



AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD Finance Committee Meeting

October 23, 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 94070

San Jose City Hall, Room 1853, 200 East Santa Clara Street, San Jose, CA 95113

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

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

REVISED as of October 20, 2023 at approx. 4:30 PM: Item 6 - include Resolution and minor changes to PLA Policy V11

- Congestion or runny nose
- Nausea or vomiting
- Fever or Chills
- Muscle or body aches
- Loss of taste or smell
- Diarrhea
- 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 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.

October 23, 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. Consent Calendar
Members of the Board may request that an item under the Consent Calendar be considered separately.
 - 4.a. Meeting Minutes of August 28, 2023
 - 4.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
5. Accept Statement of Revenues and Expenses for the Period Ended September 30, 2023 Motion
6. Approve Project Labor Agreement Policy Motion

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7. Award of Contract for Insurance Brokerage Services* Motion

8. Approve Three-Year Contract Extension with Outfront Media for Advertising Services* Motion

9. Committee Member Requests

10. Date/Time of Next Regular Finance Committee Meeting: Monday, November 27, 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.

11. Adjourn

REVISED as of October 20, 2023 at approx. 4:30 PM: Item 6 - include Resolution and minor changes to PLA Policy V11

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.

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

**Peninsula Corridor Joint Powers Board
Finance Committee
1250 San Carlos Avenue, San Carlos, CA 94070**

DRAFT Minutes of August 28, 2023

Members Present: Raymond Mueller, Devora “Dev” Davis (Vice Chair), Monique Zmuda (Chair)

Members Absent: None

Staff Present: R. Barnard, M. Bouchard, J. Harrison, W. Lau, Michelle L., C. Mobley-Ritter, G. Rogers, S. Sargent, D. Seamans, K. Jordan Steiner, B. Thompson, M. Tseng, C. Valbuena

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 quorum was present.

3. Public Comment on Items not on the Agenda

Adrian Brandt commented on a recent announcement about BART (Bay Area Rapid Transit) running shorter trains and Caltrain recently switched from six to four-car trains to save on operating costs. He expressed concern with the new order of seven-car train sets that would run needlessly long trains.

4. Public Hearing for Proposed Fare Structure Revisions

Chair Zmuda stated items 4 and 5 would be heard together and opened the public hearing. Wendy Lau, Deputy Director of the Office of Civil Rights, reviewed steps taken to inform the public of the hearing.

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

Bruce Thompson, Manager, Fare Program Operations, provided the presentation, which included the following:

- Minimal impacts or positive impacts on equity, customer experience, and operations
- Transfer discounts will benefit riders and provide positive customer experiences
- No fare increases until fiscal year (FY) 2026

Michelle Louie, Title VI Administrator, provided a presentation on the Title VI equity analysis and disparate impact/disproportionate burden policies.

Bruce Thompson, Manager, Fare Program Operations, provided a presentation on Go Pass Fare Structure Recommendations.

Public comments

Adrian Brandt supported the Go Pass recommendations and suggested offering Go Pass to cities for negotiations with developers when building TOD (Transit-Oriented Development).

Adina Levin, Friends of Caltrain and Seamless Bay Area, supported Go Pass recommendations and encouraged the region to work on the next phases of Clipper BayPass.

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

- Go Pass changes to go into effect in calendar year 2024
- Total participating companies in the Go Pass program and participation goal for increases
- Pursue aggressive marketing once changes are implemented and include venture capital firms in marketing efforts

Public comment

Cynthia Arteaga, Go Pass Program Coordinator, stated that the program has over 1,500 enrolled users and redefining eligible employees that must be enrolled into the program to help increase ridership.

Motion/Second Davis/Mueller to close Public Hearing

Ayes: Mueller, Davis, Zmuda

Noes: None

Absent: None

Motion/Second: Davis/Mueller to approve the recommended fare structure changes

Ayes: Mueller, Davis, Zmuda

Noes: None

Absent: None

6. Consent Calendar

Chair Zmuda moved item 7 to Consent.

6.a. Meeting Minutes of July 24, 2023

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*

7. Accept Statement of Revenue and Expenses for the Period Ended July 31, 2023

Motion/Second: Davis/Mueller

Ayes: Mueller, Davis, Zmuda

Noes: None

Absent: None

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)*

Kevin Yin, Director of Contracts and Procurement, provided the presentation, which included the following:

- RFP published for 40 days and 11 firms responded or attended the pre-submittal conference
- Correction to Overall Project Schedule slide that should be Reject MCA's proposal and re-solicit solicitation

Chair Zmuda inquired whether there was any timetable for the contractor to object or appeal the decision to disqualify. Mr. Yin noted the contractor was provided the time and did not appeal decision.

Motion/Second: Mueller/Davis

Ayes: Mueller, Davis, Zmuda

Noes: None

Absent: None

9. Amendment 1 to Contract with Bell Burnett & Associates to Provide Additional Scope and Capacity for Financial Strategy Planning Consulting Services*

Graham Rogers, Business Operations Project Manager, provided the presentation, which included the following:

- Scope of services focused primarily on developing organizational strategy to address the long-term structural operating deficit by evaluating current and future finances under different service scenarios
- Bell Burnett & Associates (BB&A) continue to support the agency's short, medium, and longer-term strategic financial planning efforts

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

- Original contract structured to bill monthly flat fee retainer payment for services and additional services would increase the ongoing monthly retainer payments
- In the process of recruiting a new chief to take over activities on a longer-term basis
- Base contract ends in November 2024 with a one-year option period available at the end of the contract that could potentially extend the contract to three years
- Monitor contracts of this size, especially on retainer contracts, and review the number of hours actually spent

Public comment

Adina Levin, Seamless Bay Area, supported the additional consulting resources to continue work on longer-term steps for Clipper BayPass.

