

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

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

Staff Present: M. Bouchard, J. Harrison, K. Jordan-Steiner, L. Lumina-Hsu, S. Sargent,
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

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

3. Public Comment on Items not on the Agenda

Aleta Dupree commented on the cost of electricity and fare collection.

4. Meeting Minutes of July 22, 2024

Motion/Second: Davis/Mueller

Ayes: Davis, Mueller, Zmuda

Noes: None

5. Acceptance Statement of Revenues and Expenses for the Period Ending July 31, 2024

Kate Jordan-Steiner, Chief Financial Officer, provided the presentation that included the following:

- Year-to-date revenue has a variance of 0.1 percent
- Timing issue with receipt of member contributions which are expected to be resolved by end of fiscal year
- Year-to-date expenses unfavorable variance of \$1.3 million or 12 percent
- Claims and reserves for claims exceed budget and will be included in the budget adjustments
- Facilities, equipment, and administrative expenses are under budget and overhead cost driven by vacancies. Professional services are under budget for now but expected to catch up by end of the fiscal year

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

- Budget adjustments will return to the Committee in November or December
- Expect use of the reserves to balance the budget

Motion/Second: Mueller/Davis

Ayes: Davis, Mueller, Zmuda

Noes: None

Public comment

Aleta Dupree, Team Folds, commented on costs of electrification and reduction of fuel usage.

6. Disposition of 58 Gallery Cars and 18 Diesel Locomotives

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

- Proposed retirement of 58 gallery cars and 18 diesel locomotives to make room for the new electric multiple units (EMU)
- Place surplus gallery cars and diesel locomotives into storage during procurement process upon launch of electrified service

Motion/Second: Davis/Mueller

Ayes: Davis, Mueller, Zmuda

Noes: None

Public comment

Aleta Dupree spoke in supported of the disposition of the gallery cars.

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

- Schedule for disposition of gallery cars and locomotives, the daily storage rate, and valuation of the locomotives
- Transportation logistics of gallery cars

7. Authorize Execution of Contracts and Amendments for Information Technology Hardware, Software, Licenses, Maintenance Services and Professional Services, and Technology-Related Products and Services, Through Piggyback Contracts and Cooperative Purchasing Programs*

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

- Previously one resolution, rather than two, that was approved in FY2024: one for the license, maintenance services and professional services, and the other one for the CO-OP program and piggyback contracts

Staff to provide quarterly report advising actions taken The Committee members had a robust discussion and staff provided further clarification in response to the Committee comments and questions, which included the following:

- Sufficiency of \$3 million threshold
- Approval will be biennial starting in FY2025 with new biennial budgeting cycle

Motion/Second: Mueller/Davis

Ayes: Davis, Mueller, Zmuda

Noes: None

8. Committee Member Requests - There were none.

9. Date/Time of Next Regular Finance Committee Meeting: Monday, September 23, 2024 at 2:30 pm.

10. Adjourn - The meeting adjourned at 2:53 pm.