the Base fare, ED, and Zone Upgrade;
- Maintaining the Monthly Pass Multiplier priced at 24 trips (12 roundtrips);
- Reduce the current Go Pass price of \$342/pass down to \$275/pass; and
- Reduce the current Go Pass required amount of minimum eligible users from 84 to 20; and
- Allow discounts within the Go Pass program for students at schools enrolled in the program and for residents at affordable housing projects enrolled in the program (up to 80% off of the regular Go Pass price); and

Whereas, the second fare structure recommended for adoption proposes the changes as detailed in Attachment B (Caltrain Fare Structure After Execution of Clipper 2.0), including the following changes:

- Free or Reduced Cost Transfers Regional Transit Pilot Program: a transfer discount for Clipper riders (excluding pass products) transferring to Caltrain within two hours of the first boarding; and

- Open Payment Acceptance: Customer may purchase a Caltrain One-Way ticket at all Clipper Stand Alone Validators with a credit card; and

Whereas, Staff presented the recommended fare changes to the Caltrain Citizens Advisory Committee (CAC) on Wednesday, July 19, 2023. Staff presented to the Caltrain Board of Directors on August 3, 2023. Public outreach was held in August, which included a duly noticed public hearing at the August 21, 2023 Finance Committee Meeting; and

Whereas, there is no estimated impact to the FY2024-2025 budgets. The small adjustments to Clipper START and eligible discount prices could reduce fare revenue by up to \$40,000; however, it is likely the small price reductions could increase ridership, and potentially increase fare revenue. The reduction of the Go Pass minimum eligible could reduce fare revenue by up to \$60,000; however, it is likely the reduction could increase participants, and potentially increase fare revenue.

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

1. Finds pursuant to Title VI of the Civil Rights Act of 1964 that the fare changes enacted hereby will not have a disparate impact on minority populations or a disproportionate burden on low-income populations;
2. Adopts an updated Fare Structure to be effective immediately upon adoption, as detailed in Attachments A (Caltrain Fare Structure Prior to Clipper 2.0), including the following changes:
 - Effective January 1, 2024:
 - Adopt Clipper START as a permanent fare category;

- Reduce the minimum group travel discount size from 25 to 15 people;
 - Reduce the current Go Pass price of \$342/pass down to \$275/pass;
 - and
 - Allow discounts within the Go Pass program for students at schools enrolled in the program and for residents at affordable housing projects enrolled in the program (discount may be up to 80% off of the regular Go Pass price).
- Effective March 1, 2024: Align all Clipper START pricing to match eligible discount (ED) pricing, and change ED day pass pricing to 2x one-way fare price
 - Effective July 1, 2025: increase the Base fare by \$0.25 from \$3.75 to \$4.00 for adult fare and \$1.75 to \$2.00 for ED
 - Effective July 1, 2026: increase the Zone upgrade by \$0.25 from \$2.25 to \$2.50 for adult fare and \$1.00 to \$1.25 for ED
 - Effective July 1, 2027: increase the Base fare by \$0.25 from \$4.00 to \$4.25 for adult fare
 - Monthly Pass Multiplier remains priced at 24 trips (12 roundtrips) through June 30, 2028;
3. Adopts an updated Fare Structure to be effective upon the execution of Clipper next generation, as detailed in Attachment B (Caltrain Fare Structure After Execution of Clipper 2.0): including the following additional changes:

- Provide a transfer discount up to the region’s highest local transit fare to Clipper riders who transfer to Caltrain within two hours of their first boarding as part of the Free or Reduced Cost Transfers Regional Transit Pilot Program (excludes pass products)
- Permit customers to purchase a Caltrain One-Way ticket at all Clipper Stand Alone Validators with a credit card; and

Be It Further Resolved That the Board of Directors directs the Executive Director, or designee, to sign any agreements or other documents, or take any other actions required, to give effect to this resolution.

Regularly passed and adopted this 7th day of September, 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary
(00493502-2)

Pre-Clipper Next Generation Fare Structure

Adopted – May 6, 1992

Last Revised – September 7, 2023

Effective – January 1, 2024

PENINSULA CORRIDOR JOINT POWERS BOARD STATE OF CALIFORNIA

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CALTRAIN FARE STRUCTURE

This document establishes the fare structure for use of Caltrain passenger rail service, which operates between San Francisco and Gilroy, California. For pricing, refer to Section V, Fare Chart.

I. FARE CATEGORIES

A. Full Fare

Full Fares apply to all customers except those who qualify for an Eligible Discount Fare or Clipper START.

B. Eligible Discount Fare

Customers qualifying for the Eligible Discount Fare receive at least a 50% discount off of full fares. A customer qualifies for the Eligible Discount Fare by meeting or possessing any one or more of the requirements below. Proof of age or appropriate identification may be necessary when ticket is requested by the conductor or fare inspector.

1. Aged 65 years or older.
2. Aged 18 years or younger.
3. Disabled Person Placard Identification Card issued by the California State Department of Motor Vehicles (DMV).
4. Medicare Card.
5. Regional Transit Connection (RTC) Discount Card for persons with disabilities, including Clipper® cards that are designated as RTC Discount Cards. A personal care attendant travelling with an RTC Discount Card holder can pay the Eligible Discount Fare if the RTC Discount Card is marked with an attendant symbol.
6. Valid transit discount card issued by another California transit agency, which is equivalent to the RTC Discount Card.

C. Clipper START Means-Based Fare Program

Caltrain's participation in the Regional Means based Clipper Start program, administered by the Metropolitan Transportation Commission (MTC), provides discounted fares for eligible participants who meet income thresholds as defined by MTC. For information on program details, eligibility criteria, or to apply, visit www.clipperstartcard.com. Customers

qualifying for a Clipper START Fare receive at least a 50% discount compared to Clipper full fares.

D. Clipper Bay Pass Pilot Program - Regional All Agency Pass

Available to passengers who are selected to participate in the Clipper Bay Pass Pilot Program, part of the Regional Fare Coordination and Integration Study administered by the Bay Area Integration Task Force. Clipper Bay Pass is managed by MTC and Bay Area Rapid Transit (BART) in close coordination with regional transit operators and Caltrain

E. Sworn Peace Officers

Uniformed and non-uniformed, sworn peace officers showing proper identification are allowed to ride Caltrain without paying a fare.

F. Children Four Years or Younger

One child aged four years or younger accompanied by a paying adult, including Go Pass users, may ride Caltrain without paying a fare. Additional children traveling with the same adult are required to pay a fare.

G. Special Promotional Fares

From time to time, the Executive Director may authorize the establishment of special or promotional fares.

H. Group Travel Discount

A 10 percent discount on regular cash fares is provided to fare-paying groups of 15 or more passengers that pre-purchase through the Caltrain Group Travel program.

II. FARE TYPES

A. One-Way Ticket

Valid for use within four hours of the date and time sold. One-way Tickets are honored for one-way passage away from the point of origin, including stopovers/transfers, within the zone(s) indicated on such tickets.

B. Day Pass

Valid for use on a single day, through the last train on the service day on which sold. Day passes are honored for unlimited travel within the zone(s) indicated on the ticket.

C. Monthly Pass

Valid for use for the calendar month for which issued. Monthly Passes are honored for unlimited weekday trips between the zone(s) indicated on such passes. On Saturdays, Sundays and holidays, Monthly Passes are honored for unlimited trips between all zones..

D. Zone Upgrade Ticket

Valid for use within four hours of the date and time sold. Zone Upgrade Tickets are valid only when accompanying a Monthly Pass or a valid paper One-way Ticket or Day Pass, and cannot be used alone. The Zone Upgrade Ticket will be honored for one-way passage for additional zones purchased beyond the original ticket's zone limits. The

Zone Upgrade Ticket's validity period does not supersede the original ticket's validity period.

E. Go Pass

Valid for use within the calendar year for which issued. The Go Pass is an annual transit pass sold to schools, employers, and residential, commercial, and mixed-use development complexes. Go Pass participants are subject to the terms of agreements between the JPB and each Go Pass participant.

The Go Pass program may offer a discount of up to a maximum of 80 percent off of the regular Go Pass price for a) students enrolled in the program through a school; and b) residents of affordable housing projects enrolled in the program. For schools, the Go Pass may also be valid and issued for an academic year rather than a calendar year.

The Go Pass is administered via a Clipper Card accompanied by a valid participant-issued photo identification card or a sticker affixed to the above-mentioned identification cards. The Go Pass is honored for unlimited trips between all zones. Go Pass users are eligible to purchase a Monthly Parking Permit.

III. FARE PAYMENT

A. Ticket Vending Machines

Customers may purchase the following Caltrain fare products at Caltrain stations via the ticket vending machines: (i) One-way Ticket; (ii) Day Pass; and (iii) Zone Upgrade. Customers may also purchase select Clipper products, add value to Clipper cards, and purchase Adult Clipper Cards at upgraded Ticket Vending Machines. Cash, credit and debit cards are accepted. Ticket machines may also offer customers the opportunity to add value to their Clipper Cards.

B. Mobile Ticketing Application Program

Customers may purchase the following fare products via the Caltrain Mobile App: (i) One-way Ticket; (ii) Day Pass; and (iii) Zone Upgrade. Credit and debit cards, PayPal, Google Pay and Apple Pay are accepted.

C. Clipper

Customers may purchase the following fare products via the Clipper regional transit fare payment system: (i) One-way Ticket; (ii) Monthly Pass. Customers paying with Clipper for a One-way ride receive a 55-cent discount on Full Fares compared to paper and mobile tickets. Customers qualifying for an Eligible Discount Fare receive at least a 50% discount compared to Clipper full fares.

The Clipper card, which is issued and administered by MTC, is valid for use on public transit services throughout the San Francisco Bay Area. MTC may establish fees and a cash minimum associated with the use of a Clipper card.

D. JPB staff is empowered to distribute fare media through other means (e.g. a website) without amendment of this document.

IV. DESCRIPTION OF ZONES

The zone designations for Caltrain service are:

<u>Zone 1</u> San Francisco	<u>Zone 2</u> Millbrae	<u>Zone 3</u> Menlo Park
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22 nd Street Bayshore South San Francisco San Bruno	Broadway* Burlingame San Mateo Hayward Park Hillsdale Belmont San Carlos Redwood City	Palo Alto Stanford Stadium^ California Avenue San Antonio Mountain View Sunnyvale
<u>Zone 4</u> Lawrence Santa Clara College Park# San Jose Diridon	<u>Zone 5</u> Capitol# Blossom Hill#	<u>Zone 6</u> Morgan Hill# San Martin# Gilroy#

* Weekend service only

^ Football/Other Select Levy Stadium events only

Weekday service only

V. **GENERAL CONDITIONS**

A. **Conditions of Use**

Tickets and passes are non-transferable. Tickets mutilated, altered or changed in any way, or used in any manner other than in accordance with the provision of this Fare Structure shall be forfeited.

B. **Enforcement**

Passengers must have a valid ticket before boarding to ride Caltrain. Fares will be enforced by a Proof-of-Payment system as adopted and amended from time to time by the JPB. Proof of fare payment must be carried at all times while on Caltrain and must be presented for inspection upon request. Passengers without valid fare are subject to written warnings and citations with monetary penalties as authorized by California law.

C. **Stopovers/Transfers**

Stopovers and transfers are permitted within zones indicated on tickets provided travel is completed within the ticket's validity period. For One-way Tickets, travel can only continue and be completed in the original direction of travel. One-way Tickets cannot be used to reverse direction.

D. **Delays**

When a customer holding a valid ticket is delayed because of washout, wreck or other obstruction to tracks, public calamity, an act of God or of the public enemy so that the validity period of a passenger's ticket has expired, such ticket's validity may be extended by the conductor or fare inspector to the extent of such delay.

E. **Refunds**

1. One-way, Day Pass, and Zone Upgrade Tickets
One-Way, Day Pass and Zone Upgrade Tickets are not subject to refund.
2. Go Passes

Fees paid for Go Passes are subject to refund only in case of termination of a contract between the JPB and the Go Pass participant. The JPB will refund the pro-rated portion of the Go Pass fee paid by the participating entity (equivalent to the number of unused months), less an administration fee, within 30 days of the contract termination date, provided that within 10 working days of the effective termination date, all undistributed Go Passes issued to the participating entity are returned to the JPB and the participating entity verifies in writing that it has made every good faith effort to collect or destroy all Go Passes that it distributed.

