



Local Policy Maker Group (LPMG) Meeting

Due to COVID-19, this meeting will be conducted via teleconference only (no physical location) pursuant to the Governor's Executive Orders [N-25-20](#) and [N-29-20](#).

Directors, staff and the public may participate remotely via Zoom at <https://zoom.us/j/94954726853?pwd=TkR1WFg2SEorZVh5U2xLWnhHSUNNdz09> for audio/visual capability or by calling 1-669-900-6833, Webinar ID: # 9495 4726 853 Passcode: 061243 for audio only.

Public Comments: 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. **Members of the public are encouraged to provide** public comments in the following ways:

- **Email:** Comments may be submitted by emailing video@caltrain.com before each agenda item is presented. Please indicate in your email the agenda item to which your comment applies.
- **Auditory:** Oral comments will also be accepted during the meeting. Web users may use the 'Raise Hand' feature to request to speak. Callers may dial *9 to request to speak. Each commenter will be notified when they are unmuted to speak.

**Thursday, June 24, 2021
5:30 p.m. – 7:30 p.m.**

Agenda

1. Call to Order
2. Staff Report
3. California High-Speed Rail: Update (Presented by California High-Speed Rail Authority Staff)
4. Caltrain Electrification Project
5. Public Comments on Items not on the Agenda
6. LPMG Member Comments/Requests
7. Next Meeting
 - a. Thursday July 22, 2021 at 5:30pm
8. Adjourn

All items on this agenda are subject to action



Memorandum

Date: June 24, 2021
To: CalMod Local Policy Maker Group (LPMG)
From: Sebastian Petty, Deputy Chief, Caltrain Planning
Re: Caltrain Business Plan

PROJECT UPDATE

At the June 2020 Board Meeting, Peninsula Corridor Joint Powers Board (JPB) staff announced that activity on the Caltrain Business Plan would pause and pivot toward COVID Recovery Planning efforts. At the September 2020 Board Meeting the Board adopted the [Equity, Connectivity, Recovery & Growth Framework](#) (the Framework) – a significant policy document that outlines Caltrain’s approach to recovering from the COVID-19 Pandemic and growing the system in a manner consistent with the larger Business Plan process. The framework includes specific policies and actions that describe how Caltrain can recover in a way that emphasizes improving equity outcomes on the system and enhancing connectivity to the region’s transit network.

Following the adoption of the Framework, Caltrain staff has continued work on recovery planning. On March 22, Caltrain implemented a new service change designed to improve connections and transfers to BART at Millbrae. Caltrain is now looking at options to adjust and expand service in the late summer early fall timeframe – coincident with BART’s planning service expansion. An update on service restoration will be provided to the LPMG in July.

As a final piece of recovery planning, Caltrain staff is now working on a mid-range Business Strategy to help the railroad navigate the coming years. Staff presented the scenario planning work that has been developed to support this business strategy at the March LPMG meeting. We expect this item to come to the LPMG in August.

Background

In 2017, the JPB secured full funding for the Peninsula Corridor Electrification Project and issued notices to proceed to its contractors for corridor electrification and purchase of Electric Multiple Unit railcars.

Now that construction on this long-awaited project is underway, the agency has the opportunity to articulate a long-term business strategy for the future of the system. The initial concept for a Caltrain “Business Plan” was brought to the Board in April of 2017. The Board reviewed a draft scope of work for the Business Plan in December of 2017 and adopted a final Business Strategy and Scope of Work in February of 2018. Technical work on the Plan commenced in the summer of 2018. The Business Plan has been scoped to include long-range demand modeling, and service and infrastructure planning, as well as organizational analysis and an assessment of Caltrain’s interface with the communities it traverses. In October of 2019, the JPB marked a major milestone in the Business Plan process with its adoption of a “2040 Service Vision” for the Caltrain system. This action set long-range policy guidance for the future of the Caltrain service and allowed staff to advance toward the completion of the overall plan by summer of 2020.

Starting in March of 2020, however, the emergence of the COVID-19 Pandemic resulted in a rapid and severe crisis for the railroad, with ridership plummeting by as much as 98% and the implementation of significant service cuts. Based on this unprecedented circumstance, staff informed the Board of their decision to temporarily pivot Business Plan efforts toward recovery planning in June of 2020.