Motion/Second: Davis/Mueller

Ayes: Mueller, Davis, Zmuda

Noes: None

Absent: None

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

Kate Jordan Steiner, Chief Financial Officer, introduced Claudette Valbuena, Manager of Budgets, who then provided the presentation that included the following:

- Amend FY2024 capital budget by \$5.2 million
- DTX (Downtown extension) Support Project interim agreement provides additional funding of \$5 million in reimbursable expenses

James Harrison, Legal Counsel, provided a presentation that included the following:

- Streamline process and eliminate the need for multiple subcommittees approval when the Board has already approved a project and authorized the receipt of the funding

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

- Add specific increased amount as a line item in the Statement of Revenues and Expenses report
- Language amending the capital budget must be approved before the budget is increased

Motion/Second: Davis/Mueller

Ayes: Mueller, Davis, Zmuda

Noes: None

Absent: None

11. Adopt Declaration of Official Intent to Reimburse Prior Expenditures

Connie Mobley-Ritter, Director of Treasury, provided the presentation that included the following:

- Receipt of TIRCP (Transit and Intercity Rail Capital Program) funds delayed
- Enabled use of tax-exempt proportion of the letter for credit through Wells Fargo Bank to help with delayed TIRCP funds
- Allow reimbursement to JPB for invoices that were paid and issued out of operating prior to the letter of credit funding

Motion/Second: Davis/Mueller

Ayes: Mueller, Davis, Zmuda

Noes: None

Absent: None

12. Project Labor Agreement Policy Update

Sam Sargent, Director of Strategy and Policy, provided the presentation, which included the following:

- One goal of the agreements is labor harmony between project owners, contractors, and labor, as well as project stability, and to ensure to stay within scope, schedule, and budget
- Initial policy threshold of 10 million dollars would cover about 75 percent of the value of our FY2023 program
- Policy threshold can be revisited following the completion of the CIP (Capital Improvement Plan), which would be in mid-2025 for the FY2026-2027 budget cycle, and subsequently, revisited every two years thereafter

Public comment

Barbara Kilpatrick, UFCW (United Food and Commercial Workers) Local 5 South San Francisco member, inquired whether the Real Estate Department conducted outreach to storefront retailers. Mr. Sargent will inquire with Director of Real Estate and follow up with her directly.

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

- \$10 million threshold captured 75 percent of the value of the capital portfolio
- Include \$7.5 million to the threshold analysis
- Start with 10 percent of the number of projects regardless of the size of a project
- Larger contracting firms are familiar with Requests for Proposal (RFP) and is a PLA requirement

Director Mueller left the meeting at 3:46 pm

13. Committee Member Requests

There were none.

14. Date/Time of Next Regular Finance Committee Meeting: September 25, 2023 at 2:30 pm.

15. Adjourn

Meeting adjourned at 3:49 pm

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Finance Committee
Through: Michelle Bouchard, Executive Director
From: Robert Barnard, Deputy Chief, Caltrain Design and 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**

Finance Committee
Recommendation

Technology, Operations,
Planning, and Safety
Committee Recommendation

Advocacy and Major
Projects Committee
Recommendation

Purpose and Recommended Action

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

1. Renew findings previously adopted by the Board pursuant to California Public Contract Code section 22050(c)(2) (Resolution No. 2023-19) on March 29, 2023, and renewed at its subsequent meetings on May 4, 2023 (Resolution 2023-23), June 1, 2023 (Resolution 2023-38), August 3, 2023 (Resolution 2023-46), September 7, 2023 (Resolution 2023-56), and October 5, 2023 (Resolution 2023-62) that an emergency exists at the north channel embankment of the San Francisquito Creek Bridge due to erosion and scouring caused by winter storms, 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 Menlo Park and Palo Alto between Control Points Alma (MP 29.98) and Mayfield (MP 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 need for emergency actions cannot be delayed. Although the JPB was not able to obtain all of the necessary permits in order to complete the work during the creek window that ended on October 15, 2023, meteorologists predict a wet winter, including storms that could result in additional erosion, potentially threatening the structural integrity of the bridge. The JPB must therefore be prepared 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), August 3, 2023 (Resolution 2023-46), September 7, 2023 (Resolution 2023-56), and October 5, 2023 (Resolution 2023-62). 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. Retained on-call bench consultants (WSP, AECOM, Jacobs, and TRC), to assist the JPB in obtaining the required environmental permits, designing the bank stabilization, 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. 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.
5. Jointly developed 15%, 35%, 65%, and 100% designs for the bank stabilization with input from the City of Menlo Park, City of Palo Alto, and regulatory agencies.
6. Jointly prepared and executed a trilateral project agreement by and between the JPB, the City of Menlo Park, and the City of Palo Alto to memorialize cost sharing arrangements and other responsibilities.

7. Obtained iterative and independent cost estimates from consultants and Walsh Construction to establish clear cost expectations and determine a fair and reasonable not-to-exceed construction budget.
8. Updated the overall project cost to \$6.5 million based on recent construction cost estimates and actual costs incurred for design, permitting, and other professional services.
9. Updated the overall project funding plan to align with the cost sharing agreement between JPB, the City of Menlo Park, and City of Palo Alto.
10. Identified the necessary funding sources from other project underruns and contingency for the JPB share of costs and obtained approval from Caltrain's Management Committee to apply those funds.
11. Awarded a construction contract to Walsh Construction to implement the bank stabilization 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.
12. Obtained timely construction permits from the City of Menlo Park, City of Palo Alto, Regional Water Quality Control Board, and California Department of Fish and Wildlife.

