



JPB Board of Directors  
Meeting of September 7, 2023

Supplemental Reading File

<u>#</u>	<u>Subject</u>
1	Bay Pass Pilot Update
2	Capital Projects Quarterly Status Report - 4th Quarter Fiscal
3	Year 2023 JPB Fuel Hedge-Quarterly Report-Q4 FY23
4	Project Labor Agreement Policy Update
5	Rail Activation Program Overview
6	Rail Safety and Suicide Prevention Month
7	Amendment No. 1 to Contract 23-J-P-002 Financial Strategy Planning Consulting Services Bell Burnett & Associates (Consultant)

**Peninsula Corridor Joint Powers Board  
Staff Report**

To: Board of Directors

Through: Michelle Bouchard, Executive Director

From: Sam Sargent, Director, Strategy and Policy

Subject: **Bay Pass Pilot Update**

<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**

Clipper BayPass is an all-transit agency institutional pass pilot created in 2022 under the direction of the MTC Fare Integration Task Force. Phase 1 of the BayPass pilot launched in 2022 with five participating educational institutions and affordable housing properties. Phase 2 is scheduled for launch in late 2023 or early 2024 with ten participating employers. This item is informational only. No action is requested this month.

**Discussion**

Clipper BayPass Phase 1 pilot launched in 2022 with five participating educational institutions and affordable housing properties, including San Jose State University and MidPen Housing in the Caltrain service area. Phase 1 was fully funded by MTC, with reimbursements made to operators on a per trip basis. Approximately 20,000 of the 2 million Phase 1 trips have been on Caltrain, less than 1-percent of total regional trips.

The Phase 2 pilot will involve 20,000 all-agency passes divided between 10 participating employers, who will purchase Bay Passes on an annual basis for two years. \$5 million will be programmed in September by MTC to cover pilot overhead and potential losses, should employer participant revenue not cover expenses. Two employers will be selected from Santa Clara County, two from San Mateo County (including the City of Menlo Park), and three from San Francisco.

Since early 2023, Caltrain staff have been working closely with the joint MTC-BART project management team (“PM Team”) to ensure that Caltrain and the Go Pass institutional pass program are protected from any risks created by the BayPass Phase 2 pilot. Go Pass currently makes up one-third of Caltrain’s total fare revenue (\$17 million in FY2023). In the FY2024 - 2025 Caltrain budget, Go Pass is expected to be over 35-percent of total fare revenue. Caltrain is actively engaged in a Go Pass expansion effort to increase revenue and participants.

Caltrain has a projected fiscal cliff of as much as \$550 million over the next 10 years. Go Pass revenues are projected to generate as much as \$220 million over the same period. Loss of any portion of this revenue would increase the railroad’s fiscal cliff on a dollar-for-dollar basis. Accordingly, Caltrain staff have negotiated BayPass Phase II pilot Participation Agreement language that protects current Go Pass revenue and relationships with existing Go Pass participants:

- **Santa Clara County:** only existing Go Pass customers within three miles of the Caltrain corridor will participate in the Phase 2 pilot. Outside of the three-mile buffer, only employers currently participating in VTA’s institutional pass program (SmartPass) will participate in the pilot. These pilot participants will maintain their existing relationships with Caltrain and VTA, respectively, and purchase the regional all-transit agency pass through MTC as an add-on.
- **San Mateo County:** only an existing Go Pass customer (City of Menlo Park) will participate within 3-miles of the Caltrain corridor.
- **San Francisco:** Caltrain will be reimbursed on a per-trip basis for trips taken by Phase 2 pilot participants within the city.

In September and October, transit operators (including Caltrain) will bring a common Participation Agreement with MTC to their policy boards for action. The PM Team anticipates a BayPass Phase 2 pilot launch no later than January 2024, with participating employers entering into one-year contracts with one-year extensions. Phase 2 is expected to close in late 2025, followed by evaluation of pilot data and regional discussions on next steps.