Memorandum

Date: June 24, 2021

To: CalMod Local Policy Maker Group (LPMG)

From: John Funghi, CalMod Chief Officer; Lori Low, Gov. Affairs Officer

Re: Caltrain Electrification Project E-Update

ELECTRIFICATION PROJECT SCHEDULE UPDATE

While much progress has been made, electrified service has been delayed until 2024 due to factors such as complications in the installation of signal systems, unforeseen conditions under Caltrain's tracks, and the coronavirus (COVID-19) pandemic. The project is working to overcome these challenges, with 75% of the foundations complete, 60% of the poles installed, and all ten power substations underway. The first electric trainset is undergoing testing in Pueblo, Colo. and 55 electric train cars are now being assembled at the Salt Lake City manufacturing facility--bringing this transformational project closer to providing a more environmentally-friendly, fast, and reliable service to our communities.



More information [here](#).

PUBLIC MEETINGS:

JPB Special Meeting #3 – June 25 at 8:30 a.m. – Please note, this will be remote only
JPB Board Meeting – July 1 at 9:00 a.m. – Please note, this will be remote only

For more details, and a full list of upcoming meetings, please visit CalMod.org/Events.

DETAILED PROGRESS REPORT:

- [April Monthly Progress Report](#) presented to Caltrain Board on June 3, 2021



CALTRAIN ELECTRIFICATION UPDATE

Local Policy Maker Group
June 24, 2021



1

PROJECT INFO



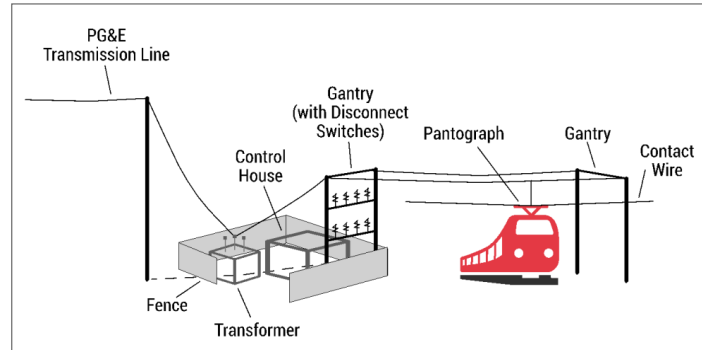
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Project Area



- 51 miles
- San Francisco to San Jose (Tamien Station)

Project Elements



Electrification

- Overhead Contact System (OCS)
- Traction Power Facilities

Electric Trains*

- 19 7-car train sets
- 133 electric cars

*Includes 2018 State TIRCP Funding



Improved Train Performance, Increased Service and Greater Capacity



Improved Regional Air Quality and Reduced Greenhouse Gas Emissions



Positive Economic Benefits for the Region



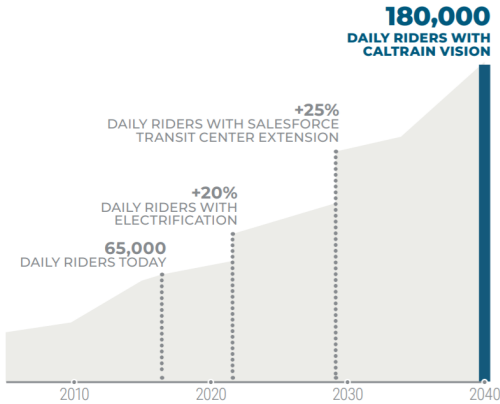
Reduced Engine Noise Emanating from Trains



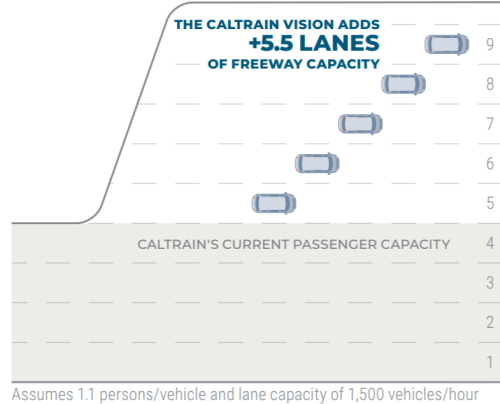
- Electrification sets the foundation for the future growth of the system
- Caltrain Service Vision Adopted in 2019, meets the projection regional growth in jobs and housing in the Bay Area
- Projects a tripling of ridership, increased peak and off-peak service, carrying the equivalent of 5.5 lanes of highway traffic of US 101



CARRYING MORE PEOPLE



TRAINS VS LANES



CONSTRUCTION PROGRESS

- Overhead Contact System Installation
 - Foundations complete south of Menlo Park Station (Segments 3 & 4)
 - Pole installation complete between Menlo Park to Santa Clara stations (Segment 3)

- Traction Power Facilities
 - Design work is complete for all 10 facilities
 - Transformers have been installed in 9 of 10 Traction Power facilities