Current Status

As of the date of this staff report:

1. An executed trilateral project agreement is in place between the JPB, the City of Menlo Park, and the City of Palo Alto.
2. JPB has 100% final construction drawings and specifications for the permanent bank stabilization design, which has been reviewed by all relevant stakeholders.
3. JPB has a construction contractor, Walsh Construction, under contract to implement the bank stabilization. The contract is based on a time-and-materials approach to compensation and therefore allows flexibility to adapt to changes in scope and schedule.
4. Walsh Construction stands ready to begin construction immediately upon receipt of all necessary permits.
5. JPB staff has obtained the following permits:
 - a. California Department of Fish and Wildlife Streambed Alteration Agreement
 - b. Regional Water Quality Control Board Section 401 Water Quality Certification Permit
 - c. City of Palo Alto Encroachment Permit
 - d. City of Menlo Park Encroachment Permit
 - e. City of Palo Alto Noise Exception Permit
 - f. City of Menlo Park Heritage Tree Permit

JPB staff submitted a timely application for a Section 404 permit to the U.S. Army Corps of Engineers. As part of their ongoing review, the U.S. Army Corps of Engineers has determined it is necessary to seek the review of relevant historic preservation issues and approval from the State Historic Preservation Officer prior to issuing the permit. Due to the time needed for this process to be completed, it appears to be unlikely that

JPB staff will receive the essential Section 404 permit in time to construct the project during the 2023 dry season ending October 15, 2023.

6. JPB staff remains concerned about the eroding condition of the San Francisquito Creek bank and the future stability of the Caltrain rail bridge.

Ongoing and Future Activities

In the months ahead:

1. JPB staff will continue to coordinate closely with the U.S. Army Corps of Engineers to facilitate the issuance of the Section 404 permit for construction of the permanent bank stabilization during the 2024 dry season.
2. JPB staff will continue to monitor conditions around the foundations of the Caltrain rail bridge. If conditions require, JPB staff will implement a temporary bank stabilization system on an emergency basis.
3. JPB staff will report regularly to the Board regarding the status of the project.

Budget Impact

The San Francisquito Creek Emergency Bank Stabilization Project has an approved budget of \$6,471,067 funded by Capital Contingency Funds, the San Mateo County Transportation Authority (SMCTA), the Cities of Palo Alto and Menlo Park, and project savings from recently completed projects.

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

(00497542)

Resolution No. 2023-

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

* * *

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

Whereas, the Board 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 did not permit a delay that would have resulted 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 2023-62 at its October 5, 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; 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 because meteorologists predict a wet winter including storms that could result in additional erosion; 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 would have unduly delayed 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 awarded a contract to Walsh Construction, which is also working on the Guadalupe River Bridge project, to undertake emergency repair work; and

Whereas, iterative comparison of independent cost estimates from consultants and Walsh Construction has provided clear cost expectations to 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 October 5, 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 did not permit a delay that would have resulted from a formal solicitation for bids because the time required to obtain competitive bids would have unduly delayed 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 the 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 amend the 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, on August 3, 2023, on September 7, 2023, and on October 5, 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 2nd day of November, 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary
(00497536)

**Peninsula Corridor Joint Powers Board
Staff Report**

To: 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
September 30, 2023**

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 September 30, 2023.

This staff report provides a brief discussion of significant items and trends on the attached Statement of Revenues and Expenses through September 30, 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 September year-to-date actual, the Grand Total Revenue (page 1, line 17) is \$0.1 million higher than the adopted budget. This is primarily driven by the increase in Measure RR (page 1, line 11) which is partially offset by the decrease in Caltrain Fares (page 1, line 1) and Other Income (page 1, line 5).

Year-to-Date Expenses: As of September year-to-date actual, the Grand Total Expense (page 2, line 51) is \$4.8 million lower than the adopted budget. This is primarily driven by the decreases in Rail Operator Service (page 2, line 22), Wages and Benefits (page 2, line 36), and Professional Services (page 2, line 39) which is partially offset by the increase in Claims, Payments, and Reserves (page 2, line 28).

Budget Impact

There are no budget impacts for September 2023.

Prepared By:	Li Saunders	Accountant II	650.622.7848
	Danny Susantin	Grants & Capital Accounting, Manager	650.622.8073

PENINSULA CORRIDOR JOINT POWERS BOARD									
STATEMENT OF REVENUE AND EXPENSE									
Fiscal Year 2024									
SEPTEMBER 2023									
							% OF YEAR ELAPSED	25.0%	
		JULY TO SEPTEMBER				ANNUAL			
	CURRENT	ADOPTED	\$	%	APPROVED		\$		
	ACTUAL	BUDGET	VARIANCE	VARIANCE	BUDGET	FORECAST	VARIANCE		
REVENUE									
OPERATIONS:									
1	Caltrain Fares	7,397,968	7,902,246	(504,278)	(6.4%)	29,936,000	29,936,000	-	1
2	Go Pass	4,070,877	4,191,000	(120,123)	(2.9%)	16,764,000	16,764,000	-	2
3	Parking Revenue	515,945	476,253	39,692	8.3%	1,905,015	1,905,015	-	3
4	Rental Income	432,897	256,623	176,274	68.7%	1,026,489	1,026,489	-	4
5	Other Income	997,945	1,635,315	(637,370)	(39.0%)	6,541,260	6,541,260	-	5
6									6
7	TOTAL OPERATING REVENUE	13,415,632	14,461,437	(1,045,805)	(7.2%)	56,172,764	56,172,764	-	7
8									8
9	CONTRIBUTIONS:								
10	Operating Grants	3,223,130	3,200,235	22,895	0.7%	12,800,936	12,800,936	-	10
11	Measure RR	32,157,900	31,024,000	1,133,900	3.7%	118,400,000	118,400,000	-	11
12	Member Agency (VTA - Gilroy)	117,500	117,501	(1)	(0.0%)	470,000	470,000	-	12
13	LCTOP/SRA	1,727,176	1,727,124	52	0.0%	6,908,503	6,908,503	-	13
14									14
15	TOTAL CONTRIBUTED REVENUE	37,225,705	36,068,860	1,156,845	3.2%	138,579,439	138,579,439	-	15
16									16
17	GRAND TOTAL REVENUE	50,641,337	50,530,297	111,040	0.2%	194,752,203	194,752,203	-	17
18									18