3. Monthly Passes

Unused Monthly Passes may be returned for a full refund prior to the date the passes first become valid.

Monthly Passes returned for a refund during the validity period will be refunded for the difference between the fare paid and the value of the transportation furnished. The value of transportation furnished will be considered to be the value of two one-way fares per weekday up to the date the pass is returned.

VI. FARE PRICES

Updated Fare Table on next page:

Zones Travelled	Fare Type	Payment Option	Category	Current	Eff 3/1/2024	Eff 7/1/2025	Eff 7/1/2026	Eff 7/1/2027	
1	One-way	Ticket Machine, Mobile App	Adult	\$3.75	\$3.75	\$4.00	\$4.00	\$4.25	
			Eligible Discount	\$1.75	\$1.75	\$2.00	\$2.00	\$2.00	
		Clipper	Adult	\$3.20	\$3.20	\$3.45	\$3.45	\$3.70	
			Clipper START	\$1.60	\$1.60	\$1.70	\$1.70	\$1.70	
	Day Pass	Ticket Machine, Mobile App	Adult	\$7.50	\$7.50	\$8.00	\$8.00	\$8.50	
			Eligible Discount	\$3.75	\$3.50	\$4.00	\$4.00	\$4.00	
	Monthly Pass	Clipper	Adult	\$76.80	\$76.80	\$82.80	\$82.80	\$88.80	
			Eligible Discount	\$38.40	\$38.40	\$40.80	\$40.80	\$40.80	
	2	One-way	Ticket Machine, Mobile App	Adult	\$6.00	\$6.00	\$6.25	\$6.50	\$6.75
				Eligible Discount	\$2.75	\$2.75	\$3.00	\$3.25	\$3.25
Clipper			Adult	\$5.45	\$5.45	\$5.70	\$5.95	\$6.20	
			Clipper START	\$2.70	\$2.60	\$2.70	\$2.95	\$2.95	
Day Pass		Ticket Machine, Mobile App	Adult	\$12.00	\$12.00	\$12.50	\$13.00	\$13.50	
			Eligible Discount	\$6.00	\$5.50	\$6.00	\$6.50	\$6.50	
Monthly Pass		Clipper	Adult	\$130.80	\$130.80	\$136.80	\$142.80	\$148.80	
			Eligible Discount	\$62.40	\$62.40	\$68.40	\$70.80	\$70.80	
3		One-way	Ticket Machine, Mobile App	Adult	\$8.25	\$8.25	\$8.50	\$9.00	\$9.25
				Eligible Discount	\$3.75	\$3.75	\$4.00	\$4.50	\$4.50
	Clipper		Adult	\$7.70	\$7.70	\$7.95	\$8.45	\$8.70	
			Clipper START	\$3.85	\$3.60	\$3.70	\$4.20	\$4.20	
	Day Pass	Ticket Machine, Mobile App	Adult	\$16.50	\$16.50	\$17.00	\$18.00	\$18.50	
			Eligible Discount	\$8.25	\$7.50	\$8.00	\$9.00	\$9.00	
	Monthly Pass	Clipper	Adult	\$184.80	\$184.80	\$190.80	\$202.80	\$208.80	
			Eligible Discount	\$86.40	\$86.40	\$92.40	\$100.80	\$100.80	
	4	One-way	Ticket Machine, Mobile App	Adult	\$10.50	\$10.50	\$10.75	\$11.50	\$11.75
				Eligible Discount	\$4.75	\$4.75	\$5.00	\$5.75	\$5.75
Clipper			Adult	\$9.95	\$9.95	\$10.20	\$10.95	\$11.20	
			Clipper START	\$4.95	\$4.60	\$4.70	\$5.45	\$5.45	
Day Pass		Ticket Machine, Mobile App	Adult	\$21.00	\$21.00	\$21.50	\$23.00	\$23.50	
			Eligible Discount	\$10.50	\$9.50	\$10.00	\$11.50	\$11.50	
Monthly Pass		Clipper	Adult	\$238.80	\$238.80	\$244.80	\$262.80	\$268.80	
			Eligible Discount	\$110.40	\$110.40	\$116.40	\$130.80	\$130.80	
5		One-way	Ticket Machine, Mobile App	Adult	\$12.75	\$12.75	\$13.00	\$14.00	\$14.25
				Eligible Discount	\$5.75	\$5.75	\$6.00	\$7.00	\$7.00
	Clipper		Adult	\$12.20	\$12.20	\$12.45	\$13.45	\$13.70	
			Clipper START	\$6.10	\$5.60	\$5.70	\$6.70	\$6.70	
	Day Pass	Ticket Machine, Mobile App	Adult	\$25.50	\$25.50	\$26.00	\$28.00	\$28.50	
			Eligible Discount	\$12.75	\$11.50	\$12.00	\$14.00	\$14.00	
	Monthly Pass	Clipper	Adult	\$292.80	\$292.80	\$298.80	\$322.80	\$328.80	
			Eligible Discount	\$134.40	\$134.40	\$140.40	\$160.80	\$160.80	
	6	One-way	Ticket Machine, Mobile App	Adult	\$15.00	\$15.00	\$15.25	\$16.50	\$16.75
				Eligible Discount	\$6.75	\$6.75	\$7.00	\$8.25	\$8.25
Clipper			Adult	\$14.45	\$14.45	\$14.70	\$15.95	\$16.20	
			Clipper START	\$7.20	\$6.60	\$6.70	\$7.95	\$7.95	
Day Pass		Ticket Machine, Mobile App	Adult	\$30.00	\$30.00	\$30.50	\$33.00	\$33.50	
			Eligible Discount	\$15.00	\$13.50	\$14.00	\$16.50	\$16.50	
Monthly Pass		Clipper	Adult	\$346.80	\$346.80	\$352.80	\$382.80	\$388.80	
			Eligible Discount	\$158.40	\$158.40	\$164.40	\$190.80	\$190.80	

Zone Upgrade Table

Zone Upgrade			
Payment Option	Category	Current	Eff. 7/1/2026
Ticket Machine, Mobile App	Adult	\$2.25	\$2.50
	Eligible Discount	\$1.00	\$1.25

Go Pass Pricing

Go Pass		
	Current	Eff. 1/1/2024
Minimum Cost	\$28,728.00	\$5,500.00
Per Eligible Rider*	\$342.00	\$275.00

Post-Clipper Next Generation Fare Structure

Adopted – May 6, 1992

Last Revised – September 7, 2023

Effective – TBD by Metropolitan Transportation Commission, upon Clipper Next Generation Going Live

PENINSULA CORRIDOR JOINT POWERS BOARD STATE OF CALIFORNIA

* * *

CALTRAIN FARE STRUCTURE

This document establishes the fare structure for use of Caltrain passenger rail service, which operates between San Francisco and Gilroy, California. For pricing, refer to Section V, Fare Chart.

I. FARE CATEGORIES

A. Full Fare

Full Fares apply to all customers except those who qualify for an Eligible Discount Fare or Clipper START.

B. Eligible Discount Fare

Customers qualifying for the Eligible Discount Fare receive at least a 50% discount off of full fares. A customer qualifies for the Eligible Discount Fare by meeting or possessing any one or more of the requirements below. Proof of age or appropriate identification may be necessary when ticket is requested by the conductor or fare inspector.

1. Aged 65 years or older.
2. Aged 18 years or younger.
3. Disabled Person Placard Identification Card issued by the California State Department of Motor Vehicles (DMV).
4. Medicare Card.
5. Regional Transit Connection (RTC) Discount Card for persons with disabilities, including Clipper® cards that are designated as RTC Discount Cards. A personal care attendant travelling with an RTC Discount Card holder can pay the Eligible Discount Fare if the RTC Discount Card is marked with an attendant symbol.
6. Valid transit discount card issued by another California transit agency, which is equivalent to the RTC Discount Card.

C. Clipper START Means-Based Fare Program

Caltrain's participation in the Regional Means based Clipper START program, administered by the Metropolitan Transportation Commission (MTC), provides discounted fares for eligible participants who meet income thresholds as defined by

MTC. For information on program details, eligibility criteria, or to apply, visit www.clipperstartcard.com. Customers qualifying for a Clipper START Fare receive at least a 50% discount compared to Clipper full fares.

- D. Clipper Bay Pass Pilot Program - Regional All Agency Pass**
Available to passengers who are selected to participate in the Clipper Bay Pass Pilot Program, part of the Regional Fare Coordination and Integration Study administered by the Bay Area Integration Task Force. Clipper Bay Pass is managed by MTC and Bay Area Rapid Transit (BART) in close coordination with regional transit operators and Caltrain
- E. Free or Reduced Cost Transfers-Regional Transit Pilot Program**
The Free or Reduced Cost Transfers Regional Transit Pilot Program is part of the Regional Fare Coordination and Integration Study. It is managed by MTC and BART in close coordination with regional transit operators and Caltrain. The Pilot Program will provide a transfer discount up to the region's highest local transit fare to Clipper riders (excluding pass products) transferring to Caltrain within two hours of the first boarding.
- F. Sworn Peace Officers**
Uniformed and non-uniformed, sworn peace officers showing proper identification are allowed to ride Caltrain without paying a fare.
- G. Children Four Years or Younger**
One child aged four years or younger accompanied by a paying adult, including Go Pass users, may ride Caltrain without paying a fare. Additional children traveling with the same adult are required to pay a fare.
- H. Special Promotional Fares**
From time to time, the Executive Director may authorize the establishment of special or promotional fares.
- I. Group Travel Discount**
A 10 percent discount on regular cash fares is provided to fare-paying groups of 15 or more passengers that pre-purchase through the Caltrain Group Travel program.

II. FARE TYPES

A. **One-Way Ticket**

Valid for use within four hours of the date and time sold. One-way Tickets are honored for one-way passage away from the point of origin, including stopovers/transfers, within the zone(s) indicated on such tickets.

B. **Day Pass**

Valid for use on a single day, through the last train on the service day on which sold. Day passes are honored for unlimited travel within the zone(s) indicated on the ticket.

C. **Monthly Pass**

Valid for use for the calendar month for which issued. Monthly Passes are honored for unlimited weekday trips for the number of zones purchased. On Saturdays, Sundays and holidays, Monthly Passes are honored for unlimited trips between all zones.

D. **Zone Upgrade Ticket**

Valid for use within four hours of the date and time sold. Paper Zone Upgrade Tickets are valid only when accompanying a Monthly Pass or a valid paper One-way Ticket or Day Pass, and cannot be used alone. The Zone Upgrade Ticket will be honored for one-way passage for additional zones purchased beyond the original ticket's zone limits. The Zone Upgrade Ticket's validity period does not supersede the original ticket's validity period. Zone Upgrade tickets on Clipper will be available for use with a valid Clipper monthly pass and be automatically applied when month pass users travel exceed the number of purchased zones.

E. **Go Pass**

Valid for use within the calendar year for which issued. The Go Pass is an annual transit pass sold to schools, employers, and residential, commercial, and mixed-use development complexes. Go Pass participants are subject to the terms of agreements between the JPB and each Go Pass participant.

The Go Pass program may offer a discount of up to a maximum of 80 percent off of the regular Go Pass price for a) students enrolled in the program through a school; and b) residents of affordable housing projects enrolled in the program. For schools, the Go Pass may also be valid and issued for an academic year rather than a calendar year.

The Go Pass is administered via a Clipper Card accompanied by a valid participant-issued photo identification card or a sticker affixed to the above-mentioned identification cards. The Go Pass is honored for unlimited trips between all zones. Go Pass users are eligible to purchase a Monthly Parking Permit.

III. FARE PAYMENT

A. **Ticket Vending Machines**

Customers may purchase the following Caltrain fare products at Caltrain stations via the ticket vending machines: (i) One-way Ticket; (ii) Day Pass; and (iii) Zone Upgrade.

Customers may also purchase select Clipper products, add value to Clipper cards, and purchase Adult Clipper Cards at upgraded Ticket Vending Machines. Cash, credit and debit

cards are accepted. Ticket vending machines may also offer customers the opportunity to add value to their Clipper Cards.