- Electric Trains
 - 70 car shells have been shipped from Stadler Switzerland, 55 are in Stadler Salt Lake City, 15 are in transit
 - Train 1 tested at high-speeds in Pueblo, CO

Foundation Locations	Number of Foundations Required	Number of Foundations Remaining	Installation Percent Complete	Anticipated Completion Date
Segment 1	535	434	19%	11/30/2021
Segment 2	1,090	210	81%	06/30/2021
Segment 3	901	Complete	100%	Complete
Segment 4	370	Complete	100%	Complete
CEMOF	85	Complete	100%	Complete

Data as of **May 22, 2021**

OCS Poles

OCS Pole Locations	Number of OCS Poles Required	Number of OCS Poles Remaining	Installation Percent Complete	Anticipated Completion Date
Segment 1	440	440	0%	12/15/2021
Segment 2	956	479	50%	07/30/2021
Segment 3	750	Complete	100%	Complete
Segment 4	300	20	93%	05/31/2021
CEMOF	86	86	0%	06/14/2021

OCS Wire

OCS Wire Locations	Installation Percent Complete	Anticipated Installation Completion	Testing Percent Complete	Anticipated Testing Completion
Segment 1	0 %	01/15/2022	0 %	01/31/2022
Segment 2	20 %	09/25/2021	8 %	10/10/2021
Segment 3	96 %	05/03/2021	47 %	05/15/2021
Segment 4	31 %	06/30/2021	0.0 %	07/15/2021



Signal Locations	95% Design Percent Complete	Anticipated Design Completion of 95%	Installation Percent Complete	Anticipated Installation Completion	Testing Percent Complete	Anticipated Testing Completion
Segment 1	64%	11/02/2022	21%	04/01/2023	0%	04/30/2023
Segment 2	94%	04/01/2022	23%	08/01/2022	0%	12/31/2022
Segment 3	20%	10/01/2022	21%	04/30/2023	0%	09/30/2023
Segment 4	100%	Complete	72%	05/31/2021	57%	06/30/2021

Data as of April 1, 2021



- FRA is actively participating in the cutover inspection
- Four Segment 4 signal cutovers completed
- Upcoming Segment 4 Cutovers
 - Cutover #5 (CP Shark and CP Alameda) anticipated for weekend of 6/11/21
 - Cutover #6 (CP Coast and CP De La Cruz, Reed Street) anticipated for weekend of 6/25/21



- **PG&E**

- PG&E Substations at FMC (San Jose) & East Grand (SSF)
 - o East Grand Substation: 83% complete
 - o FMC Substation: 67% complete
- TPSS -1 & TPSS -2 Interconnections
 - o Construction at TPSS-2 Interconnection complete. Forecast connection to Temporary Power by August 2021.
 - o Construction at TPSS-1 began March 2021. Forecast connection to TPS-1 in January 2022.

- **Traction Power System**

- Design is complete for all traction power facilities
- Traction Power Substations 1 & 2 (TPSS-1 & TPSS-2) and Switching Station 1 (SWS-1): 90% complete
- Switchgear installation expected to start in June 2021

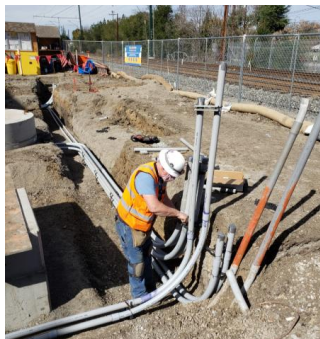


BBI electricians running bus conduits at the transformer and bending the conduits to size for installation at PS-5.



Excavating for site fence foundations at TPS-2.

BBI electrician installing PVC conduit for anchoring for concrete pour at PS-5.



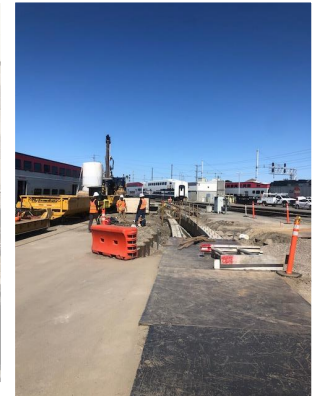
- Parts Storage Warehouse installation complete; interior work ongoing
- Construction of north and south pit extension nearing completion
- Equipment testing room reconstruction will be finalized next month
- Work scheduled to be complete by June 2021, pending Change Order