PENINSULA CORRIDOR JOINT POWERS BOARD									
STATEMENT OF REVENUE AND EXPENSE									
Fiscal Year 2024									
SEPTEMBER 2023									
						% OF YEAR ELAPSED	25.0%		
		JULY TO SEPTEMBER				ANNUAL			
		CURRENT	ADOPTED	\$	%	APPROVED			
		ACTUAL	BUDGET	VARIANCE	VARIANCE	BUDGET	FORECAST	\$	
						VARIANCE			
19	EXPENSE								19
20									20
21	DIRECT EXPENSE:								21
22	Rail Operator Service	25,248,055	26,704,052	(1,455,997)	(5.5%)	104,889,704	104,889,704	-	22
23	Security Services	2,008,336	2,071,509	(63,173)	(3.0%)	8,286,045	8,286,045	-	23
24	Shuttle Services	17,355	20,001	(2,646)	(13.2%)	80,000	80,000	-	24
25	Fuel and Lubricants*	3,140,247	3,802,827	(662,580)	(17.4%)	15,211,316	15,211,316	-	25
26	Timetables and Tickets	2,586	23,748	(21,162)	(89.1%)	95,000	95,000	-	26
27	Insurance	2,339,674	2,557,425	(217,751)	(8.5%)	10,229,703	10,229,703	-	27
28	Claims, Payments, and Reserves	2,148,445	330,000	1,818,445	551.0%	1,320,000	1,320,000	-	28
29	Facilities and Equipment Maintenance	1,264,592	2,040,291	(775,699)	(38.0%)	8,171,766	8,171,766	-	29
30	Utilities	528,731	677,226	(148,495)	(21.9%)	2,708,900	2,708,900	-	30
31	Maint & Services-Bldg & Other	263,345	446,151	(182,806)	(41.0%)	1,784,600	1,784,600	-	31
32									32
33	TOTAL DIRECT EXPENSE	36,961,366	38,673,230	(1,711,864)	(4.4%)	152,777,034	152,777,034	-	33
34									34
35	ADMINISTRATIVE EXPENSE								35
36	Wages and Benefits	4,217,331	5,349,917	(1,132,586)	(21.2%)	18,469,241	18,469,241	-	36
37	Managing Agency Admin OH Cost	898,927	891,366	7,561	0.8%	3,565,453	3,565,453	-	37
38	Board of Directors	2,347	15,719	(13,372)	(85.1%)	62,875	62,875	-	38
39	Professional Services	1,491,108	2,625,138	(1,134,030)	(43.2%)	9,484,775	9,484,775	-	39
40	Communications and Marketing	48,885	110,682	(61,797)	(55.8%)	442,730	442,730	-	40
41	Other Office Expenses and Services	628,305	1,080,790	(452,485)	(41.9%)	4,224,422	4,224,422	-	41
42									42
43	TOTAL ADMINISTRATIVE EXPENSE	7,286,903	10,073,611	(2,786,708)	(27.7%)	36,249,496	36,249,496	-	43
44									44
45	TOTAL OPERATING EXPENSE	44,248,269	48,746,841	(4,498,572)	(9.2%)	189,026,530	189,026,530	-	45
46									46
47	Governance	93,328	56,250	37,078	65.9%	225,000	225,000	-	47
48									48
49	Debt Service Expense	566,750	894,077	(327,327)	(36.6%)	3,471,125	3,471,125	-	49
50									50
51	GRAND TOTAL EXPENSE	44,908,347	49,697,168	(4,788,821)	(9.6%)	192,722,655	192,722,655	-	51
52									52
53	Projected Contribution to Reserve					2,029,548	2,029,548	-	53
54									54
55	NET SURPLUS / (DEFICIT)	5,732,990	833,129	4,899,860	588.1%	-	-	-	55
56									56
57	Reserve, Beginning Balance	26,878,850				26,878,850			57
58	Projected Contribution to Reserve	-				2,029,548			58
59	Reserve, Ending Balance	26,878,850				28,908,398			59
60									60
61	* Fuel and Lubricants costs were decreased by a realized gain of \$395,598 from the fuel hedge program.								61
62									62



BOARD OF DIRECTORS 2023

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

PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF SEPTEMBER 30, 2023

MICHELLE BOUCHARD
EXECUTIVE DIRECTOR

TYPE OF SECURITY	MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (Unrestricted) *	Liquid Cash	3.534%	368,756	368,756
County Pool (Unrestricted)	Liquid Cash	3.131%	575,346	575,346
Other (Unrestricted)	Liquid Cash	4.795%	22,757,938	22,757,938
Other (Restricted) **	Liquid Cash	4.957%	33,209,772	33,209,772
			\$ 56,911,812	\$ 56,911,812

Interest Earnings for September 2023 \$ 183,278.66
Cumulative Earnings FY2024 568,809.84