B. Mobile Ticketing Application Program

Customers may purchase the following fare products via the Caltrain Mobile App: (i) One-way Ticket; (ii) Day Pass; and (iii) Zone Upgrade. Credit and debit cards, PayPal, Google Pay and Apple Pay are accepted.

C. Clipper

Customers may purchase the following fare products via the Clipper regional transit fare payment system: (i) One-way Ticket; (ii) Monthly Pass (iii) Zone Upgrade. Customers paying with Clipper for a One-way ride receive a 55-cent discount on Full Fares compared to paper and mobile tickets. Customers qualifying for an Eligible Discount Fare receive at least a 50% discount compared to Clipper full fares.

The Clipper card, which is issued and administered by MTC, is valid for use on public transit services throughout the San Francisco Bay Area. MTC may establish fees and a cash minimum associated with the use of a Clipper card.

D. Open Payments

Customer may purchase a Caltrain One-Way ticket at all Clipper Stand Alone Validators at Caltrain stations. Customers paying using open payment will be charged the Clipper Full fare

E. JPB staff is empowered to distribute fare media through other means (e.g. a website) without amendment of this document.

IV. DESCRIPTION OF ZONES

The zone designations for Caltrain service are:

<u>Zone 1</u> San Francisco 22 nd Street Bayshore South San Francisco San Bruno	<u>Zone 2</u> Millbrae Broadway* Burlingame San Mateo Hayward Park Hillsdale Belmont San Carlos Redwood City	<u>Zone 3</u> Menlo Park Palo Alto Stanford Stadium^ California Avenue San Antonio Mountain View Sunnyvale
<u>Zone 4</u> Lawrence Santa Clara College Park# San Jose Diridon	<u>Zone 5</u> Capitol# Blossom Hill#	<u>Zone 6</u> Morgan Hill# San Martin# Gilroy#

* Weekend service only

^ Football/Other Select Levi's Stadium events only

Weekday service only

V. GENERAL CONDITIONS

A. Conditions of Use

Tickets and passes are non-transferable. Tickets mutilated, altered or changed in any way, or used in any manner other than in accordance with the provision of this Fare Structure shall be forfeited.

B. Enforcement

Passengers must have a valid ticket before boarding to ride Caltrain. Fares will be enforced by a Proof-of-Payment system as adopted and amended from time to time by the JPB. Proof of fare payment must be carried at all times while on Caltrain and must be presented for inspection upon request. Passengers without valid fare are subject to written warnings and citations with monetary penalties as authorized by California law.

C. Stopovers/Transfers

Stopovers and transfers are permitted within zones indicated on tickets provided travel is completed within the ticket's validity period. For One-way Tickets, travel can only continue and be completed in the original direction of travel. One-way Tickets cannot be used to reverse direction.

D. Delays

When a customer holding a valid ticket is delayed because of washout, wreck or other obstruction to tracks, public calamity, an act of God or of the public enemy so that the validity period of a passenger's ticket has expired, such ticket's validity may be extended by the conductor or fare inspector to the extent of such delay.

E. Refunds

1. One-way, Day Pass, and Zone Upgrade Tickets
One-Way, Day Pass and Zone Upgrade Tickets are not subject to refund.
2. Go Passes
Fees paid for Go Passes are subject to refund only in case of termination of a contract between the JPB and the Go Pass participant. The JPB will refund the pro-rated portion of the Go Pass fee paid by the participating entity (equivalent to the number of unused months), less an administration fee, within 30 days of the contract termination date, provided that within 10 working days of the effective termination date, all undistributed Go Passes issued to the participating entity are returned to the JPB and the participating entity verifies in writing that it has made every good faith effort to collect or destroy all Go Passes that it distributed.
3. Monthly Passes
Unused Monthly Passes may be returned for a full refund prior to the date the passes first become valid.

Monthly Passes returned for a refund during the validity period will be refunded for the difference between the fare paid and the value of the transportation furnished. The value of transportation furnished will be considered to be the value of two one-way fares per weekday up to the date the pass is returned.

VI. FARE PRICES

Updated Fare Table on next page

Zones Travelled	Fare Type	Payment Option	Category	Current	Eff 7/1/2025	Eff 7/1/2026	Eff 7/1/2027
1	One-way	Ticket Machine, Mobile App	Adult	\$3.75	\$4.00	\$4.00	\$4.25
			Eligible Discount	\$1.75	\$2.00	\$2.00	\$2.00
		Clipper, Open Payment	Adult	\$3.20	\$3.45	\$3.45	\$3.70
			Clipper	Clipper START	\$1.60	\$1.70	\$1.70
	Day Pass	Ticket Machine, Mobile App	Adult	\$7.50	\$8.00	\$8.00	\$8.50
			Eligible Discount	\$3.50	\$4.00	\$4.00	\$4.00
		Clipper	Adult	\$76.80	\$82.80	\$82.80	\$88.80
			Eligible Discount	\$38.40	\$40.80	\$40.80	\$40.80
2	One-way	Ticket Machine, Mobile App	Adult	\$6.00	\$6.25	\$6.50	\$6.75
			Eligible Discount	\$2.75	\$3.00	\$3.25	\$3.25
		Clipper, Open Payment	Adult	\$5.45	\$5.70	\$5.95	\$6.20
			Clipper	Clipper START	\$2.60	\$2.70	\$2.95
	Day Pass	Ticket Machine, Mobile App	Adult	\$12.00	\$12.50	\$13.00	\$13.50
			Eligible Discount	\$5.50	\$6.00	\$6.50	\$6.50
		Clipper	Adult	\$130.80	\$136.80	\$142.80	\$148.80
			Eligible Discount	\$62.40	\$68.40	\$70.80	\$70.80
3	One-way	Ticket Machine, Mobile App	Adult	\$8.25	\$8.50	\$9.00	\$9.25
			Eligible Discount	\$3.75	\$4.00	\$4.50	\$4.50
		Clipper, Open Payment	Adult	\$7.70	\$7.95	\$8.45	\$8.70
			Clipper	Clipper START	\$3.60	\$3.70	\$4.20
	Day Pass	Ticket Machine, Mobile App	Adult	\$16.50	\$17.00	\$18.00	\$18.50
			Eligible Discount	\$7.50	\$8.00	\$9.00	\$9.00
		Clipper	Adult	\$184.80	\$190.80	\$202.80	\$208.80
			Eligible Discount	\$86.40	\$92.40	\$100.80	\$100.80
4	One-way	Ticket Machine, Mobile App	Adult	\$10.50	\$10.75	\$11.50	\$11.75
			Eligible Discount	\$4.75	\$5.00	\$5.75	\$5.75
		Clipper, Open Payment	Adult	\$9.95	\$10.20	\$10.95	\$11.20
			Clipper	Clipper START	\$4.60	\$4.70	\$5.45
	Day Pass	Ticket Machine, Mobile App	Adult	\$21.00	\$21.50	\$23.00	\$23.50
			Eligible Discount	\$9.50	\$10.00	\$11.50	\$11.50
		Clipper	Adult	\$238.80	\$244.80	\$262.80	\$268.80
			Eligible Discount	\$110.40	\$116.40	\$130.80	\$130.80
5	One-way	Ticket Machine, Mobile App	Adult	\$12.75	\$13.00	\$14.00	\$14.25
			Eligible Discount	\$5.75	\$6.00	\$7.00	\$7.00
		Clipper, Open Payment	Adult	\$12.20	\$12.45	\$13.45	\$13.70
			Clipper	Clipper START	\$5.60	\$5.70	\$6.70
	Day Pass	Ticket Machine, Mobile App	Adult	\$25.50	\$26.00	\$28.00	\$28.50
			Eligible Discount	\$11.50	\$12.00	\$14.00	\$14.00
		Clipper	Adult	\$292.80	\$298.80	\$322.80	\$328.80
			Eligible Discount	\$134.40	\$140.40	\$160.80	\$160.80
6	One-way	Ticket Machine, Mobile App	Adult	\$15.00	\$15.25	\$16.50	\$16.75
			Eligible Discount	\$6.75	\$7.00	\$8.25	\$8.25
		Clipper, Open Payment	Adult	\$14.45	\$14.70	\$15.95	\$16.20
			Clipper	Clipper START	\$6.60	\$6.70	\$7.95
	Day Pass	Ticket Machine, Mobile App	Adult	\$30.00	\$30.50	\$33.00	\$33.50
			Eligible Discount	\$13.50	\$14.00	\$16.50	\$16.50
		Clipper	Adult	\$346.80	\$352.80	\$382.80	\$388.80
			Eligible Discount	\$158.40	\$164.40	\$190.80	\$190.80

Zone Upgrade Table

Zone Upgrade			
Payment Option	Category	Current	Eff. 7/1/2026
Ticket Machine, Mobile App, Clipper	Adult	\$2.25	\$2.50
	Eligible Discount	\$1.00	\$1.25

Old Go Pass Pricing

Go Pass	
	Eff. 1/1/2024
Minimum Cost	\$5,500.00
Per Eligible Rider	\$275.00

**Peninsula Corridor Joint Powers Board
Finance Committee
1250 San Carlos Avenue, San Carlos, CA 94070
DRAFT Minutes of July 24, 2023**

Members Present: Raymond Mueller, Monique Zmuda (Chair)

**Member via
Teleconference:** Devora “Dev” Davis (Vice Chair)

Members Absent: None

Staff Present: R. Barnard, M. Bouchard, A. Burnett (Bell Burnett & Associates), D. Chazan, J. Chen, B. Fitzpatrick, N. Fogarty, J. Harrison, R. Hinchman, D. Hudacek (Sares Regis Group), K. Kelly, L. Mai, D. Seamans, M. Tseng

1. Call to Order/Pledge of Allegiance

Chair Zmuda called the meeting to order at 2:30 pm and led the Pledge of Allegiance.

2. Roll Call

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

3. Public Comment on Items not on the Agenda

Aleta Dupree said she was looking forward to seeing electrified trains operating in San Carlos soon.

Adrian Brandt commented on receiving fare evasion and citations issued statistics during the Citizens Advisory Committee (CAC) meeting and was concerned that 24 out of 25 fare evaders were not cited. He said he was disappointed that four-car trainsets were operating during the Pride event when CAC members requested longer trains, and it resulted in overcrowded trains.

4. Consent Calendar

4.a. Meeting Minutes of May 24, 2023

Motion/Second: Davis/Mueller

Ayes: Mueller, Davis, Zmuda

Noes: None

Absent: None

5. Information on Statement of Revenues and Expenses for the Period Ended June 30, 2023

Jeannie Chen, Acting Director of Accounting, provided a report that included the following:

- Staff still working on year-end close and the audit is expected to be finished by late October
- FY (fiscal year) 2023 audited financial statement will be available at the September 25th meeting

6. Award of Contract for Next Generation Visual Message Signs Project

Robert Barnard, Deputy Chief of Design and Construction, provided the presentation that included the following:

- Project bid during the FY24-25 budget cycle and structured with a base bid and two options
- Approximately two years to fully complete project

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

- SFCTA (San Francisco County Transportation Authority) contract funding - expended most funds in FY24, \$2.4 million in FY25, \$1.2 million will finish base work and option one, and \$2.4 million will cover option two with progress payments made at certain milestones
- Contract does not include any incentives, such as for early completion

Public comment

Aleta Dupree expressed interest in seeing the new signs, questioned their resilience in the sun, and said the signs at Fourth and King station are easier to read because of the bold letters and numbers.

Adina Levin commented whether the scope of the project was similar to signs at Millbrae BART (Bay Area Rapid Transit) or Fourth and King station where signs show services for more than one agency.

Adrian Brandt commented to mute when others are speaking to prevent echoing, moving the contract forward, disappointment that there were no incentives for early completion, and Redwood City station signs showed incorrect information.

Motion/Second: Davis/Mueller
Ayes: Mueller, Davis, Zmuda
Noes: None
Absent: None

7. Award of Contract for 2023 Grade Crossing Improvements Project

Robert Barnard, Deputy Chief of Design and Construction, provided the presentation that included the following:

- Right of way rail project at Churchill Avenue in City of Palo Alto - Stacy Witbeck, Inc. and TASI (TransitAmerica Services, Inc.) coordinating and to add additional traffic signal preemption work
- City of San Mateo contract at Fourth and Fifth Avenues for rail right-of-way work - TASI to install new grade crossing with exhibits, and other signal equipment

The Committee Members had a discussion and staff provided further clarification in response to the Committee's comments and questions, which included the low bid process, in-house signal sources, funding, and past experience with Stacy Witbeck.

