

**Peninsula Corridor Joint Powers Board  
Board of Directors Meeting  
1250 San Carlos Avenue, San Carlos CA**

**MINUTES OF APRIL 2, 2020**

**MEMBERS PRESENT:** D. Pine (Chair), D. Davis, J. Bruins, R. Collins, S. Heminger, C. Stone, S. Walton, M. Zmuda

**MEMBERS ABSENT:** C. Chavez

**STAFF PRESENT:** J. Hartnett, C. Mau, J. Cassman, M. Bouchard, A. Chan, J. Funghi, D. Hansel, S. Murphy, M. Jones, S. Petty, D. Seamans, S. Wong

**1. CALL TO ORDER / PLEDGE OF ALLEGIANCE**

Chair Dave Pine called the meeting to order at 9:07 am.

**2. ROLL CALL**

District Secretary Seamans called the roll and confirmed a quorum.

**3. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA**

Ryan Snow, Sacramento, remarked on masks for operating crews.

Roland Lebrun, San Jose, commented on Government Code Section 54954.3, SB 797, and AB (Assembly Bill) 1847.

Adina Levin, Friends of Caltrain, commented on SB (Senate Bill) 797 and equity in expenditures and policies.

Joan Cassman, Legal Counsel, assured the Board that this meeting was in compliance with the Brown Act, as the Governor has recognized both telephonic and electronic comments can be received by public agencies as they navigate virtual meetings and there are two ways to submit written comments.

**4. CONSENT CALENDAR**

Public Comment

Roland Lebrun, San Jose, commented on Caltrain Business Plan and Revenues and Expenses.

Motion/Second: Davis/Bruins approved the Consent Calendar, as follows:

Ayes: Bruins, Collins, Heminger, Stone, Walton, Zmuda, Davis, Pine

Noes: None

Absent: Chavez

- a. Approve Meeting Minutes of March 5, 2020**
- b. Receive Key Caltrain Performance Statistics**
- c. Receive State and Federal Legislative Update**
- d. Caltrain Business Plan – Update Covering March 2020**

- e. Accept Statement of Revenues and Expenditures for February 2020**
- f. Agreement with Sprint for the Relocation of Communication Facilities for the South San Francisco Station Improvement Project**
- g. Authorize Application for San Mateo County Shuttle Program Funds**
- h. Award Contract for MP36PH-3C Locomotives Mid-Life Overhaul Services**

## **5. REPORT OF THE CHAIR**

Chair Pine thanked Caltrain and Samtrans staff for rising to the occasion in these extraordinary times to address COVID-19 while keeping other projects going. He announced new appointments: Director Monique Zmuda joining the Work Program – Legislative – Planning (WPLP) Committee and Director Steve Heminger joining the Peninsula Corridor Electrification Project (PCEP) and Caltrain Dedicated Funding Ad Hoc Committees.

Chair Pine announced the continuance of the one-eighth-cent sales tax measure and it was also approved by the Samtrans Board recently. He said Mr. Hartnett's review was completed, Samtrans and Caltrain Boards were pleased with Mr. Hartnett's performance and feel fortunate to have him heading Board efforts, particularly in times of crises. Mr. Hartnett was awarded performance pay and a three percent pay increase, but has deferred until after the COVID-19 circumstances have passed.

## **6. REPORT OF THE EXECUTIVE DIRECTOR**

Jim Hartnett, Executive Director, acknowledged extenuating times and Caltrain's move to provide essential mobility services for those permitted to travel. He noted the dramatic decrease in a revenue dependent agency and said that they are working on obtaining federal funds from the package recently passed. Mr. Hartnett said the Metropolitan Transportation Commission's (MTC) next meeting was April 22 and there are requests to meet earlier to recommend stimulus fund distribution in a timely manner. He expressed particular gratitude for Speaker Pelosi and MTC for addressing stimulus needs in the Bay Area.

### **a. COVID-19 Status Update**

Michelle Bouchard, Chief Rail Operating Officer, provided an update on ridership and service level impacts. She stated that trains were reduced from 90 to 42 trains to match the substantial decrease in demand and said there were still weekend trains providing essential services while meeting physical distancing requirements. Ms. Bouchard noted that these reductions have implications for the workforce, but they have been working with TASI (Transit America Services, Inc.) to retain workers, including Capital work, until these circumstances have lifted.

Derek Hansel, Chief Financial Officer, provided an update and indicated a revenue drop of eight million a month, with the loss of ridership causing substantial impact. Mr. Hansel said there was some financial liquidity due to GoPass sales earlier in the year which would cover March and April, but May would be challenging without federal funding. He said they have pulled ten million from the thirty million line of credit with JP Morgan with plans for a fifteen million draw.

Mr. Hartnett stated that there are currently no cases of Corona virus in the agency, that they are following protocols from the CDC (Centers for Disease Control and Prevention), and performing construction under the "essential governmental functions"

exemption. He said active projects (including PCEP -Peninsula Corridor Electrification Project-, 25<sup>th</sup> Ave grade separation, South San Francisco rehabilitation project) required this designation to continue work under current orders. He mentioned that some other works are qualified under this exemption as well.

Chair Pine requested the PCEP ad hoc committee convene a meeting next week to review the list of projects with Mr. Hartnett and provide the Board guidance regarding code Section 13(f) designating public works projects as essential government functions.