Parts Storage Warehouse



Pit Extensions



- **Production**
 - COVID-19-related Global safety measures have slowed production
 - Switzerland production and Salt Lake City assembly delayed
- **Testing**
 - Dynamic type testing started at TTCL in Pueblo, CO on Train 1
 - HVAC type testing started on Train 2
 - Routine testing is in process on Train 3
- **Schedule**
 - First trainset to Caltrain now scheduled for February 2022 primarily due to Seisenbacher US bankruptcy and Seisenbacher Austria financial troubles
 - Acceptance of 14th trainset now scheduled for August 2023



COST & SCHEDULE RISK UPDATE

Description	Current	DRAFT FTA Risk Refresh
Revenue Service	Quarter 3 2022	Quarter 4 2024
Cost	\$1.98B*	\$2.313B*

* Adjusted to match Caltrain accounting. Includes \$50M pre-FPGA spending and \$9M financing costs.

- Project cost has increased and schedule extended
- FTA estimate additional cost to complete: \$333M
- FTA estimate schedule extension: Q4 2024 (CY)
 - Includes 6 month contingency

Additional Cost	Amount
Known and Allocated Costs	\$161.0M
Reserve	\$172.0M
Total	\$333.0M

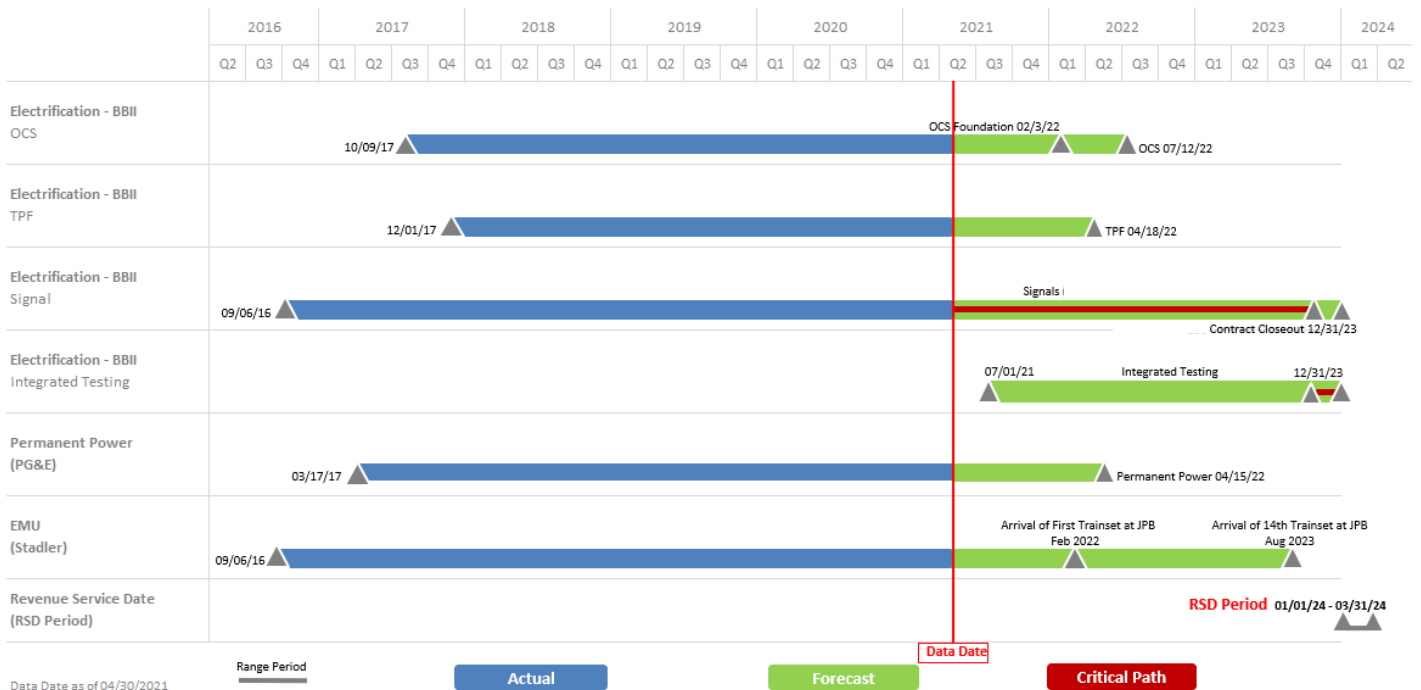
- \$161M known costs
- \$172M reserve to address unknown risks
- Construction Management Efforts
 - Timely Resolution of Contract Disputes
 - Aggressively Manage Risks
 - Cost Trend Analysis

- Direct Costs
 - Signal System/Communications
 - Unknown Underground Site Conditions
 - PG&E