**Budget Impact:** no budget impact.

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

**Peninsula Corridor Joint Powers Board  
Staff Report**

To: Board of Directors  
Through: Michelle Bouchard, Executive Director  
From: Robert Barnard, Deputy Chief, Rail Development  
Subject: **Capital Projects Quarterly Status Report – 4<sup>th</sup> Quarter Fiscal Year 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 Coordinating Council recommends the Board receive the Capital Projects Quarterly Status Report. The full report and a summarized version are in the following link:

<https://www.caltrain.com/about-caltrain/statistics-reports/quarterly-capital-program-status-report>.

**Discussion**

The Capital Projects Quarterly Status Report is submitted to keep the Board advised as to the scope, budget, and progress of current ongoing capital projects.

Staff prepares the Capital Projects Quarterly Status Report for the Board on a quarterly basis. The report is a summary of the scope, budget, and progress of capital projects. It is being presented to the Board for informational purposes and is intended to better inform the Board of the capital project status.

**Budget Impact**

There is no impact on the budget.

Prepared By: Robert Cheung      Deputy Director, Project Controls      (650) 730-0296

**Peninsula Corridor Joint Powers Board  
Staff Report**

To: Board of Directors  
Through: Michelle Bouchard, Executive Director  
From: Kate Jordan Steiner, Chief Financial Officer  
Subject: **Acceptance of Quarterly Fuel Hedge Update**

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

Staff proposes the Board to review, accept, and enter into the record the presentation providing an update on the implementation of a fuel hedging strategy for Caltrain.

**Discussion**

The purpose of this presentation is to provide an update on the implementation and performance status of the Fuel Hedging Program (Program) established for Caltrain.

Under this Program, the staff will continue to work with Linwood Capital, LLC in order to:

- Purchase new fuel hedge contracts for the upcoming fiscal year as market conditions allow.
- Maintain the size of the hedge in order to protect Caltrain’s fuels budget against volatile price movements in the diesel fuel market.

The Program implemented for Caltrain is designed to minimize large budget variances resulting from the volatility of diesel fuel prices. An effective hedging strategy can increase budget certainty and facilitate a more effective utilization of budgetary resources. The purpose of the Program is not to speculate on the price of fuel but to manage risk, particularly as it relates to Caltrain’s annual budget.

**FY 2023**

- As of June 30<sup>th</sup>, the fuel hedging program had realized net gains of \$474,172.68 for the time period July 2022 through June 2023 – the entirety of FY 2023. This is approximately \$0.12 per gallon of realized gain for FY 2023. The approximate cost of fuel before taxes and fees and after the effect of the hedge is \$3.14 per gallon from July 2022 through June 2023.
- Total dollar budget for fuel for FY 2023 is \$15,521,648 based on \$3.41 per gallon before tax and fees and estimated total consumption of 4,551,803 gallons. Estimated total cost before

tax and fees and after hedging for the entirety of FY 2023 is estimated to be \$12,993,140 or \$3.14 per gallon. This renders an approximate FY 2023 budget surplus of \$2,528,508.

**FY 2024**

- For FY 2024, there is currently an unrealized loss of \$(977,373.60) which is \$(0.22)/gallon on all projected gallons July 2023 through June 2024. This assumes projected consumption of 4,564,274 gallons for FY 2024.
- For FY 2024, approximately 98% (89% after tax) of the anticipated fuel usage during FY 2024 is hedged at an average price of \$2.70/gallon excluding taxes and fees (\$3.40/gallon with taxes and fees) versus a currently planned budget estimate of \$2.80/gallon, excluding taxes and fees.
- The remaining un-hedged gallons for FY 2024 have a projected cost of \$2.48 excluding taxes and fees (3.38 with tax and fees) as of 6/30/23.
- For FY 2024, the expected weighted average cost of all gallons net of hedge and excluding tax and fees is \$2.70/gallon and including taxes and fees is \$3.38/gallon.
- Total dollar budget for fuel for FY 2024 is \$12,779,967 based on \$2.80 per gallon before tax and fees and estimated total consumption of 4,564,274 gallons. The estimated total cost before tax and fees and after hedging for FY 2024 as of 6/30/23 is \$12,324,363 or \$2.70 per gallon. The current expected budget surplus for FY 2024 is \$455,604.