Public comment

Adrian Brandt commented on displaying presentations full screen, cars frequently getting stuck on tracks and sometimes resulting in vehicle strikes, and recommended better lighting for projects.

Motion/Second: Davis/Mueller
Ayes: Mueller, Davis, Zmuda
Noes: None
Absent: None

8. Approve Ground Lease Amendment with HPS-San Mateo, LLC*

Nadine Fogarty, Deputy Director TOD (Transit-Oriented Development) and Real Estate, Brian Fitzpatrick, Director of Real Estate, and Drew Hudacek, Sares Regis Group (developer), provided the presentation that included the following:

- The lease has a provision to terminate the ground lease by September 2023 if not financed
- Ground lease rents step up over time and rents based on the percentage of income during the regular term
- Amendment provision allows adjustment of rents based on the consumer price index (CPI)

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

- Under amendment at the time of extension, rents to adjust according to previous six month's CPI and to continuously factor it in at six months increments for each extension
- Adjustments occur only during the preliminary term

Motion/Second with amendment to update the Committee if there is an extension or at every decision: Davis/Mueller
Ayes: Mueller, Davis, Zmuda
Noes: None
Absent: None

Ms. Bouchard confirmed staff will continue to monitor local activity regarding TOD and provide reports as directed in the amended motion by the Committee.

9. Approve and Ratify Fiscal Year 2024 Insurance Program

Kathleen Kelly, Interim Chief Financial Officer, noted this was an annual item. Ryan Hinchman, Director of Financial Planning and Analysis, provided the presentation that included the following:

- FELA (Federal Employers Liability Act) coverage increased from \$50 million to \$100 million
- SIR (self-insured retention) functions like a deductible, increased from \$500,000 to \$1 million
- 40 percent increase in property insurance due to increase in property value year-over-year

Motion/Second: Mueller/Davis
Ayes: Mueller, Davis, Zmuda
Noes: None
Absent: None

10. Amendment No. 1 to MOU with Prologis for the Railyards Preliminary Business Case*

Dahlia Chazan, Deputy Chief of Planning, provided the presentation that included the following:

- Memorandum of Understanding (MOU) to jointly advance a preliminary business case and intended for collaboration efforts and of mutual benefit for both parties

- Mutually agreed on the importance of phasing and evaluate options from the perspective of what if the first phase of each of these options lasted for a long time

Public comment

Aleta Dupree commented that the concept needs to be explored and referenced New York City with its large comprehensive TODs with residential development over them.

Adrian Brandt stated all presentations be displayed in full screen.

The Committee Members had a discussion and staff provided further clarification in response to the Committee's comments and questions, which included when was the two-year mark for the MOU and the recollectable budget details to be presented at the full Board meeting.

Motion/Second: Mueller/Davis

Ayes: Mueller, Davis, Zmuda

Noes: None

Absent: None

11. Authorize the Executive Director to Execute an Interim Agreement Between the Transbay Joint Powers Authority (TJPA) and the Peninsula Corridor Joint Powers Board to Support Advancement of the San Francisco Downtown Rail Extension (DTX) Project**

Dahlia Chazan, Deputy Chief of Planning, provided the presentation that included working together with TJPA on the required enabling work at the Fourth and King railyard and developing a more comprehensive agreement and approach to that yard

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

- \$5 million to be expended over the year and the largest dollar amount is for consultant support
- Contractor familiar with the TJPA and has been working on project for several years
- Bring on board new staff for the project development team and the challenge to find and retain experienced staff to work for Caltrain directly and represent Caltrain on the DTX project.

Public comment

Aleta Dupree spoke in support of the project, first spoke about project at TJPA in 2010, and referenced New York City's Grand Central Madison Terminal providing regional connectivity.

Motion/Second: Davis/ Mueller

Ayes: Mueller, Davis, Zmuda

Noes: None

Absent: None

12. Approve Execution of Stadler Electric Multiple Unit Option and Funding Plan*

Ms. Bouchard noted that staff has secured beneficial pricing from Stadler for option cars related to the existing contract. Staff working to include the train set in the project description for TJPA and finding the best cost-effective way to secure the expansion train set for maximum service. Lisha Mai, Manager for Grants and Fund Programming, provided the presentation that included the following:

- Replacement of all 29 Diesel locomotive fleets with EMUs (electric multiple units) operating between San Francisco and San Jose and operation of zero-emission vehicles south of San Jose
- Mixed service with 19 seven-car EMU trains and nine diesel locomotives in Fall 2024
- Battery EMU design will operate and charge on the overhead power of the electrified corridor and then travel off wire on battery power between San Jose and Gilroy
- Delivery of first two EMUs in mid-2026, remaining two by early 2027, and the battery EMU (BEMU) expected in 2028
- Funding already in place when previously approved and no budget amendment needed

Public comment

Aleta Dupree referenced Long Island's plan for a BEMU and supported BEMUs.

Adrian Brandt commented that BEMUs are already widely used in Europe, Stadler has the world record for BEMUs, and referenced Europe using shorter EMU trainsets.

Motion/Second: Davis/ Mueller

Ayes: Mueller, Davis, Zmuda

Noes: None

Absent: None

13. Update on Energy Procurement Strategy for Caltrain Electrification

Ms. Bouchard noted that the Board discussed Caltrain's financial strategic plan earlier in the year, focused on opportunities for procuring electricity for its future electrified system, and being on track for revenue service in September 2024. Alex Burnett, financial strategy consultant with Bell Burnett & Associates, provided the presentation that included the following:

- Highly volatile electricity costs rose 67 percent with significant uncertainties on electricity needs
- Determine the makeup and the nature of the energy - how green is that energy, what are the trade-offs, and buying green energy if there is a greater benefit
- Need detailed load profile, show the aggregated demand and energy, look at the different alternatives from any of the energy providers and the tradeoffs with CARB (California Air Resources Board) based on an agreed upon service
- Capture the benefit of regenerative braking, which could provide as much as 50 percent of the energy that can be returned to the system

Ms. Bouchard noted BART has two FTE (full-time equivalent) responsible for this function and Caltrain has input those positions into the ordinance for this year for job description development and future hiring.

Public comment

Aleta Dupree commented on the ability to look into other systems to see what they are doing and referenced BART.

Adina Levin recommended working with partners, such as Community Choice Energy Providers and BART.

Adrian Brant commented on being pleased with looking into working with the community choice aggregators, hopeful for collaboration with SFPUC (San Francisco Public Utilities Commission) and expressed concerns with running maximum train lengths with seven-car EMUs.

14. **Draft 2023 Fare Change Recommendations** - Deferred due to time constraints. Ms. Bouchard said the purpose of the item was to solicit comments, questions, and recommended reviewing the packet materials.

15. **Committee Member Requests** - There were none

16. **Date/Time of Next Regular Finance Committee Meeting: August 28, 2023 at 2:30 pm.**

17. **Adjourn** - The meeting adjourned at 4:33 pm

DRAFT

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Board of Directors
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**

<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

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), June 1, 2023 (Resolution 2023-38), and August 3, 2023 (Resolution 2023-46) 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 ending October 15, 2023. 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), June 1, 2023 (Resolution 2023-38), and August 3, 2023 (Resolution 2023-46). 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 and/or after storms.
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 and submitted all necessary applications for regulatory permits and approvals.
4. Received confirmation from the City of Menlo Park and the City of Palo Alto that both cities request that the scope of the project address erosion around city assets, in addition to JPB's rail bridge.
5. Produced a 15 percent design, draft 35 percent design, final 35 percent design, draft 65 percent design, and final 65 percent design for the emergency restoration work.
6. Reduced the estimated cost of the project from \$10.4 million to \$6.5 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.
11. Incorporated feedback from the City of Menlo Park and the City of Palo Alto on the draft trilateral agreement and distributed subsequent drafts for all parties to review.
12. Established a \$1,500 per day construction contract incentive for completing all permanent work within the San Francisquito Creek banks by October 15, 2023.

Ongoing and Future Activities:

1. As the design of the project progresses, JPB staff is obtaining independent construction cost estimates from consultants and the contractor. Iterative comparison of these estimates will provide clarity on construction cost expectations and inform the determination of a fair and reasonable not-to-exceed budget.
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. JPB will obtain all necessary regulatory approvals from the U.S. Army Corps of Engineers, the Regional Water Quality Control Board, and the California Department of Fish and Wildlife to enable the timely start of construction.
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

(00493037)

Resolution No. 2023-

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

* * *

**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**

Whereas, the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) 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 affirm by the passage of a four-fifths vote that at every subsequent regularly scheduled meeting until the action is terminated to determine that there is a need to continue the action; and

Whereas, the Board most recently renewed its findings via Resolution 2023-46 at its August 3, 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 an updated 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 August 3, 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, 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 has reviewed the emergency action taken on March 29, 2023, on May 4, 2023, on June 1, 2023, and on August 3, 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 7th day of September, 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary
(00493041)

**Peninsula Corridor Joint Powers Board
Staff Report**

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

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 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 July 31, 2023.

This staff report provides a brief discussion of significant items and trends on the attached Statement of Revenues and Expenses through July 31, 2023. 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 currently the same as the budget and will be reviewed in a few months.

Year-to-Date Revenues: As of July year-to-date actual, the Grand Total Revenue (page 1, line 17) is \$0.9 million lower than the adopted budget. This is primarily driven by the decreases in Other Income (page 1, line 5) and LCTOP/SRA (page 1, line 13).

Year-to-Date Expenses: As of July year-to-date actual, the Grand Total Expense (page 2, line 51) is \$0.9 million lower than the adopted budget. This is primarily driven by decreases in Fuel and Lubricants (page 2, line 25), Facilities and Equipment Maintenance (page 2, line 29), Professional Services (page 2, line 39), and Other Office Expense and Services (page 2, line 41) which are partially offset by increases in Managing Agency Admin OH Cost (page 2, line 37).

Budget Impact

There are no budget impacts for July 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 2024									
JULY 2023									
							% OF YEAR ELAPSED		
							8.3%		
	JULY				ANNUAL				
	CURRENT ACTUAL	ADOPTED BUDGET	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	FORECAST	\$ VARIANCE		
REVENUE									
OPERATIONS:									
1	Caltrain Fares	2,635,602	2,671,811	(36,209)	(1.4%)	29,936,000	29,936,000	-	1
2	Go Pass	1,362,537	1,397,000	(34,463)	(2.5%)	16,764,000	16,764,000	-	2
3	Parking Revenue	185,040	158,751	26,289	16.6%	1,905,015	1,905,015	-	3
4	Rental Income	109,692	85,541	24,151	28.2%	1,026,489	1,026,489	-	4
5	Other Income	247,428	545,105	(297,677)	(54.6%)	6,541,260	6,541,260	-	5
6									6
7	TOTAL OPERATING REVENUE	4,540,299	4,858,208	(317,909)	(6.5%)	56,172,764	56,172,764	-	7
8									8
9	CONTRIBUTIONS:								
10	Operating Grants	1,066,745	1,066,745	-	.0%	12,800,936	12,800,936	-	10
11	Measure RR	8,474,000	8,474,000	-	.0%	118,400,000	118,400,000	-	11
12	Member Agency (VTA-Gilroy)	-	39,167	(39,167)	(100.0%)	470,000	470,000	-	12
13	LCTOP/SRA	-	575,708	(575,708)	(100.0%)	6,908,503	6,908,503	-	13
14									14
15	TOTAL CONTRIBUTED REVENUE	9,540,745	10,155,620	(614,875)	(6.1%)	138,579,439	138,579,439	-	15
16									16
17	GRAND TOTAL REVENUE	14,081,044	15,013,828	(932,784)	(6.2%)	194,752,203	194,752,203	-	17
18									18