- Indirect Costs
 - Construction Support

- COVID Related Delays

(Note: Does not include 6-month schedule contingency suggested in Draft FTA Risk Refresh Report)



- Discussions on-going
- Contracting options
 - Plan A: Global resolution with Balfour Beatty
 - Plan B: Descope all signal system work from Balfour Beatty; contract directly with third-party contractor

FUNDING

- Federal and State Funding Opportunities
 - \$52.4 million from ARPA
 - Actively pursuing other grant sources
- Issuance of tax-exempt bonds
 - Bonds secured by Measure RR to provide lowest interest cost and greatest structuring flexibility
 - Bonds structured to be payable from sale of Low Carbon Fuel Standards (LCFS) credits upon electrified revenue service
- Member agency funding
 - As provided by members
- Four Party Agreement
 - \$200M backstopped by agencies as part of FFGA approval (SFCTA, SMCTA, VTA, MTC)

- Part of Comprehensive Financing Plan
- Bonds
 - Likely to be sold as fixed rate bonds
 - Structured for highly flexible amortization (depending on receipt of LCFS revenue)
 - Mitigate potential reliance on Measure RR funds as a source of payment (as opposed to serving as security)
- Other financing components
 - Replacement of two existing lines of credit
 - Including one used to support project cash flow (replacement reduce cost of financing)

NEXT STEPS



NEXT STEPS

- Complete Contractor Negotiations
- Update Project Completion Plan (FTA, CHSRA)
- Update Funding Plan and Agreements
- Contract award authorization / budget approvals



QUESTIONS / COMMENTS





CALIFORNIA High-Speed Rail Authority

Memorandum

Date: June 24, 2021
To: Local Policy Maker Group (LPMG)
From: Boris Lipkin, Northern California Regional Director
Re: California High-Speed Rail Program Update

STATEWIDE UPDATE

U.S. Department of Transportation (DOT) Restores Nearly \$1 Billion to High-Speed Rail

On June 10, 2021, the State of California and the U.S. DOT reached a settlement to restore the \$929 million in FY '10 grant funding, that was de-obligated by the Trump Administration in 2019. This is a major step forward for the project's renewed federal partnership with the Biden-Harris Administration. In response, Speaker of the House Nancy Pelosi and Governor Gavin Newsom stated the following:

"Tonight's action by the federal government is further proof that California and the Biden-Harris Administration share a common vision – clean, electrified transportation that will serve generations to come. Restoring nearly \$929 million in grant funding back to California's High-Speed Rail project will continue to spur job creation, advance the project and move the state one step closer to getting trains running in California as soon as possible."

-Governor Gavin Newsom

"The Biden Administration's restoration of nearly \$1 billion for California's high-speed rail is great news for our state and our nation. This vote of confidence and restored close working relationship between the Department and the Authority will keep this transformative project moving down the track – ensuring California can continue to lead the way forward in creating jobs, promoting commerce, connecting communities, and protecting our planet."

-Speaker of the House Nancy Pelosi

Statements from [FRA Deputy Administrator Amit Bose](#) and [HSR CEO Brian Kelly](#) echoed the importance of advancing the project.

Below are highlights of the [agreement](#):

- The settlement agreement restores \$929 million in FY '10 grant funding to the State of California for the California High-Speed Rail project.
- This grant money remains the last money to be spent on the 119-mile first construction segment. The Authority intends to access the funds in 2024.
- The California High-Speed Rail Authority will be required to electrify the 119-mile Central Valley Segment as a specific task to be completed with funding.
- The settlement agreement extends the deadline for the FY '10 grant from 2022 to 2026 for completing the 119-mile segment:
 - Civil works to be completed by 2024
 - Electrified track installed by 2026
 - Testing and commissioning of the 119-mile segment for electrified high-speed rail trains by 2028

NORTHERN CALIFORNIA UPDATE

Recirculated Document for the San Jose to Merced Project Section

The Revised Draft Environmental Impact Report/Supplemental Draft Environmental Impact Statement (EIR/EIS) for the San Jose to Merced Project Section was released on April 23, 2021 and was available for public review until June 9, 2021. The Authority is now working to respond to comments and prepare the Final EIR/EIS, which is expected to be released in the winter 2021/2022. The Final EIR/EIS and Record of Decision will be presented to the Authority's Board of Directors for their consideration in early 2022.

The Revised Draft EIR/Supplemental Draft EIS is available on the Authority website at hsr.ca.gov.

RECENT AND UPCOMING OUTREACH ACTIVITIES

- July 9, 2021: Climate Plan Presentation