**Budget Impact**

There is no impact on the budget.

Prepared By:	Connie Mobley-Ritter	Director, Treasury	650-508-7765
	Kevin Beltz	Manager, Debt and Investments	650-508-6405

**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**

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

The 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

**Peninsula Corridor Joint Powers Board  
Staff Report**

To: Board of Directors  
Through: Michelle Bouchard, Executive Director  
From: John Hogan, Chief Operating Officer  
Subject: **Rail Activation Program Overview**

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

This report is an informational item that provides an update on Caltrain’s Rail Activation Program, which is an ongoing effort to manage all revenue start-up activities for the transition from electrification construction to electrified operations. It requires no action by the Board of Directors (“Board”) of the Peninsula Corridor Joint Powers Board (“JPB” or “Caltrain”).

**Discussion**

*1. Rail Activation Background and Scope:*

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

A Rail Activation Committee (RAC) has been established to manage the successful launch of electrified revenue service following PCEP substantial completion by developing a guiding program for commissioning, systems integration, safety certification, testing, training, and overall resource planning. The RAC meets on a weekly basis, and its purpose is to:

- establish clear goals, roles and responsibilities to ensure readiness for electrified passenger service;
- develop a comprehensive understanding of all necessary start-up activities for revenue service; and
- ensure buy-in from full organization for the transition from construction to operations and maintenance.

Key focus areas of the Rail Activation Program include, but are not limited to:

- Safety and Security
  - System safety certification
  - Vehicle storage plan
  - Emergency preparedness
  - First responder training
  - Isolation protection services
- Revenue Service Readiness
  - Training, certification, and hiring
  - Operations & Maintenance plans
  - Electrified service plan
- Community Outreach
  - Public tours
  - Safety campaigns
  - Marketing
- Financial Plan
  - Start-up costs
  - Energy procurement strategy
  - Legacy fleet retirement

## *2. Rail Activation Roles:*

The RAC is led by a Director of Rail Activation and Transition with support from a Senior Special Projects Manager, Office Engineer, Business Operations Project Manager, and the CalMod project team.

Caltrain Operations and Maintenance (O&M) along with Caltrain's rail service contractor, TransitAmerica Services, Inc. (TASI), are also heavily involved in the Rail Activation and start-up efforts. Caltrain O&M participation is critical to the safe conduct of those activities as well as ensuring that PCEP, once in revenue service, meets all Caltrain's benchmarks for safe, reliable, and efficient operations. To that end, Caltrain O&M staff participate in the RAC and work closely with the PCEP project team and contractors on development of the Overhead Contact System (OCS)/Traction Power System (TPS) maintenance program, training, and pre-revenue service planning.

Rail Activation is a collective effort that includes support from nearly every department and shared service function throughout the organization. These include Caltrain Planning, Design and Construction, Safety and Security, Human Resources, Finance, Budgets, Contracts and Procurement, Communications, Government and External Affairs, Information Technology, and Real Estate and Grants. Additional coordination is taking place with SamTrans support departments, especially Communications, Finance, Contracts & Procurement, Information Technology, and People and Culture.

### 3. Next Steps:

The JPB has requested a peer review of Caltrain’s operational readiness for electrified revenue service, which is being facilitated by the American Public Transportation Association (APTA). The five topic areas that will be covered as part of that review are:

- Proposed organization for Caltrain to manage the unique responsibilities of an electrified, shared rail corridor.
- Identification of key staff resources required to complete the transition to an electrified commuter railroad and management of a large capital program.
- Strategies for attracting and retaining capable staff resources.
- Assessing the relationship of Caltrain to other organizations for fiscal and administrative support.
- Role of the Caltrain Board to provide policy guidance related to the transition to electrified operations.

The APTA peer review kicked off in July 2023, and the Board will receive a presentation on key findings and recommendations in October.