PENINSULA CORRIDOR JOINT POWERS BOARD
STATEMENT OF REVENUE AND EXPENSE
Fiscal Year 2024
JULY 2023

% OF YEAR ELAPSED 8.3%

	JULY				ANNUAL		
	CURRENT ACTUAL	ADOPTED BUDGET	\$ VARIANCE	% VARIANCE	APPROVED BUDGET	FORECAST	\$ VARIANCE
19 EXPENSE							
20							
21 DIRECT EXPENSE:							
22 Rail Operator Service	8,625,804	8,625,804	-	.0%	104,889,704	104,889,704	-
23 Security Services	671,364	724,334	(52,969)	(7.3%)	8,286,045	8,286,045	-
24 Shuttle Services	5,785	6,667	(882)	(13.2%)	80,000	80,000	-
25 Fuel and Lubricants	872,853	1,267,609	(394,756)	(31.1%)	15,211,316	15,211,316	-
26 Timetables and Tickets	680	7,916	(7,236)	(91.4%)	95,000	95,000	-
27 Insurance	768,778	852,475	(83,697)	(9.8%)	10,229,703	10,229,703	-
28 Claims, Payments, and Reserves	19,338	110,000	(90,662)	(82.4%)	1,320,000	1,320,000	-
29 Facilities and Equipment Maintenance	544,711	678,797	(134,086)	(19.8%)	8,171,766	8,171,766	-
30 Utilities	225,262	225,742	(480)	(.2%)	2,708,900	2,708,900	-
31 Maint & Services-Bldg & Other	123,954	148,717	(24,764)	(16.7%)	1,784,600	1,784,600	-
32							
33 TOTAL DIRECT EXPENSE	11,858,530	12,648,061	(789,531)	(6.2%)	152,777,034	152,777,034	-
34							
35 ADMINISTRATIVE EXPENSE							
36 Wages and Benefits	2,494,179	2,434,502	59,677	2.5%	18,472,861	18,472,861	-
37 Managing Agency Admin OH Cost	439,270	297,122	142,148	47.8%	3,565,453	3,565,453	-
38 Board of Directors	-	5,239	(5,239)	(100.0%)	62,875	62,875	-
39 Professional Services	940,940	1,114,213	(173,273)	(15.6%)	9,484,775	9,484,775	-
40 Communications and Marketing	25,206	36,894	(11,688)	(31.7%)	442,730	442,730	-
41 Other Office Expenses and Services	287,491	402,621	(115,130)	(28.6%)	4,220,802	4,220,802	-
42							
43 TOTAL ADMINISTRATIVE EXPENSE	4,187,086	4,290,591	(103,504)	(2.4%)	36,249,496	36,249,496	-
44							
45 TOTAL OPERATING EXPENSE	16,045,616	16,938,651	(893,035)	(5.3%)	189,026,530	189,026,530	-
46							
47 Governance	-	18,750	(18,750)	(100.0%)	225,000	225,000	-
48							
49 Debt Service Expense	291,833	289,260	2,573	.9%	3,471,125	3,471,125	-
50							
51 GRAND TOTAL EXPENSE	16,337,449	17,246,661	(909,212)	(5.3%)	192,722,655	192,722,655	-
52							
53 Projected Contribution to Reserve					2,029,548	2,029,548	-
54							
55 NET SURPLUS / (DEFICIT)	(2,256,405)	(2,232,833)	(23,572)	1.1%	-	-	-
56							
57 Reserve, Beginning Balance	26,878,850				26,878,850		
58 Projected Contribution to Reserve	-				2,029,548		
59 Reserve, Ending Balance	<u>26,878,850</u>				<u>28,908,398</u>		
60							
61 * Fuel and Lubricants costs were decreased by a realized loss of \$19,223 from the fuel hedge program.							



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

MICHELLE BOUCHARD
EXECUTIVE DIRECTOR

PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF JULY 31, 2023

TYPE OF SECURITY	MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (Unrestricted) *	Liquid Cash	3.305%	368,756	368,756
County Pool (Unrestricted)	Liquid Cash	3.414%	575,346	575,346
Other (Unrestricted)	Liquid Cash	4.756%	23,850,431	23,850,431
Other (Restricted) **	Liquid Cash	1.000%	29,988,995	29,988,995
			\$ 54,783,529	\$ 54,783,529

Interest Earnings for July 2023 \$ 195,824.21
Cumulative Earnings FY2024 195,824.21

* 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.

Farebox Revenues by Ticket Type	PENINSULA CORRIDOR JOINT POWERS BOARD						
	Previous Years					FY2024	
REVENUE	FY2019	FY2020	FY2021	FY2022	FY2023	Jul-23	FY2024 Total YTD
OPERATIONS:							
401400 (TVM)	18,431,265	11,165,620	2,458,837	6,836,440	6,838,317	701,507	701,507
401410 (Clipper)	54,621,910	37,970,696	2,924,987	7,764,755	15,493,238	1,584,242	1,584,242
401420 (Central)	64,908	20,799	309,748	39,911	58,267	1,068	1,068
401430 (Mobile App)	4,716,955	5,689,776	830,051	2,808,795	3,501,791	289,934	289,934
401500 (Gilroy)	1,903,941	1,542,171	178,759	449,281	706,203	58,850	58,850
401700 (Go-Pass)	22,929,136	19,705,372	25,737,533	15,337,175	16,728,021	1,362,537	1,362,537
total Farebox Revenue	102,668,114	76,094,433	32,439,915	33,236,357	43,325,839	3,998,139	3,998,139
Less: Go-Pass							
401700 (Go-Pass)	22,929,136	19,705,372	25,737,533	15,337,175	16,728,021	1,362,537	1,362,537
Revenues without Go-Pass	79,738,978	56,389,061	6,702,382	17,899,182	26,597,817	2,635,602	2,635,602
Tickets Sold						Jul-23	Total
TVM	2,354,393	1,465,876	315,378	755,674	802,158	78,363	78,363
Clipper	3,521,066	2,620,816	339,753	1,227,757	1,975,206	194,039	194,039
Central	9,167	5,044	-	4,032	6,440	-	-
Mobile	543,920	661,515	111,394	381,441	428,741	40,439	40,439
# of tickets sold (without go-pass)	6,428,546	4,753,251	766,525	2,368,904	3,212,545	312,841	312,841
AVG Revenue Per Ticket						Jul-23	Total
TVM	\$ 7.83	\$ 9.05	\$ 7.80	\$ 9.05	\$ 8.52	\$ 8.95	\$ 8.95
Clipper	\$ 15.51	\$ 6.32	\$ 8.61	\$ 6.32	\$ 7.84	\$ 8.16	\$ 8.16
Central	\$ 7.08	\$ 9.90	\$ -	\$ 9.90	\$ 9.05	\$ -	\$ -
Mobile	\$ 8.67	\$ 7.36	\$ 7.45	\$ 7.36	\$ 8.17	\$ 7.17	\$ 7.17
Total	\$ 12.40	\$ 11.86	\$ 8.74	\$ 7.56	\$ 8.28	\$ 8.42	\$ 8.42

Farebox Revenues by Ticket Type	PENINSULA CORRIDOR JOINT POWERS BOARD								
	July						Annual Budget		
REVENUE	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2024	% of Budget	
401400 (TVM)	2,153,744	1,613,346	139,294	609,407	626,228	701,507			
401410 (Clipper)	4,747,996	5,200,254	226,443	466,207	1,129,007	1,584,242			
401420 (Central)	5,363	5,363	-	545	5,139	1,068			
401430 (Mobile App)	314,045	672,028	49,871	203,051	346,758	289,934			
401500 (Gilroy)	163,844	156,403	13,594	28,850	37,440	58,850			
401700 (Go-Pass)	1,569,464	1,489,523	2,524,374	1,110,030	1,417,118	1,362,537			
total Farebox Revenue	8,954,455	9,136,916	2,953,576	2,418,089	3,561,691	3,998,139	46,700,000	8%	
Less: Go-Pass									
401700 (Go-Pass)	1,569,464	1,489,523	2,524,374	1,110,030	1,417,118	1,362,537	16,764,000	8%	
Revenues without Go-Pass	7,384,992	7,647,393	429,202	1,308,059	2,144,573	2,635,602	29,936,000	7%	
Tickets Sold									
TVM	266,524	208,484	23,290	66,225	86,060	78,363			
Clipper	302,296	324,201	20,896	75,041	156,994	194,039			
Central	438	598	-	33	319	-			
Mobile	34,565	80,166	6,699	27,060	42,175	40,439			
# of tickets sold (without go-pass)	603,823	613,449	50,885	168,359	285,548	312,841			
AVG Revenue Per Ticket									
TVM	\$ 8.08	\$ 7.74	\$ 5.98	\$ 9.20	\$ 7.28	\$ 8.95			
Clipper	\$ 15.71	\$ 16.04	\$ 10.84	\$ 6.21	\$ 7.19	\$ 8.16			
Central	\$ 12.24	\$ 8.97	\$ -	\$ 16.50	\$ 16.11	\$ -			
Mobile	\$ 9.09	\$ 8.38	\$ 7.44	\$ 7.50	\$ 8.22	\$ 7.17			
Total	\$ 12.23	\$ 12.47	\$ 8.43	\$ 7.77	\$ 7.51	\$ 8.42			

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
Subject: **Authorize Rejection of Proposal for On-Call Soil and Hazardous Waste Environmental Compliance Planning and Support Services and Re-Solicit of RFP (Request for Proposal)**

<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

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

1. Rejecting a proposal received from Millennium Consultant Associates (MCA) of Pleasanton, CA; submitted in response to the Peninsula Corridor Joint Powers Board’s (JPB’s) solicitation for On-Call Soil and Hazardous Waste Environmental Compliance Planning and Support Services (Project), Request for Proposal (RFP) No. 23-J-P-060, for not receiving an adequate score for award of contract for the written proposal.
2. Authorizing the Executive Director or designee to re-solicit the Project and return to the Board with a recommendation for award of the contract upon completion of the re-solicitation and evaluation process.

Discussion

Staff released the solicitation for the Project on June 1, 2023. The solicitation was advertised on the JPB’s e-procurement website and notices were sent to interested proposers. The RFP was open for 40 days. A total of 11 firms downloaded the RFP from the website. Only one firm, MCA, submitted a proposal to the JPB.

The MCA proposal was timely submitted on July 11, 2023, and was found to be responsive.

The Selection Committee (Committee) composed of qualified staff reviewed and scored the proposal in accordance with the following weighted criteria:

- Qualifications and Experience of Firm 0-30 points
- Qualifications and Experience of Key Personnel 0-30 points
- Project Understanding of the Approach to Service Requirements 0-20 points
- Project Management Experience 0-10 points

- Reasonableness of Cost 0-10 points

After the review and evaluation, the Committee determined that the experience and qualifications detailed in MCA's proposal did not substantially align with the requested scope of services and qualifications in the RFP. The proposal did not score at levels high enough to justify proceeding to the next step in the selection process. For this reason, the Committee unanimously recommends rejection of the proposal and issuance of a second solicitation to attract a more robust list of qualified candidates and to meet the JPB's internal and external stakeholders' objectives.

After the closing date and time of the RFP, staff reached out to the remaining firms that had stated their intent to propose to understand what prevented their participation. Staff will consider these reasons for the re-solicitation of this Project. Summarized responses include:

- Three firms did not have the bandwidth to prepare a proposal in time.
- Three firms did not believe they could meet the contract requirements.
- One firm did not understand how to complete the Cost Sheet requirement and didn't file a question in time for clarification.
- One firm, partnered as a sub-consultant with MCA.

Budget Impact

The recommended action to reject the proposal will have no impact on the budget.

Prepared By:	Cathie Silva	Procurement Administrator III	650.622.7857
	Hilda Lafebre	Deputy Director, Project Management & Environmental Planning	650.622.7842

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
Subject: **Amendment 1 to Contract with Bell Burnett & Associates to Provide Additional Scope and Capacity for Financial Strategy Planning Consulting Services**

<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

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

1. Authorize Amendment No. 1 to Agreement 23-J-P-002 for Financial Strategy Planning Consulting Services to expand the scope of the services provided pursuant to the agreement and to increase the not-to-exceed contract capacity amount by \$500,000, from \$825,000 to \$1,325,000.
2. Authorize the Executive Director or designee to execute the contract amendment with Bell Burnett & Associates in a form approved by legal counsel.