* 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	Aug-23	Sep-23	FY2024 Total YTD
OPERATIONS:									
401400 (TVM)	18,431,265	11,165,620	2,458,837	6,836,440	6,838,317	701,507	580,909	427,973	1,710,388
401410 (Clipper)	54,621,910	37,970,696	2,924,987	7,764,755	15,493,238	1,584,242	1,688,849	1,283,054	4,556,146
401420 (Central)	64,908	20,799	309,748	39,911	58,267	1,068	-	7,861	8,929
401430 (Mobile App)	4,716,955	5,689,776	830,051	2,808,795	3,501,791	289,934	353,887	285,899	929,721
401500 (Gilroy)	1,903,941	1,542,171	178,759	449,281	706,203	58,850	58,850	75,084	192,784
401700 (Go-Pass)	22,929,136	19,705,372	25,737,533	15,337,175	16,728,021	1,362,537	1,337,709	1,370,632	4,070,877
total Farebox Revenue	102,668,114	76,094,433	32,439,915	33,236,357	43,325,839	3,998,139	4,020,204	3,450,502	11,468,845
Less: Go-Pass									
401700 (Go-Pass)	22,929,136	19,705,372	25,737,533	15,337,175	16,728,021	1,362,537	1,337,709	1,370,632	4,070,877
Revenues without Go-Pass	79,738,978	56,389,061	6,702,382	17,899,182	26,597,817	2,635,602	2,682,496	2,079,870	7,397,968
Tickets Sold						Jul-23	Aug-23	Sep-23	Total
TVM	2,354,393	1,465,876	315,378	755,674	802,158	78,363	74,658	69,149	222,170
Clipper	3,521,066	2,620,816	339,753	1,227,757	1,975,206	194,041	214,425	193,835	602,301
Central	9,167	5,044	-	4,032	6,440	100	231	484	815
Mobile	543,920	661,515	111,394	381,441	428,741	40,439	41,483	39,565	121,487
# of tickets sold (without go-pass)	6,428,546	4,753,251	766,525	2,368,904	3,212,545	312,943	330,797	303,033	946,773
AVG Revenue Per Ticket						Jul-23	Aug-23	Sep-23	Total
TVM	\$ 7.83	\$ 9.05	\$ 7.80	\$ 9.05	\$ 8.52	\$ 8.95	\$ 7.78	\$ 6.19	\$ 7.70
Clipper	\$ 15.51	\$ 6.32	\$ 8.61	\$ 6.32	\$ 7.84	\$ 8.16	\$ 7.88	\$ 6.62	\$ 7.56
Central	\$ 7.08	\$ 9.90	\$ -	\$ 9.90	\$ 9.05	\$ 10.68	\$ -	\$ 16.24	\$ 10.96
Mobile	\$ 8.67	\$ 7.36	\$ 7.45	\$ 7.36	\$ 8.17	\$ 7.17	\$ 8.53	\$ 7.23	\$ 7.65
Total	\$ 12.40	\$ 11.86	\$ 8.74	\$ 7.56	\$ 8.28	\$ 8.42	\$ 8.11	\$ 6.86	\$ 7.81

Farebox Revenues by Ticket Type	PENINSULA CORRIDOR JOINT POWERS BOARD								
	July to September						Annual Budget		
REVENUE	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2024	% of Budget	
401400 (TVM)	6,030,836	4,733,736	421,809	1,601,671	2,134,031	1,710,388			
401410 (Clipper)	14,263,944	14,412,431	624,332	1,294,248	4,117,604	4,556,146			
401420 (Central)	23,920	19,843	-	5,653	15,985	8,929			
401430 (Mobile App)	992,198	2,046,106	147,808	559,164	1,043,391	929,721			
401500 (Gilroy)	504,923	502,311	44,151	78,407	184,226	192,784			
401700 (Go-Pass)	4,867,361	5,555,239	7,670,549	3,533,589	4,265,085	4,070,877			
total Farebox Revenue	26,683,182	27,269,667	8,908,649	7,072,732	11,760,322	11,468,845	46,700,000	25%	
Less: Go-Pass									
401700 (Go-Pass)	4,867,361	5,555,239	7,670,549	3,533,589	4,265,085	4,070,877	16,764,000	25%	
Revenues without Go-Pass	21,815,821	21,714,427	1,238,100	3,539,142	7,495,237	7,397,968	29,936,000	25%	
Tickets Sold									
TVM	753,661	612,215	69,533	189,093	255,732	222,170			
Clipper	919,760	973,770	64,699	247,063	514,388	602,301			
Central	2,231	1,129	-	731	1,234	815			
Mobile	108,998	240,569	20,810	83,845	127,282	121,487			
# of tickets sold (without go-pass)	1,784,650	1,827,683	155,042	520,732	898,636	946,773			
AVG Revenue Per Ticket									
TVM	\$ 8.00	\$ 7.73	\$ 6.07	\$ 8.47	\$ 8.34	\$ 7.70			
Clipper	\$ 15.51	\$ 14.80	\$ 9.65	\$ 5.24	\$ 8.00	\$ 7.56			
Central	\$ 10.72	\$ 17.58	\$ -	\$ 7.73	\$ 12.95	\$ 10.96			
Mobile	\$ 9.10	\$ 8.51	\$ 7.10	\$ 6.67	\$ 8.20	\$ 7.65			
Total	\$ 12.22	\$ 11.88	\$ 7.99	\$ 6.80	\$ 8.34	\$ 7.81			

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Finance Committee
Through: Michelle Bouchard, Executive Director
From: Sam Sargent, Director, Strategy and Policy
Subject: **Approve Project Labor Agreement Policy**



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.