Additional next steps for the Rail Activation Program include:

- Conduct interviews with the Caltrain Executive Team to identify a comprehensive list of necessary activities.
- Finalize the Rail Activation schedule.
- Tie detailed Rail Activation and integrated testing activities to the master schedule.
- Show parties responsible for each activation activity.
- Use the activation schedule as an executive management tool.
- Ensure risks are fully identified, understood, and appropriately mitigated.
- Define what “opening day” looks like.

### **Budget Impact**

Funds to support OCS and TPS maintenance and additional personnel hiring are included in JPB’s Fiscal Year 2024 and 2025 adopted operating budgets. However, as with any major construction project, there is the possibility of experiencing unexpected costs and requirements during the commissioning period and transition to operations. The RAC is currently identifying potential start-up costs and funding sources for necessary Rail Activation activities that extend beyond the PCEP scope.

Prepared By:	Mark Clendennen	Director, Rail Activation & Transition	650.632.6825
	Graham Rogers	Business Operations Project Manager	650.551.6169

**Peninsula Corridor Joint Powers Board  
Staff Report**

To: Board of Directors  
Through: Michelle Bouchard, Executive Director  
From: Mike Meader, Chief Safety Officer  
Subject: **Update on Rail Safety and Suicide Prevention Initiatives**

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

This item is for informational purposes only to keep the Board advised as to the status of suicide prevention initiatives along the Caltrain corridor.

**Discussion**

The JPB is committed to providing safe and efficient train service between San Francisco and Gilroy, including through the advancement of suicide prevention initiatives such as enhanced safety measures and increased public awareness. Unfortunately, approximately 80 percent of the deaths occurring on the Caltrain corridor are ruled suicides, which is consistent with the percentage of overall rail transit fatality statistics throughout the United States attributable to trespassing and suicides.

To try to prevent suicides, Caltrain coordinates with regional mental health, and suicide prevention and awareness organizations to help eliminate the stigma associated with seeking help for depression or mental illness. In addition, Caltrain is committed to examining other ways in which Caltrain can help prevent suicides on the right of way.

Caltrain has already implemented most FTA (Federal Transit Administration)-identified strategies and countermeasures that have either yielded positive outcomes or showed a potential for mitigating suicide and trespasser incidents, inquiries, and fatalities, including:

- An ongoing fencing program to reduce trespassing incidents and focus on hot spots
- Grade crossing improvements
- Conducting community educational outreach activities
- Training operators and employees how to properly handle various trespassing scenarios
- Having transit police respond to trespassing reports and patrol the right of way
- Installing flashing lights or audible alerts at train stations to indicate train arrivals

Additional recommended measures include deploying smartphone apps for passengers to report trespassing or suspicious activities and employing technology applications such as CCTV (closed circuit television)/Analytics and intrusion detection systems to detect trespassers.

Since September 2009, Caltrain has participated in California Operation Lifesaver's (CAOL) annual Rail Safety Month as well as year-round initiatives. CAOL is a nonprofit public safety organization committed to reducing the number of tragic incidents at highway-rail grade crossing intersections and trespassing at railroad rights-of-way.

As a member and community partner of CAOL, Caltrain staff makes year-round, free rail safety presentations to all age groups by educating the community on the three E's of rail safety – Education, Engineering, and Enforcement.

**Budget Impact**

There is no impact on the budget associated with receiving this informational update. Caltrain's ability to further enhance its existing suicide prevention and safety program is contingent on the availability of funding dedicated to that purpose.

Prepared By:	Mike Meader	Caltrain Safety Chief	650.295.6821
	Tasha Bartholomew	Manager, Communications	650.508.7927



BOARD OF DIRECTORS 2023

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MONIQUE ZMUDA

MICHELLE BOUCHARD  
EXECUTIVE DIRECTOR

**AMENDMENT NO. 1  
TO  
CONTRACT 23-J-P-002  
FINANCIAL STRATEGY PLANNING CONSULTING SERVICES  
BELL BURNETT & ASSOCIATES (CONSULTANT)**

THIS FIRST AMENDMENT modifies the Agreement for financial strategy planning consulting services (Agreement), effective November 9, 2022, by and between the Peninsula Corridor Joint Powers Board (JPB) located at 1250 San Carlos Avenue, San Carlos, CA 94070 and Bell Burnett & Associates (CONSULTANT), located at 26 Broderick Street, San Francisco, CA 94117.