Discussion

On November 3, 2022, the Board awarded a competitive procurement to Bell Burnett & Associates (BB&A) to provide Financial Strategy Planning Consulting Services for a two-year base term. The scope of services focuses primarily on developing an organizational strategy to address Caltrain’s structural operating deficit by evaluating current and future finances under different service scenarios and with respect to the impact of ongoing ridership recovery challenges as a result of the COVID-19 pandemic. BB&A facilitated a special workshop on Caltrain’s fiscal cliff analysis and strategic financial plan in April 2022, and they continue to support the agency’s short, medium, and longer-term strategic financial planning efforts.

A significant component of this ongoing financial planning effort focuses on anticipated impacts to service levels and expenses associated with the successful completion of the Peninsula Corridor Electrification Project (PCEP), which is scheduled for substantial completion by April 2024 and Revenue Service by September 2024. The required services may also include support relating to energy procurement, energy storage, and net metering, which could provide additional revenue to the railroad once electrified service begins, as Caltrain will be generating significant energy that will be returned to the grid.

Caltrain has identified a new and immediate need for ad hoc commercial business advisory services, which fall outside the scope of the original agreement with BB&A. Specifically, Caltrain requires support in negotiating business terms and complex inter-agency agreements for the San Francisco Downtown Rail Extension project and Clipper BayPass program, both of which have significant implications for Caltrain’s operating and funding models. Additional Caltrain focus areas that require a specialized commercial business perspective include coordination with Union Pacific and other tenants, procuring additional rail vehicles, advising on cost allocation plans and shared services arrangements, and risk management analysis of various regional, state, and federal initiatives.

BB&A is a management and strategic consulting firm serving public and private sector clients, with a singular focus on and expertise in the public transportation and utility sectors. Caltrain’s desired scope of work for ad hoc commercial business advisory services requires a consulting firm with knowledge of regional public transportation trends and policies as well as demonstrated experience developing and implementing multifaceted business strategies, including but not limited to contract negotiations, economic valuation, and life-cycle analysis. Based on (1) the combination of the skills required; (2) BB&A’s work with other California transit agencies on similar strategic commercial initiatives; (3) BB&A’s familiarity with Caltrain’s financial challenges and business plan; and (4) a survey of available firms’ skillsets and experience, Caltrain staff has determined BB&A is uniquely suited to provide these services.

Budget Impact

Funds to support this contract are included in the JPB’s Fiscal Year 2024 and 2025 adopted operating budgets.

Prepared By:	Cathie Silva	Procurement Administrator III	650.622.7857
	Graham Rogers	Business Operations Project Manager	650.551.6169

Resolution No. 2023-

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

* * *

Amendment 1 to Contract 23-J-P-002 With Bell Burnett & Associates to Provide Additional Scope and Increase Capacity for Financial Strategy Planning Consulting Services

Whereas, pursuant to Resolution No. 2022-65, the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) awarded a contract to Bell Burnett & Associates to provide Financial Strategy Planning Consulting Services for a two-year term for a total contract amount of \$750,000; and authorized one optional task for utility needs planning and execution for an additional amount of \$75,000; and also authorized an extension to the base contract term for up to 12 months, if needed and if deemed in the best interest of the JPB.; and

Whereas, JPB has identified a new and immediate need for ad hoc commercial business advisory services, which fall outside the scope of the agreement with Bell Burnett & Associates. For these additional services, the Consultant will focus resources on strategic initiatives to achieve revenue growth, including identifying commercially and financially beneficial arrangements to support the agency; and

Whereas, additional compensation is required to accommodate the expanded scope of services, which were not anticipated when the contract was awarded, and which include assisting in negotiating business terms and complex inter-agency agreements for major regional projects and other commercial proposals such as the San Francisco Downtown Rail Extension project and Clipper BayPass program; and

Whereas, staff recommends that the Board authorize an amendment to increase the not-to-exceed contract amount by \$500,000, from \$825,000 to \$1,325,000.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorizes the execution of Amendment 1 to Contract 23-J-P-002 adding \$500,000 of capacity and additional scope to the Agreement; 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 7th day of September, 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: **Amend and Increase the Fiscal Year 2024 Caltrain Capital Budget by \$5,292,413 from \$510,153,014 to \$515,445,427 and Delegate Authority to Amend Capital Budget Under Specified Circumstances**

<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

Staff proposes that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) amend the Fiscal Year 2024 (FY24) Capital Budget, included as Attachment B, as follows:

1. Include \$5,018,239 for the San Francisco Downtown Extension Support Project; and
2. Include \$274,174 for the San Francisco Railyards Preliminary Business Case Project; and
3. Delegate authority to the Executive Director or designee to adjust the Capital Budget to reflect Caltrain’s acceptance of third party funding for capital projects when (a) the Board has authorized the Executive Director, or designee, to execute an agreement involving the receipt by Caltrain of third party funding for an existing capital project (b) the adjustment of the capital budget is limited to including the authorized third party funding in the previously approved Capital Budget; and (c) any adjustments to the Capital Budget made pursuant to this delegation of authority are reported to the Finance Committee on a monthly basis.

Discussion

Staff proposes an amendment to the FY24 Caltrain Capital Budget to include an additional \$5,292,413 for the above-mentioned projects, and as further discussed below. This budget increase is the result of agreements to provide funding toward the FY24 Caltrain Capital Budget.

Staff additionally proposes the Board authorize the Executive Director, or her designee, to adjust the Capital Budget under the following limited circumstances:

- a) the Board has authorized the Executive Director, or her designee, to execute an agreement involving the receipt by Caltrain of third party funding for an existing capital project;
- b) the adjustment of the capital budget is limited to including the authorized third party funding in the previously approved Capital Budget; and
- c) any adjustments to the Capital Budget made pursuant to this delegation of authority are reported to the Finance Committee on a monthly basis.

Staff requests this authority to establish a more efficient process for amending the Capital Budget under circumstances in which the Board has previously authorized Caltrain to accept third party funding for an existing capital project and the adjustment to the Capital Budget represents a ministerial act to reflect the increased authority to accept third party funding. This delegation will obviate the need for Finance Committee consideration and Board approval of a ministerial action.

Caltrain Support for the San Francisco Downtown Extension (DTX) Project

The project budget for Caltrain support of the DTX project was originally approved by the Board in FY22 with a partial budget of \$311,329. During adoption and amendment of the FY23 Capital Budget, \$4,019,545 was added to this project funded by (a) general capital funds (\$500,000) and (b) the Transbay Joint Powers Authority (TJPA) through a Letter of Agreement (LOA) between Caltrain and TJPA (\$3,519,545).

The LOA is set to expire on August 31, 2023. At the August Board meeting, the Board approved the authorization of an Interim Agreement between TJPA and Caltrain. The Interim Agreement is 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. The purpose of this item is to amend the Caltrain Fiscal Year 2024 Capital Budget to include the \$5,018,239 of reimbursable expenses in the Interim Agreement, increasing the total DTX project budget to \$9,349,113.

San Francisco Railyards Preliminary Business Case

In July 2019, JPB executed a Memorandum of Understanding (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.

In late 2022, 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 increase the project cost to \$4,676,623, including both the Caltrain contribution and Prologis reimbursement, and provide a vehicle for Caltrain to invoice Prologis for additional costs in the amount of \$274,174.

Delegation to the Executive Director

Caltrain frequently enters into agreements with funding partners for capital and planning projects. These funding agreements typically include estimated budgets, which are often revised and increased during the lifetime of the project. The Board has authorized the Executive Director, or designee, to execute funding agreements for the receipt of up to \$250,000 in third party funding, and for amounts in excess of \$250,000, staff seeks Board approval for such agreements. Staff proposes that the Board authorize the Executive Director, or designee, to adjust the Capital Budget to reflect additional third party funding allocated to Caltrain for existing capital projects, thereby obviating the need to seek additional Board approval for a ministerial act. Staff will report any adjustments to the Capital Budget made pursuant to this delegation to the Finance Committee on a monthly basis. This delegation will further streamline the meetings of the Finance Committee and the Board, and allow Caltrain project teams, consistent with Board approval, to accept more funding from partners as needed to accomplish project objectives.

Background

The Board adopted the FY24 Capital Budget on June 1, 2023 for a total amount of \$510,153,014. The proposed amendment described above would increase the FY24 Capital Budget from \$510,153,014 to \$515,445,427.

BUDGET IMPACT

The funding for this budget amendment shall be as follows:

Project	Funding Source	Amount
DTX Support Project	TJPA	\$5,018,239
SF Railyards Preliminary Business Case	Prologis	\$274,174
TOTAL		\$5,292,413

Prepared By:	Vergel Marinas	Senior Budget Analyst, Budgets	650-508-6230
	Claudette Valbuena	Manager, Budgets	650-508-6237

RESOLUTION NO. 2023-

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

* * *

**Amend and Increase the Fiscal Year 2024 Caltrain Capital Budget by \$5,292,413 from
\$510,153,014 to \$515,445,427**

WHEREAS, pursuant to Resolution No. 2023-45 adopted on June 1, 2023, the Peninsula Corridor Joint Powers Board (JPB) adopted Fiscal Year 2024 (FY24) Capital Budget for a total authorized budget of \$510,153,014; and

WHEREAS, pursuant to Resolution No. 2023-52 adopted on August 3, 2023, the JPB has authorized the Executive Director to execute an Interim Agreement with the Transbay Joint Powers Authority (TJPA) that will provide additional funding of \$5,018,239 to the San Francisco Downtown Extension (DTX) Support Project; and

WHEREAS, pursuant to Resolution No. 2023-51 adopted on August 3, 2023, the JPB has authorized the execution of an Amendment to the Memorandum of Understanding (MOU) between JPB and Prologis that will provide additional funding of \$274,174 to the San Francisco Railyards Preliminary Business Case Project; and

WHEREAS, Caltrain frequently enters into agreements with funding partners for capital and planning projects. These funding agreements typically include estimated budgets, which are often revised and increased during the lifetime of the project. The Board has authorized the Executive Director, or designee, to execute funding agreements for the receipt of up to \$250,000 in third party funding, and for amounts in excess of \$250,000, Staff seeks Board approval for such agreements; and

WHEREAS, Staff proposes that the Board authorize the Executive Director, or designee, to adjust the Capital Budget to reflect additional third-party funding allocated to Caltrain for existing capital projects, thereby obviating the need to seek additional Board approval for a ministerial act. Staff will report any adjustments to the Capital Budget made pursuant to this delegation to the Finance Committee on a monthly basis. This delegation will further streamline the meetings of the Finance Committee and the Board, and allow Caltrain project teams, consistent with Board approval, to accept more funding from partners as needed to accomplish project objectives; and

WHEREAS, Staff recommends that the Board increase the total project authority for the San Francisco Downtown Extension (DTX) Support Project to \$9,349,113; and

WHEREAS, Staff recommends that the Board increase the total project authority for the San Francisco Railyards Preliminary Business Case Project to \$4,676,623; and

WHEREAS, Staff additionally recommends that the Board authorize the Executive Director, or designee, to adjust the Capital Budget under the following limited circumstances: (a) the Board has authorized the Executive Director, or designee, to execute an agreement involving the receipt by Caltrain of third party funding for an existing capital project (b) the adjustment of the capital budget is limited to including the authorized third party funding in the previously approved Capital Budget; and (c) any adjustments to the Capital Budget made pursuant to this delegation of authority are reported to the Finance Committee on a monthly basis; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby approves an amendment to the FY2024 Capital Budget for a total authorized capital budget increase of \$5,292,413, from \$510,153,014 to \$515,445,427; and

BE IT FURTHER RESOLVED that the Board authorizes the Executive Director, or designee, to adjust the Capital Budget under the following limited circumstances: (a) the Board has authorized the Executive Director, or designee, to execute an agreement involving the receipt by Caltrain of third party funding for an existing capital project (b) the adjustment of the capital budget is limited to including the authorized third party funding in the previously approved Capital Budget; and (c) any adjustments to the Capital Budget made pursuant to this delegation of authority are reported to the Finance Committee on a monthly basis.

