

**Peninsula Corridor Joint Powers Board
Finance Committee
1250 San Carlos Avenue, San Carlos, CA 94070
Minutes of February 26, 2024**

Members Present: Ray Mueller, Monique Zmuda (Chair)
Members Absent: Devora “Dev” Davis (Vice Chair)
Staff Present: M. Bouchard, D. Chazan, J. Harrison, Kate Jordan-Steiner, N. Steward-Crooks, A. To, M. Tseng, K. Yin

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

Deputy District Secretary Margaret Tseng called the roll and confirmed a Board quorum was present.

3. Public Comment on Items not on the Agenda

There was none.

4. Consent Calendar

4.a. Meeting Minutes of January 22, 2024

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*

4.c. Award of Contract for Central Control Facility Building Heating, Ventilation, and Air Conditioning (HVAC) Installation Project*

Motion/Second: Mueller/Zmuda

Ayes: Mueller, Zmuda

Absent: Davis

Noes: None

5. Accept Statement of Revenues and Expenses for the Period Ended January 31, 2024

Annie To, Accounting Director, provided the report that included the following:

- Revenue was a total of \$114.8 million compared to \$115 million in the adopted budget, resulting in an unfavorable variance of \$222,000 and primarily due to decrease in other income
- Year-to-date expenses totaled \$119.8 million compared to \$113.6 million adopted budget, resulting in a favorable variance of \$2.8 million and primarily due to decreases in wages and benefits and professional services,
- Year-end projection for fiscal year 2024 is due by April 2024

Staff provided further clarification in response to Chair Zmuda's comments and questions, which included the following:

- Year-end expectations are positive, revenue performing well, expenditures on a downward trend, adhering to the current budget, and add any remaining reserves to the fund balance
- A proposed reserve policy will be brought forth for consideration
- Any funding received from the State Transit and Intercity Rail Capital Grant (TIRC) will be applied to capital reserves
- The quarterly CFO (Chief Financial Officer) report will include the forecast and go to the Board in April
- Uptick in expenses is typically a non-compensation or non-labor expense
- The large amount of savings year to date was due to the inability to hire in the manner anticipated
- Suggested having a separate discussion during the budget process about reserves

Motion/Second: Mueller/Zmuda

Ayes: Mueller, Zmuda

Absent: Davis

Noes: None

6. Adoption of the California Uniform Public Construction Cost Account Act

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

- Greater need for a higher threshold for electrified service
- Adopting CUPCCAA (California Uniform Public Construction Cost Account Act) has no budget impact

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

- Formal procurement process for public works services above \$200,000 is required
- Most public agencies have adopted CUPCCAA due to the low \$10,000 threshold
- Implementing will streamline contracting for station improvements that require smaller contracts
- SamTrans adopted CUPCCAA in 2018, but was not previously adopted by Caltrain due to utilizing TASI (TransAmerica Services, Inc.) contract to fulfill smaller projects
- Request to provide a list of other public jurisdictions that participate in the CUPCCAA program prior to the March 7th JPB Board Meeting

Motion/Second: Mueller/Zmuda

Ayes: Mueller, Zmuda

Absent: Davis

Noes: None

7. Authorize Amendment to On-Call Transportation Planning and Consultant Support Services Contract*

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

- The request seeks an additional \$7.5 million in contract capacity to engage six planning On-Call consultants for extra work
- Contract extension from June 30, 2025, to December 31, 2025 and amends (moves up) the dates for two one-year options
- Additional capacity will provide consultant support through the first half of 2025
- New contract will be established before the proposed capacity is utilized
- Planning consultants will continue the work that is funded through the existing capital or operating budget, grants, or partner agreements

Public Comment

Adrian Brandt commented on the advantages of hiring in-house experts over relying on consulting firms.

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

- The pandemic impacted the contract by diverting consultants to other projects and resulted in unforeseen increases in activities not anticipated during the contract negotiation
- Consultant selections are based on qualification packages that outline abilities and subject matter experts
- Consultant rates are established by incorporating salary rates, permitted profit, and consultant negotiations; and are updated annually
- Performance monitoring of consultants involves consistent communication and mutual feedback between Caltrain and the consulting firm
- Provide project expenditure report categorized by project and consultant for ease of understanding

Motion/Second to move to full Board as regular agenda item with the expenditure report:

Mueller/Zmuda

Ayes: Mueller, Zmuda

Absent: Davis

Noes: None

8. Committee Member Requests – There were none.

9. Date/Time of Next Regular Finance Committee Meeting: March 25, 2024 at 2:30 pm.

10. Adjourn – The meeting adjourned at 3:16 pm