WHEREAS, on November 3, 2022, pursuant to Resolution 2022-65, the JPB awarded the Agreement to CONSULTANT to provide financial strategy planning consulting services for a two-year base term for a not-to-exceed amount of \$750,000 and authorized one optional task for utility needs planning and execution for a firm fixed fee 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, on September 7, 2023, pursuant to Resolution 2023-XX, the JPB now desires to amend the Agreement's scope of services to include commercial business advisory services. 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, on September 7, 2023, pursuant to Resolution 2023-XX of the Board of the Directors, the JPB now desires to increase the two-year base term not-to-exceed amount by \$500,000, from \$825,000 to a maximum aggregate amount of \$1,325,000; and

WHEREAS, the JPB now wishes to amend the Agreement accordingly to add additional services and increase the total not-to-exceed amount by \$500,000, from \$825,000 to \$1,325,000; and

The Agreement is hereby amended as follows:

1. Section 1 of the Agreement, Scope of Services, is deleted in its entirety and replaced with the following:

The scope of the CONSULTANT's services will consist of the services set forth in the **Amendment 1 dated September X, 2023**, the Scope of Services of which is attached hereto and incorporated herein as **Attachment 1, Exhibit A**, as supplemented by CONSULTANT's written proposal dated July 23, 2023, attached hereto and incorporated herein as **Exhibit B**.

2. Section 5 of the Agreement, Compensation, is hereby amended by deleting the first paragraph in its entirety and replacing it with the following:

The CONSULTANT agrees to perform all of the base services included in Section 1 for a firm fixed cost amount of one million, three hundred twenty-five thousand dollars (\$1,325,000). The total amount will include all labor, materials, taxes, profit, overhead, insurance, subconsultant costs, and all other costs and expenses incurred by the CONSULTANT. The AGENCY will pay the CONSULTANT in accordance with Section 6.

3. Section 6 of the Agreement, Manner of Payment, Base Services Payment Schedule is hereby amended by deleting the table in its entirety and replacing it with attached hereto and incorporated herein as **Attachment 2, Exhibit C**.

Except for those changes expressly specified in this First Amendment, all other provisions, requirements, conditions, and sections of the underlying Agreement, as previously amended, shall remain in full force and effect.

If to the JPB: Secretary  
Peninsula Corridor Joint Powers Board  
1250 San Carlos Avenue  
San Carlos, CA 94070

With a copy to: Director, Contracts and Procurement  
Peninsula Corridor Joint Powers Board  
1250 San Carlos Avenue  
San Carlos, CA 94070

If to the CONSULTANT: Bell Burnett & Associates  
Attn: Alexander Burnett, Principal  
26 Broderick Street  
San Francisco, CA 94117

The address to which mailings may be made may be changed from time to time by notice mailed as described above. Any notice given by mail



shall be deemed given on the day after that on which it is deposited in the United States Mail as provided above.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment by their duly authorized officers as of the last date written below.

**PENINSULA CORRIDOR JOINT POWERS BOARD**

**Bell Burnett & Associates**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Print: Michelle Bouchard

Print: R. Alexander Burnett

Title: Executive Director

Title: Principal

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

Signature: \_\_\_\_\_

Print: Michael Bell

Title: Principal

Date: \_\_\_\_\_

By: \_\_\_\_\_

Dora Seamans  
JPB Secretary

APPROVED AS TO FORM:

By: \_\_\_\_\_

James C. Harrison  
General Counsel for the JPB

**ATTACHMENT 1**  
**EXHIBIT B- Scope of Services**  
**Revised 9/xx/2023**

## **EXHIBIT B, SCOPE OF SERVICES**

### **Background**

#### **Background**

On November 3, 2022, the Caltrain Board of Directors awarded a competitive procurement to Bell Burnett & Associates (BB&A or Consultant) for Financial Strategy Planning Consulting Services. 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. A significant component of this financial planning effort also 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.