PLAs are intended 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 Reading File.

Staff recommend that the Board of Directors authorize the Executive Director, or designee, to execute a Caltrain PLA Policy to govern applicable construction projects.

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, BART, LA Metro 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?

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 73 percent of the value of the FY2023 capital program and reduce the initial administrative burden of individual PLAs because of the smaller number of individual projects.

Threshold	% of FY23 Program Value	Total FY23 Projects	% of Total FY23 Projects
\$2 million	99%	16	84%
\$5 million	86%	7	37%
\$7.5 million	76%	3	16%
\$10 million - Staff Rec'd	73%	2	10%
\$35 million	61%	1	5%

At the August 28, 2023 Finance Committee meeting, \$7.5 million was requested for consideration, to compare with the Caltrain staff-recommended \$10 million threshold.

The difference between the two thresholds is minor in terms of capital program value, but does increase the number of individual projects. Caltrain staff continues to recommend the \$10 million threshold. It is important to note that 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 would negotiate a PLA that covers projects falling within the PLA Policy with the applicable county labor councils. That PLA would then be binding on the successful contractors for applicable Caltrain projects. 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, will be the primary administrator of the PLA, once approved by the JPB.

The PLA Policy is included here as Attachment A. The PLA for applicable Caltrain projects will be presented to the JPB in January. The PLA will include detail on covered and excluded work, including standard (North American Building Trades Union Model PLA) provisions, including work performed by Caltrain employees, executives, staff engineers, and administrative or clerical employees. The PLA will also include 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.

Finally, the PLA Policy 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.

Budget Impact

The PLA Policy has no budget impact.

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

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

Resolution Adopting a Project Labor Agreement Policy

WHEREAS, 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; and

WHEREAS, PLAs are intended to promote efficiency in construction and provide a structure to settle labor disputes without work stoppages, strikes, sympathy strikes or lockouts; and

WHEREAS, in December 2022, the JPB requested that staff develop a PLA Policy to guide the use of PLAs on future Caltrain construction projects; and

WHEREAS, JPB staff have thoroughly researched peer PLAs and PLA policies, reviewed the JPB capital projects portfolio, convened a multidisciplinary internal PLA Policy steering committee, assessed the risks of a PLA Policy, and proactively engaged labor during the development of the PLA Policy drafts; and

WHEREAS, JPB staff have finalized a PLA Policy that promotes labor harmony and the delivery of Caltrain construction projects with excellence; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors approves the resolution and adopts a PLA Policy for construction projects with a contract awarded by the JPB and an engineer’s initial cost estimate over \$10 million.

Regularly passed and adopted this 2nd day of November 2023 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary



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 require a PLA on all construction projects entered into after the JPB approves this Policy for which (1) the JPB awards a construction contract in response to bidding documents issued after Board approval of a PLA contract pursuant to this policy and (2) the engineer's initial cost estimate exceeds \$10 million, unless the Board of JPB determines that the JPB approves an exception based on Policy shall not apply to a particular project that would otherwise fall within the recommendation of JPB staff. Policy. The PLA would be binding on all contractors or subcontractors on ~~the~~ project to which the Policy applies.

Procedure: The JPB will implement the following for construction projects covered by the Policy:

1. JPB staff will negotiate a PLA with the San Francisco Building and Construction Trades Council, San Mateo County Building Trades Council, and Santa Clara and San Benito Counties Building and Construction Trades Council that will apply to construction projects entered into after the JPB approves the Policy for which (1) the JPB awards a construction contract in response to bidding documents issued after Board approval of a PLA contract pursuant to this policy and (2) the engineer's initial cost estimate exceeds \$10 million, unless the ~~Board of the JPB approves an exception based on the recommendation of JPB staff~~ JPB determines that the Policy shall not apply to a particular project that would otherwise fall within the Policy.
 - a. 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. The project labor agreement should meet the following guidelines in anticipation of the potential that projects may use FTA assistance:
 - Bind the contractor and all subcontractors engaged in construction on the construction project through the inclusion of appropriate clauses specifications 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~~Executive Memoranda.

- 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~~ ensure participation by Disadvantaged Business
Enterprise (“DBE”) and Small Business Enterprises (“SBE”)
and encourage increased utilization rates.

b. PLAs will include a hiring program for underrepresented individuals,
also known as a Community Workforce Agreement (“CWA”) and
contractors will cooperate with a Community Workforce
Coordinator to facilitate implementation of targeted hiring
requirements.

2. PLAs will include a standard list of covered and excluded work for
projects subject to the Policy. Traditional construction activities on
projects subject to the Policy will generally be considered covered
work. Excluded work includes, without limitation:

a. ~~Activities not considered traditional construction activities;~~
~~work;~~

b. Professional services;

c. Work performed by JPB employees, ~~operations;~~

~~e.d.~~ Operations, maintenance, repair, and safety work; and
performed by the JPB rail service contractor, and work
performed the Union Pacific Railroad (“UPRR”) or their

contractors pursuant to the Trackage Rights Agreement between the JPB and UPRR ~~will be considered excluded work.~~

~~2.3.~~ _____ The \$10 million threshold will remain in place until modified by the Board of 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.

~~4.~~ Once an agreement has been reached in PLA negotiations for projects covered by the Policy, the PLA will be presented to the Board of the JPB for approval. Upon approval by the Board of the JPB, a copy of the PLA will then be included in any applicable solicitation documents for any construction project covered by this Policy, provided that, ~~if it is determined~~the JPB may determine that ~~a PLA would~~ the Policy will not ~~further Caltrain’s best interests for~~ apply to a particular project, ~~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 that would otherwise fall within~~ the JPB Policy. In the absence of a JPB Board- approved ~~waiver~~exception, the PLA is binding on all construction contractors and subcontractors on a project covered by ~~this~~the Policy.