Regularly passed and adopted this 7th day of September 2023 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

Caltrain FY2024 ADOPTED CAPITAL BUDGET

Attachment B
Amendment 1
September 2023

Item #	PROJECT NAME	FY2024 ADOPTED CAPITAL BUDGET	Amendment 1	FY2024 AMENDED CAPITAL BUDGET	Federal Funds	STA SOGR	Member Agency Funds				Member Agency Funds	Others	Externally Funded / Stadler Cars	FY2024 ADOPTED CAPITAL BUDGET
							Santa Clara (Gen Funds)	Santa Clara (Measure B)	San Francisco (SFCTA)	San Mateo (SMCTA)				
i. SOGR														
Bridges														
1	Guadalupe Bridges Replacement	17,364,622		17,364,622	12,138,098	892,549			2,192,000		2,192,000	2,141,975	-	17,364,622
2	San Francisquito Creek Bridge Emergency North Channel Restorati	3,994,649		3,994,649						461,316	461,316	3,533,333	-	3,994,649
3	San Francisquito Bridge Acoustic Monitoring System	2,028,704		2,028,704					2,028,704		2,028,704	-	-	2,028,704
4	SOGR Structures	1,560,000		1,560,000	1,248,000	312,000					-	-	-	1,560,000
	Total Bridges	24,947,975	-	24,947,975	13,386,098	1,204,549	-	2,192,000	461,316	2,028,704	4,682,020	5,675,308	-	24,947,975
Right of Way														
5	SOGR MOW Track	4,100,543		4,100,543	2,957,273						-	1,143,270	-	4,100,543
6	SOGR MOW Track - Track Equipment	2,556,828		2,556,828		264,318			2,112,165	180,345	2,292,510	-	-	2,556,828
7	ROW Fencing	1,835,951		1,835,951						1,191,951	1,191,951	644,000	-	1,835,951
	Total Right of Way	8,493,322	-	8,493,322	2,957,273	264,318	-	-	2,112,165	1,372,296	3,484,461	1,787,270	-	8,493,322
Signal & Communications														
8	Signal SOGR FY24 and FY25	632,000		632,000	505,600	126,400					-	-	-	632,000
	Total Signal & Communications	632,000	-	632,000	505,600	126,400	-	-	-	-	-	-	-	632,000
Station & Intermodal Access														
9	Station SOGR Project	1,226,519		1,226,519					1,226,519		1,226,519	-	-	1,226,519
	Total Station & Intermodal Access	1,226,519	-	1,226,519	-	-	-	-	1,226,519	-	1,226,519	-	-	1,226,519
	Total SOGR	35,299,816	-	35,299,816	16,848,971	1,595,267	-	2,192,000	3,800,000	3,401,000	9,393,000	7,462,578	-	35,299,816
ii. LEGAL MANDATE														
10	MS4 Trash Management	200,000		200,000	-					200,000	200,000	-	-	200,000
	Total	200,000	-	200,000	-	-	-	-	-	200,000	200,000	-	-	200,000
iii. OPERATIONAL IMPROVEMENTS/ENHANCEMENTS														
11	Mini-High Platforms	460,000		460,000	-						-	460,000	-	460,000
12	Next Generation Visual Messaging Sign (VMS)	1,200,000		1,200,000				1,200,000		1,200,000	-	-	-	1,200,000
13	22nd Street ADA Access Improvements	447,198		447,198							-	447,198	-	447,198
14	San Mateo Replacement Parking Track	3,773,000		3,773,000							-	3,773,000	-	3,773,000
15	Support for Property Mapping	520,000		520,000					520,000	520,000	-	-	-	520,000
	Total	6,400,198	-	6,400,198	-	-	-	-	1,200,000	520,000	1,720,000	4,680,198	-	6,400,198
iv. PLANNING/STUDIES														
16	Capital Planning (CIP)	359,000		359,000	-				359,000	359,000	-	-	-	359,000
17	San Francisco Railyards TOD	806,000		806,000	-				-	-	806,000	-	-	806,000
18	Level Boarding Roadmap	520,000		520,000	-				520,000	520,000	-	-	-	520,000
19	Battery EMU R/D	1,352,000		1,352,000	-				-	-	1,352,000	-	-	1,352,000
20	DISC/Diridon Business Case	1,560,000		1,560,000	-		1,560,000		-	-	1,560,000	-	-	1,560,000
21	Rail Network and Operations Planning	1,248,000		1,248,000	-		1,248,000		-	-	1,248,000	-	-	1,248,000
22	DTX Funding	250,000		250,000	-				-	-	-	250,000	-	250,000
26	<i>DTX Support Project¹</i> <i>Total Project Budget (Post-Amendment): \$9,349,113</i>	-	5,018,239	5,018,239	-						-	5,018,239	-	5,018,239
27	<i>SF Railyards Preliminary Business Case²</i> <i>Total Project Budget (Post-Amendment): \$4,676,623</i>	-	274,174	274,174	-						-	274,174	-	274,174
	Total	6,095,000	5,292,413	11,387,413	-	-	2,808,000	-	-	879,000	3,687,000	7,700,413	-	11,387,413
v. STADLER CARS														
23	Stadler Cars	355,000,000		355,000,000	-						-	355,000,000	-	355,000,000
	Total	355,000,000	-	355,000,000	-	-	-	-	-	-	-	-	355,000,000	355,000,000

Caltrain FY2024 ADOPTED CAPITAL BUDGET

Attachment B
Amendment 1
September 2023

Item #	PROJECT NAME	FY2024 ADOPTED CAPITAL BUDGET	Amendment 1	FY2024 AMENDED CAPITAL BUDGET	Federal Funds	STA SOGR	Member Agency Funds				Member Agency Funds	Others	Externally Funded / Stadler Cars	FY2024 ADOPTED CAPITAL BUDGET
							Santa Clara (Gen Funds)	Santa Clara (Measure B)	San Francisco (SFCTA)	San Mateo (SMCTA)				
vi. EXTERNALLY-FUNDED GRADE SEPARATION PROJECTS														
24	Mountain View Transit Center Grade Separation	107,000,000		107,000,000							-	-	107,000,000	107,000,000
25	San Mateo Grade Separation	158,000		158,000							-	-	158,000	158,000
	Total	107,158,000	-	107,158,000	-	-	-	-	-	-	-	-	107,158,000	107,158,000
	Total	510,153,014	5,292,413	515,445,427	16,848,971	1,595,267	2,808,000	2,192,000	5,000,000	5,000,000	15,000,000	19,843,189	462,158,000	515,445,427

¹ \$5,018,239 is funded by Transbay Joint Powers Authority (TJPA) through an Interim Agreement between JPB and TJPA

² \$274,174 is funded by Prologis through an Amended Memorandum of Understanding (MOU) between JPB and Prologis

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: Board of Directors

THROUGH: Michelle Bouchard, Executive Director

FROM: Kate Jordan Steiner, Chief Financial Officer

SUBJECT: **Adopt Declaration of Official Intent to Reimburse Prior Expenditures**

Finance Committee
Recommendation

Work Program-
Legislative-Planning

Staff Coordinating
Council Reviewed

Staff Coordinating
Council
Recommendation

ACTION

Staff proposes that the Board of Directors (the “Board”) of the Peninsula Corridor Joint Powers Board (the “JPB”) adopt a Declaration of Intent of the Peninsula Corridor Joint Powers Board (Attachment A), as required by federal tax law, to allow the JPB to reimburse itself on a tax-exempt basis for capital expenses it incurred prior to the issuance of tax-exempt notes in connection with an existing credit facility.

DISCUSSION

The JPB expects to incur certain expenditures in connection with the issuance of certain subordinate notes (the “Notes”) for an existing credit facility. These expenditures include (i) certain improvements to the commuter rail service that services the Peninsula Corridor and is administered by the JPB, known as the Caltrain system (“Caltrain”), including improvements consisting of the electrification of Caltrain and the capital relating thereto, and (ii) paying costs of issuance of the Notes (collectively, the “Project”), and the proceeds of which will be used to finance such Project expenditures.

In order to use tax-exempt debt to reimburse cash-funded capital costs paid before the issue date of the tax-exempt debt, the tax laws require that the issuer adopt a resolution/declaration that makes clear that the issuer intends to issue tax-exempt debt in the future and that once that debt is issued, it will use proceeds of the debt to reimburse the costs originally financed with cash. Once the tax-exempt debt is issued and the reimbursement is completed, the proceeds used to reimburse the cash-funded capital expenditures will take on the same character as the original source of funds – i.e., the tax-exempt debt proceeds become cash for federal income tax purposes once the reimbursement is completed. The proposed declaration satisfies Section 1.150-2 of the Treasury Regulations, which requires the JPB to declare its

reasonable official intent to reimburse prior expenditures for the Project with the proceeds of tax-exempt indebtedness.

The Board expects that the JPB will pay certain expenditures in connection with the Project prior to the issuance of the Notes. The JPB will pay the expenditures directly with its own funds. The JPB reasonably expects that it will reimburse itself for the use of such funds with the proceeds of the Notes to be issued by the JPB or other authorized governmental issuer to finance the costs of the Project.

BUDGET IMPACT

The maximum amount of the Notes expected to be issued for the Project during the 2023-2024 fiscal year of the JPB is \$200,000,000. The Board previously approved the use of these credit facilities on August 5, 2021.

Prepared By: Nixon Peabody LLP
 Olson Remcho LLP

**RESOLUTION NO. 2023 -
BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS
BOARD
STATE OF CALIFORNIA**

* * *

Declaration of Intent of the Peninsula Corridor Joint Powers Board

WHEREAS, the Peninsula Corridor Joint Powers Board (the “JPB”), a joint exercise of powers entity duly organized and existing under and by virtue of the laws of the State of California pursuant to a Joint Powers Agreement, dated as of October 18, 1991 as amended and restated as of October 3, 1996, by and between the Santa Clara Valley Transit Authority, the City and County of San Francisco (“CCSF”) and the San Mateo County Transit District (“SamTrans”, and together with SCVTA and CCSF, the “Members”), expects to incur certain expenditures in connection with the Project (as defined below) and the related prior new issuance of certain subordinate notes (the “Notes”), the proceeds of which, will be used to finance such Project expenditures;

WHEREAS, the Section 1.150-2 of the Treasury Regulations require the JPB to declare its reasonable official intent to reimburse prior expenditures for the Project with the proceeds of tax-exempt indebtedness;

NOW, therefore, the Board of Directors, the governing board of the JPB, upon motion duly made and seconded, duly adopts the following Resolution:

Section 1. Project. The Project consists of (i) certain improvements to the commuter rail service that services San Francisco peninsula and is administered by the JPB, known as the Caltrain system (“**Caltrain**”), including improvements consisting of the electrification of Caltrain and the capital relating thereto, and (ii) paying costs of issuance of the Notes (collectively, the “**Project**”).

Section 2. Reimbursement. The Board of Directors expects that the JPB will pay certain expenditures in connection with the Project prior to the new issuance of the Notes. The JPB will pay the expenditures directly with its own funds, or with funds advanced by one or more of the Members. The JPB reasonably expects that it will reimburse itself or the Members for the use of such funds with the proceeds of the Notes to be issued by the JPB or other authorized governmental issuer to finance the costs of the Project. The maximum amount of the Notes expected to be issued for the Project during the 2023-2024 fiscal year of the JPB is \$200,000,000. This statement of official intent to reimburse constitutes a declaration of official intent under Section 1.150-2 of the Treasury Regulations.

Section 3. Effective Date. This Resolution shall take effect from after its adoption.
Regularly passed and adopted this 7th day of September 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: Sam Sargent, Director, Strategy and Policy
Subject: **Project Labor Agreement Policy Update**

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 purpose of the proposed Project Labor Agreement (“PLA”) Policy is to establish guidelines for the use of PLAs on construction projects with a contract awarded by the Peninsula Corridor Joint Powers Board (“JPB”) and an engineer’s initial cost estimate over \$10 million. This item is informational only with action recommended in the October 5 JPB cycle.

Discussion

The purpose of a PLA is to promote efficiency in construction and provide a structure to settle labor disputes without work stoppages, strikes, sympathy strikes or lockouts. In December, the JPB requested that staff develop a PLA Policy to guide the use of these agreements on future construction projects.