#### **Additional Scope of Services**

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. 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.

#### Key Tasks and Deliverables:

- Identify commercially and financially beneficial arrangements to support the agency, including detailed grants and funding strategy as well as monetization of railroad assets
- Identify additional new revenue streams including but not limited to advertising opportunities, sale of fiber capacity, and sponsorship opportunities
- Assist in negotiating business terms and complex inter-agency agreements for major regional projects and other commercial proposals including the San Francisco Downtown Rail Extension project and Clipper BayPass program
- Coordination with Union Pacific and other tenants
- Identification of a funding plan and successful execution of a rolling stock option for additional Electric Multiple Unit vehicles
- Advising on cost allocation plans and shared services arrangements
- Risk management analysis of various regional, state, and federal initiatives
- Establish, maintain and report on the Caltrain risk register, including associated business continuity planning activity

**ATTACHMENT 2**

**EXHIBIT C- Payment Schedule For Base Services**

**Revised 9/07/2023**

**Payment Schedule for Base Services**

<b>Contract Month</b>	<b>Monthly Retainer Schedule Start Date</b>	<b>Monthly Retainer Schedule End Date</b>	<b>Monthly Retainer Amount</b>	<b>Payment Schedule</b>
1	11/09/2022	12/08/2022	\$31,250	Net 30 Days upon receipt of invoice.
2	12/09/2022	01/08/2023	\$31,250	Net 30 Days upon receipt of invoice.
3	01/09/2023	02/08/2023	\$31,250	Net 30 Days upon receipt of invoice.
4	02/09/2023	03/08/2023	\$31,250	Net 30 Days upon receipt of invoice.
5	03/09/2023	04/08/2023	\$31,250	Net 30 Days upon receipt of invoice.
6	04/09/2023	05/08/2023	\$31,250	Net 30 Days upon receipt of invoice.
7	05/09/2023	06/08/2023	\$31,250	Net 30 Days upon receipt of invoice.
8	06/09/2023	07/08/2023	\$31,250	Net 30 Days upon receipt of invoice.
9	07/09/2023	08/08/2023	\$31,250	Net 30 Days upon receipt of invoice.
10	08/09/2023	09/08/2023	\$31,250	Net 30 Days upon receipt of invoice.
11	09/09/2023	10/08/2023	\$66,964	Net 30 Days upon receipt of invoice.
12	10/09/2023	11/08/2023	\$66,964	Net 30 Days upon receipt of invoice.
13	11/09/2023	12/08/2023	\$66,964	Net 30 Days upon receipt of invoice.
14	12/09/2023	01/08/2024	\$66,964	Net 30 Days upon receipt of invoice.

15	01/09/2024	02/08/2024	\$66,964	Net 30 Days upon receipt of invoice.
16	02/09/2024	03/08/2024	\$66,964	Net 30 Days upon receipt of invoice.
17	03/09/2024	04/08/2024	\$66,964	Net 30 Days upon receipt of invoice.
18	04/09/2024	05/08/2024	\$66,964	Net 30 Days upon receipt of invoice.
19	05/09/2024	06/08/2023	\$66,964	Net 30 Days upon receipt of invoice.
20	06/09/2024	07/08/2024	\$66,964	Net 30 Days upon receipt of invoice.
21	07/09/2024	08/08/2024	\$66,965	Net 30 Days upon receipt of invoice.
22	08/09/2024	09/08/2024	\$66,965	Net 30 Days upon receipt of invoice.
23	09/09/2024	10/08/2024	\$66,965	Net 30 Days upon receipt of invoice.
24	10/09/2024	11/08/2024	\$66,965	Net 30 Days upon receipt of invoice.
Total Firm Fixed Cost for 24 months			\$1,250,000	

[Payment Schedule for Optional Task](#)

<b>Optional Task Description</b>	<b>Firm Fixed Cost</b>	<b>Payment Schedule</b>
Utility Needs Planning & Execution	\$75,000	Net 30 Days upon completion and acceptance.