~~3.5.~~ _____ A Joint Administrative Committee will be formed with three representatives selected by the JPB and three representatives selected by the combined Building Trades Councils.

4.6._____ The JPB may engage third party contractor services for the development, implementation, and management of a PLA, in conformance with this Policy, if desired.

5.7._____ To monitor performance and determine whether the JPB's goals are being met by PLAs on JPB projects, staff will provide a written annual report regarding PLAs on JPB projects to the Board of the JPB at the end of each calendar year.

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Finance Committee
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
Subject: **Award of Contract for Insurance Brokerage Services**

Finance Committee
Recommendation

Technology, Operations,
Planning, and Safety
Committee Recommendation

Advocacy and Major
Projects Committee
Recommendation

Purpose and Recommended Action

The contract for insurance brokerage services will provide the Peninsula Corridor Joint Powers Board (JPB) with the services of a qualified and experienced insurance brokerage firm that is well-versed in the public transit/railroad property and casualty insurance market, including comprehensive risk management services, FELA insurance, and blanket Railroad Protective Liability program for construction projects. The contract will ensure continued, uninterrupted liability and property coverage at competitive rates.

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

1. Award a contract to USI Insurance Services, LLC of San Francisco, California (USI) for a five-year base term, with one additional two-year option term, to provide insurance brokerage services (Services) to the JPB at the following costs:
 - a. Total firm fixed cost of \$599,487 for the five-year base term;
 - b. Optional two-year extension cost of \$250,445; and
 - c. Hourly on-call services progressing from \$175 to \$190, from year one to seven, capped at \$30,000.
2. Authorize the Executive Director or designee to execute a professional services contract with USI consistent with the requirements of the JPB as defined by the Scope of Services included in the JPB's Request for Proposals (RFP) and negotiated contract terms and conditions, and in a form approved by legal counsel.
3. Authorize the Executive Director or designee to exercise one, two-year option term, if in the best interest of the JPB.

Discussion

The JPB's current insurance brokerage services contract will expire on December 31, 2023.

On May 15, 2023, the JPB, in collaboration with the San Mateo County Transit District (District) and the San Mateo County Transportation Authority (TA), jointly issued RFP 23-J-S-T-P-054 for the Services and advertised the RFP on the JPB’s e-procurement website (Bonfire). The RFP was posted for about six weeks and included a five-point preference for Small Business Enterprise (SBE) utilization. The JPB received one proposal, which was from the incumbent, USI. Staff reached out to some firms on the plan holders list to inquire why they did not submit a proposal but did not receive any responses.

The proposal from USI was timely submitted and was found to be responsive.

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

Evaluation Criteria	Points Available
A. Approach to Scope of Services/Project Methodology	0 to 20
B. Qualifications and Experience of Firm	0 to 20
C. Qualification and Experience of Management Team and Key Personnel	0 to 30
D. Cost Proposal	0 to 30
E. SBE Preference	0 to 5

After review, evaluation, and scoring, the Committee determined that USI has the depth of experience and qualifications needed to perform the Services. The Committee deemed USI’s proposed approach to the Services to be thorough and comprehensive. The proposal provided detailed information and recommendations for types of insurance coverages for each of the three agencies – the JPB, the District, and the TA. Staff conducted a price analysis by comparing the proposed prices to insurance brokerage services contracts at LA Metro; Golden Gate Bridge, Highway and Transportation District; BART; Greater Cleveland Regional Transit Authority; SMART Rail; and AC Transit, and determined that USI’s proposed prices are fair and reasonable.

USI holds the current contracts with all three agencies, which were awarded in 2018. USI has been the Insurance Broker for the JPB since its creation. USI previously did business as Wells Fargo Insurance.

Budget Impact

Funds to support the award of this contract are included in the adopted Fiscal Years 2024 and 2025 Operating Budgets and will be included in future operating budgets.

Prepared By:	Dominic Brooke	Procurement Administrator II	650.508.6291
	Marshall Rush	Insurance Claims Administrator	650.508.7742

Resolution No. 2023-

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

* * *

Awarding a Contract to USI Insurance, LLC for Insurance Brokerage Services for a Total Not-to-Exceed Amount of \$599,487 for a Five-Year Base Term, Authorizing a Two-Year Option Term for an Additional Not-to-Exceed Amount of \$250,445, and Establishing Rates for up to \$30,000 of Hourly On-Call Services over Seven Years

Whereas, on May 15, 2023, the Peninsula Corridor Joint Powers Board (JPB), in collaboration with the San Mateo County Transit District (District) and the San Mateo County Transportation Authority (TA), jointly issued Request for Proposals (RFP) 23-J-S-T-P-054 for Insurance Brokerage Services (Services); and

Whereas, in response to the RFP, the JPB received one proposal from the incumbent, USI Insurance, LLC of San Francisco, California (USI); and

Whereas, a Selection Committee (Committee) composed of qualified staff reviewed, evaluated, and scored the proposal in accordance with the weighted criteria set forth in the RFP documents; and

Whereas, the Committee determined that USI possesses the requisite qualifications and experience to successfully provide the Services; and

Whereas, Staff and legal counsel reviewed USI's proposal and determined it complies with the requirements of the RFP; and

Whereas, Staff conducted a price analysis and determined that USI's prices are fair and reasonable; and