The advantages and disadvantages of having PLAs on Caltrain construction projects, as well as a set of options for Board consideration related to the PLA Policy, were presented to the Finance Committee on May 22, 2023. Caltrain staff have incorporated JPB and labor input into the proposed PLA Policy, which is included in the Finance Committee backup (below).

Budget Impact

No budget impact.

Discussion

On December 1, 2022, JPB members requested that Caltrain staff report back with a “draft policy relating to a framework for Project Labor Agreements and Community Hiring Provisions, collectively known as Community Workforce Agreements.”

Since that request, Caltrain staff have convened an internal PLA Policy steering community and held multiple meetings with labor council leadership from San Francisco, San Mateo, and Santa Clara counties. A detailed analysis of peer transit operator, city and county approaches to PLAs was completed, including interviews with responsible senior staff at each stage of the PLA development and implementation process.

AC Transit (Alameda-Contra Costa Transit District), BART (Bay Area Rapid Transit), LA Metro (Los Angeles County Metropolitan Transportation Authority), and the Transbay Joint Powers Authority (“TJPA”) all have PLA policies that apply to construction projects within a specified program of projects. While some programs are defined by mode (ex. AC Transit Tempo BRT), others are defined by the primary source of funds (ex. LA Metro Measures R and M). Many California transit operators, cities and counties utilize PLAs on specific projects, but do not have a policy covering multiple projects.

Peer PLAs and PLA policies were explored in parallel with applicable federal and state policy. At the federal level, Executive Order 13502, issued by President Biden in February 2022, requires the use of PLAs on federally funded projects over \$35 million. At the state level, Public Contract Code (PCC) Section 2500 requires public entities in California who execute PLAs to incorporate a series “taxpayer protection provisions” including anti-discrimination language, drug testing and guarantees against “work stoppages, strikes, lockouts and similar disruptions of a project.”

Caltrain staff recommend advancing a PLA Policy for construction projects with a contract JPB and an engineer’s initial cost estimate over \$10 million. The advantages and disadvantages of having PLAs on Caltrain construction projects, as well as a set of options for JPB consideration related to a PLA Policy, were presented to the Finance Committee on May 22, 2023. Four policy options were presented to the committee, with Caltrain staff recommendations for each:

1. Should Caltrain have a PLA Policy?

Yes. A PLA Policy will provide structure and a consistent approach to labor agreements on Caltrain projects. PLAs may make Caltrain more competitive for federal and state grant funding opportunities and will build support among labor and labor-affiliated policymakers as the railroad explores options for new revenue streams.

2. What type of project does the PLA Policy apply to?

Construction projects with a contract awarded by the JPB and an engineer’s initial cost estimate is over a JPB-approved dollar threshold. This will provide a consistent approach for Caltrain, as well as labor and the contractor community.

3. What is the dollar threshold for the PLA Policy, if that approach is taken?

\$10 million, based on an engineer’s initial cost estimate for construction projects with a contract awarded by the JPB. Thresholds of \$2 million, \$5 million, \$10 million and \$35 million were considered. The \$10 million threshold is recommended by Caltrain staff as it would cover projects representing nearly 75 percent of the value of the FY2023 capital program. This is on par with the percentage of capital program value captured by VTA’s (Santa Clara Valley Transit Authority) \$2 million threshold. The PLA Policy includes a

provision for revisiting the threshold, if warranted, following the completion of the Caltrain Capital Investment Plan (“CIP”).

4. Who negotiates the PLA on a project? How are PLAs administered?

Caltrain, like most of our transit operator peers, would negotiate PLAs on projects falling within the PLA Policy with the applicable labor councils. That PLA would then be binding on the successful contractor on the project. This requirement would be included in the bid documents, to ensure that the contractor and consultant community is on notice. The SamTrans Office of Civil Rights, a shared service to Caltrain, has sufficient bandwidth and expertise to assist with the administration of PLAs, once executed.

The draft PLA Policy is included here as Attachment A. The document is organized into four sections covering (1) PLA development, (2) PLA negotiation and adoption process, (3) excluded work, and (4) management of PLAs. The excluded work section includes a series of standard (North American Building Trades Union Model PLA) provisions, such as work performed by Caltrain employees, executives, staff engineers, and administrative or clerical employees. The PLA Policy also includes Caltrain-specific excluded work provisions, such as work performed by Caltrain’s rail service contractor (currently TASI) and their union staff, or work performed by the Union Pacific (“UPRR”) pursuant to the current JPB Trackage Rights Agreement.

The draft PLA also includes a provision for the inclusion of Community Workforce Agreements (CWAs) in individual PLAs, based on direction to Caltrain staff from the JPB. CWAs are traditionally administered by the relevant labor council in the project’s county, which reduces the burden on Caltrain staff while still achieving the goal of preserving employment opportunities for local and underrepresented workers in construction.

Prepared By: Sam Sargent Director, Strategy and Policy, Caltrain 650-730-6223



Subject: JPB PROJECT LABOR AGREEMENT POLICY

Purpose: The purpose of this policy ("Policy") is to establish guidelines for the use of Project Labor Agreements ("PLA") on construction projects with a contract awarded by the Peninsula Corridor Joint Powers Board ("JPB") and an engineer's initial cost estimate over \$10 million.

Background: A PLA is a collective bargaining agreement between a public agency planning to authorize and fund a construction project and the unions that represent the pools of skilled labor that are needed for that project. A PLA spells out the specific terms and conditions that govern the employment of labor on a project for the duration of the project. Through the Policy, it is the intent of the JPB to establish a PLA requirement on all construction projects with bidding documents issued after Board approval of this policy, a contract awarded by the JPB, and an engineer's initial cost estimate over \$10 million. The PLA would be binding on all contractors or subcontractors on the project.

Procedure: The JPB will utilize the following process for PLAs on construction projects covered by the Policy:

1. Development of a PLA

- a. A covered construction project under the Policy is a construction project with a contract awarded by the JPB and an engineer's initial cost estimate over \$10 million.

b. Construction projects covered by the Policy must be governed by a PLA consistent with the following federal and state guidance:

i. Executive Order (“EO”) 13502 explicitly allows the use of PLAs on federally funded projects, including projects financed by the Federal Transit Administration (“FTA”). EO 13502 states that the policy of the Federal government is to encourage the consideration of PLAs for large-scale construction projects, recognizing the benefits that PLAs can offer in promoting the efficient and expeditious completion of projects. Any project labor agreement using FTA assistance should:

- Bind the contractor and all subcontractors engaged in construction on the construction project through the inclusion of appropriate clauses in all relevant solicitation provisions and contract documents;
- Allow the contractor and all subcontractors, including small and disadvantaged businesses wishing to compete for contracts and subcontracts to do so without regard to whether they are otherwise parties to collective bargaining agreements;
- Contain guarantees against strikes, lockouts, and similar job disruptions;

- Set forth effective, prompt, and mutually binding procedures for resolving labor disputes arising during the term of the PLA;
 - Provide other mechanisms for labor-management cooperation on matters of mutual interest and concern, including productivity, quality of work, safety, and health; and
 - Fully conform to all applicable statutes, regulations, Executive Orders, and agency requirements.
- ii. Public Contract Code (PCC) Section 2500 states that a public entity may use, enter into, or require contractors to enter into, a PLA for a construction project only if the agreement includes all of the following taxpayer protection provisions:
- The agreement prohibits discrimination based on race, national origin, religion, sex, sexual orientation, political affiliation, or membership in a labor organization in hiring and dispatching workers for the project;
 - The agreement permits all qualified contractors and subcontractors to bid for and be awarded work on the project without regard to whether they are otherwise parties to collective bargaining agreements;

- The agreement contains an agreed-upon protocol concerning drug testing for workers who will be employed on the project;
 - The agreement contains guarantees against work stoppages, strikes, lockouts, and similar disruptions of the project; and
 - The agreement provides that disputes arising from the agreement shall be resolved by a neutral arbitrator.
- iii. The JPB reserves the right to establish policy goals for PLAs. This includes, but is not limited to, goals that aim to:
- Preserve employment opportunities for local and underrepresented workers in construction through the adoption of Community Workforce Agreements (“CWA”);
 - Ensure participation by Disadvantaged Business Enterprise (“DBE”) and Small Business Enterprises (“SBE”) and encourage increased utilization rates.
- c. The \$10 million threshold will remain in place until modified by the JPB, but no earlier than the completion of the Caltrain Capital Investment Plan (“CIP”). JPB staff will revisit the threshold following the completion of the CIP, as part of the subsequent biennial budget process, and will make a recommendation for adjustment of the threshold if warranted.

2. PLA Negotiations and Adoption of PLA

- a. JPB staff will analyze each project subject to this policy, on a contract-by-contract basis, to determine whether a PLA would further Caltrain's best interests.
- b. If it is determined that a PLA would further Caltrain's best interests, JPB staff will engage in PLA negotiations with the San Francisco Building and Construction Trades Council, San Mateo County Building Trades Council, or Santa Clara and San Benito Counties Building and Construction Trades Council, or a combination thereof depending on the geographic scope of the project.
- c. If it is determined that a PLA would not further Caltrain's best interests, JPB staff will present a recommendation for waiving the Policy, followed by a vote to accept or reject the recommendation by a majority vote of the JPB.
- d. Once an agreement has been reached in PLA negotiations, the PLA must be approved by the JPB. Upon approval by the JPB, a copy of the PLA will then be included in any applicable solicitation documents for a construction project covered by this Policy. The PLA is binding on all contractors and subcontractors on the project.

3. Excluded Work on PLA Qualified Projects

- a. Individual PLAs regularly include a list of excluded work. The following non-exhaustive list of excluded work will be incorporated into individual PLAs for qualifying Caltrain construction projects:
- i. Work related to any contract or agreement, or extension thereof, which was awarded by the JPB before the approval of the PLA Policy;
 - ii. Work performed by employees of Caltrain;
 - iii. Operations, maintenance, repair, and safety work traditionally and currently being performed by the Caltrain rail service contractor under the current Agreement for the Provision of Rail Operations, Maintenance, and Support Services, and any successor rail operations, maintenance, and support services agreement;
 - iv. Non-construction craft employees, including but not limited to executives, managerial employees, engineering employees, supervisors (except those covered by existing building and construction trades collective bargaining agreements), staff engineers or other professional engineers, administrative, management, and clerical employees;
 - v. Work performed on or near or leading to the site of work otherwise covered by this Policy that is undertaken by

state, city, county or other governmental bodies or their contractors, or by public or private utilities or their contracts;

- vi. Off-site maintenance of leased equipment and on-site supervisor of such work;
- vii. Calibration, programming, testing and operation of computerized systems including but not limited to switches, signals, grade crossing equipment, track circuits, voice communications, radios, microwave, supervisory control systems, visual messaging, public address, wayside signal equipment, and communications equipment;
- viii. Work performed on the Caltrain corridor between San Francisco (JPB Milepost 0.0) and CP Lick (JPB Milepost 50.94) that would otherwise be covered by the Policy that is undertaken by the Union Pacific Railroad (UPRR) or their contractors, pursuant to the Trackage Rights Agreement between the JPB and UPRR, as amended.

4. Management of PLA

- a. The parties to a PLA will establish a Joint Administrative Committee (“JAC”) with two (2) representatives from the JPB, one (1) representative from each of the labor councils who are signatories to the PLA, and one (1) representative selected by the contractor(s) to the covered construction project. The JAC will meet as required, but not less than once each calendar quarter, to review the implementation of the PLA and the progress of the

project. It is intended that the JAC serve as a forum to foster communication between management and labor, help monitor PLA compliance, and work collaboratively to complete projects in an economic and efficient manner without interruption, delays, or work stoppages.

- b. For covered construction projects where the JPB has adopted a CWA as a PLA policy goal for the purposes of preserving employment opportunities for local and underrepresented workers, an agreement with a Community Workforce Coordinator (“Coordinator”) will be entered into by the JPB. The contractor(s) will cooperate with the Coordinator to facilitate implementation of CWA targeted hiring requirements.
- c. The JPB may engage third party contractor services for the development, implementation, and management of a PLA, in conformance with this Policy.
- d. To monitor performance and determine whether the JPB’s goals are being met by PLAs on JPB projects, a written annual report regarding PLAs on JPB projects will be provided to the board at the end of each calendar year.