Whereas, staff recommends that the Board of Directors (Board) award a contract to USI Insurance, LLC to provide the Services for a five-year base term for a total not-to-exceed amount of \$599,487, establish hourly rates for on-call services capped at \$30,000 over seven years, and authorize the Executive Director or designee to exercise a two-year option term for an additional not-to-exceed amount of \$250,445, if in the best interest of the JPB.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract to USI Insurance, LLC of San Francisco, California to provide Insurance Brokerage Services for a five-year base term for a total not-to-exceed amount of \$599,487; and

Be It Further Resolved that the Board authorizes the Executive Director or designee to execute a professional services contract with USI consistent with the requirements of the JPB as defined in the RFP, and negotiated contractual terms and conditions, including as set forth above and including hourly rates for on-call services capped at \$30,000 over seven years, and in a form approved by legal counsel; and

Be It Further Resolved that the Board authorizes the Executive Director or designee to exercise a two-year option term for an additional not-to-exceed amount of \$250,445, if in the best interest of the JPB.

Regularly passed and adopted this 2nd day of November, 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary

**Peninsula Corridor Joint Powers Board
Staff Report**

To: Finance Committee
Through: Michelle Bouchard, Executive Director
From: Taylor Huckaby, Deputy Chief Communications
Subject: **Approve Three-Year Contract Extension with Outfront Media for Advertising Services**

Finance Committee Recommendation Technology, Operations, Planning, and Safety Committee Recommendation Advocacy and Major Projects Committee Recommendation

Purpose and Recommended Action

Staff recommend that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB or Caltrain):

- Approve an amendment to the contract with Outfront Media LLC (“OUTFRONT”) for train and station advertising services to extend the contract term by three years through November 14, 2026, and revise the compensation terms for services provided during this period.
- Authorize the Executive Director or designee to execute the contract amendment in a form approved by legal counsel.

Discussion

OUTFRONT currently holds the Caltrain advertisement contract. The proposed contract extension will assure an uninterrupted revenue stream from selling exterior train and station advertising while allowing staff appropriate time to develop and solicit a new, multi-year advertising revenue contract.

The original advertisement contract was awarded on October 3, 2013, for a five-year base term with the provision for up to five additional one-year option terms. In July 2017 Caltrain exercised all extension options under the agreement.

Compensation terms for the original contract included OUTFRONT providing the JPB with a minimum annual guarantee (MAG) of ninety thousand dollars (\$90,000) or sixty percent (60%) of net advertising revenues, whichever is greater. The MAG is subject to annual increases by three percent (3%), effective November 15th each year.

Upon approval of the proposed contract amendment, OUTFRONT will pay JPB a MAG of \$120,952.53 or 60% of net advertising revenues, whichever is greater. The MAG will continue to be subject to 3% annual increases, effective November 15th each year.

Budget Impact

Below is a summary of compensation received by the JPB to date under the existing contract.

Annual Revenue (2013-2023)

2013-2014: \$90,000
2014-2015: \$226,646
2015-2016: \$189,807
2016-2017: \$370,203
2017-2018: \$607,084 (Installed Digital Displays at 4th & King)
2018-2019: \$978,538
2019-2020: \$1,645,335
2020-2021: \$370,987 (Covid-19 Impact)
2021-2022: \$854,474
2022-2023: \$134,545

The revised MAG for the proposed extension is shown below.

MAG for Contract Extension (2023-2026)

2023-2024: MAG = \$120,952
2024-2025: MAG = \$124,581
2025-2026: MAG = \$128,319

The contract's compensation structure provides Caltrain a guaranteed revenue floor for advertising activities and is an effective use of the agency's assets for revenue generation.

Prepared By:	Carl Dos Remedios	Marketing	650-508-6411
	Robert Casumbal	Director, Marketing	650-508-6280

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

Authorizing Amendment of Contract with Outfront Media for Advertising Services

Whereas, on October 3, 2013, the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) awarded a train and station advertisement contract to Outfront Media LLC (Outfront) for a five-year base term with up to five additional one-year option terms (Resolution 2013-43); and

Whereas, in July 2017, the JPB exercised all extension options under the agreement; and

Whereas, the original contract required Outfront to provide the JPB with a minimum annual guarantee (MAG) of ninety thousand dollars (\$90,000) or sixty percent (60%) of net advertising revenues, whichever is greater. The MAG is subject to annual increases by three percent (3%), effective November 15th each year; and

Whereas, the contract provides Caltrain a guaranteed revenue floor for advertising activities and is an effective use of the agency's assets for revenue generation; and

Whereas, the current agreement is set to expire in November 2023; and

Whereas, Staff recommend that the Board authorize an amendment to the contract with Outfront for train and station advertising services to extend the contract term by three years through November 14, 2026, and revise the compensation terms for services provided during this period; and

Whereas, the proposed contract extension will assure an uninterrupted revenue stream from selling exterior train and station advertising while allowing staff appropriate time to develop and solicit a new, multi-year advertising revenue contract; and

Whereas, upon execution of the proposed contract amendment, Outfront will pay the JPB a MAG of \$120,952.53 or 60% of net advertising revenues, whichever is greater. The MAG will continue to be subject to 3% annual increases, effective November 15th each year; and

Whereas, Staff project a MAG for 2024-2025 of \$124,581 and a MAG for 2025-2026 of \$128,319.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board: authorizes the Executive Director, or designee to execute an amendment to the contract, in form approved by legal counsel, with Outfront Media LLC for train and station advertising services extending the contract term by three years through November 14, 2026, and revising the compensation terms for services provided during this period as specified above.

Be It Further Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board authorizes the Executive Director, or designee, to file any other required documentation and to take such additional actions as may be necessary to give effect to this resolution.

Regularly passed and adopted this 2nd day of November 2023 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary

(00498144)