Board members had a robust discussion and staff provided further clarification in response to the Board comments and questions.

### **b. Peninsula Corridor Electrification Project Monthly Progress Report**

Mr. Funghi provided an update on current and ongoing projects; highlights included Balford Beatty taking full advantage of an increased work window, appreciation of the essential project designation, identifying a targeted work scope, installing duct banks at congested control points and starting off-track foundations. He also reported on traction powered station work, advancing the Redwood City switching station, PG&E work that was paused and then resumed due to COVID-19, and overhead catenary tunnel modification work. Mr. Funghi thanked Samtrans for the weekend bus bridge service and noted the absence of any complaints. He said the first operational test scheduled for this month was placed on hold until the flight restriction from Switzerland are lifted. Mr. Funghi reported that the train assemblies both here and in Europe remain on schedule. He said currently they have \$209 million in contingency with \$171 million required by the FTA (Federal Transit Administration) at this stage of project development.

Chair Pine requested the PCEP ad hoc committee convene next week to review which projects fit the essential government functions category, review safety procedures on construction projects, and discuss opportunities to advance electrification project/train schedule.

Board members had a robust discussion and staff provided further clarification in response to the Board comments and questions.

### **c. Monthly Report on Positive Train Control Project**

Michelle Bouchard, Chief Rail Operating Officer, informed the Board that the team has been in RSD (Revenue Service Demonstration) and completely operable on their own as well as on the UP (Union Pacific) Corridor for several months now. She said the next milestone is submittal of the Safety Plan which includes all of the data from revenue service demonstration trips taken to date, which will be assessed by the U.S. Department of Transportation -Federal Railroad Administration (FRA) for safety certification required legally by December 2020. Working with the in-house safety team and Wabtec, Ms. Bouchard is confident the plan will be submitted by June 2020, which would allow the FRA six months to review the plan. This agreement would come back to the Board late summer to fall.

Director Heminger inquired about the project coming in at or under budget and whether the dispute with the contractor on money owed was included in the packet data or whether this was discussed in closed session.

Mr. Hartnett clarified that what was in the packet indicated doing the project with Wabtec and it is a separate issue from the Parson's Transportation Group dispute and who owes what to whom that would be reported out separately in closed session.

#### Public Comment

Andy Chow, Redwood City, commented on formal planning procedures and supplying face masks.

Roland Lebrun, San Jose, commented on the TASI headcount, train schedules, and the PCEP line of credit.

Aleta Dupree, Oakland, commented on foundations.

Boris commented on COVID-19 responses.

Ryan commented on precautions to protect the crews and public.

Jeff Carter, Millbrae, commented on ridership data availability.

### **7. REPORT OF THE WORK PROGRAM-LEGISLATIVE-PLANNING (WPLP) COMMITTEE** **a. Update on 25<sup>th</sup> Ave Grade Separation/Hillsdale Station Closure**

Michelle Bouchard, Chief Rail Operating Officer, introduced the item, stating that it reached major milestones and key features of the construction program is the need to demobilize the Hillsdale station while serving connection to the Belmont station.

Rafael Bolon, Project Manager, Engineering & Construction, provided a brief update on the project; highlights included building two new vehicular crossings to improve East-West connectivity, as well as pedestrian and bicycle paths. Mr. Bolon said it is ultimately a safety improvement project and the station closure would start May 16 for six months with Belmont station substituting for Hillsdale station during this time. He mentioned the parking track was part of the original project built, with a separate contract, at the same time as the grade separation.

Chair Pine thanked Casey Fromson and team for their outreach efforts.

Mr. Hartnett added that the Mayor of San Mateo played a positive and constructive role in this circumstance, holding Samtrans accountable and acting for the common interest.

#### Public Comment

Anonymous commented on the lack of social distancing on buses.

Roland Lebrun commented on passing tracks at Hillsdale and Hayward Park.

Board members had a discussion and staff provided further clarification in response to the Board comments and questions.

### **8. REPLACE FUEL HEDGING POLICY WITH NEW DIESEL FUEL HEDGING PROGRAM AND STATEMENT OF POLICY**

Derek Hansel, Chief Financial Officer, provided the presentation on the fuel stabilization program. He explained fuel hedging as a limit to the volatility of fuel pricing by purchasing future diesel contracts in the open market, as compared to previous purchase of custom caps. He explained that hedging would narrow the range of expected costs and reduce risk and recommended purchasing now due to lowered diesel prices.

Board members had a robust discussion and staff provided further clarification in response to the Board comments and questions.

#### Public comment

Roland Lebrun, San Jose, commented on Caltrain and Samtrans participation in fuel hedging.

*Director Walton left at 11:16 a.m.*

#### **Approved by Resolution 2020-16, Adopt a new diesel fuel hedging program**

Motion/Second: Davis/Stone moved for staff recommendation

Ayes: Bruins, Collins, Heminger, Stone, Zmuda, Davis, Pine

Noes: None

Absent: Chavez, Walton

#### **9. CORRESPONDENCE**

Correspondence was included in the Board's reading folders and on line.

#### **10. BOARD MEMBER REQUESTS**

None.

#### **11. GENERAL COUNSEL REPORT**

Joan Cassman, General Counsel, introduced the closed session and provided clarification on process where the Zoom meeting would be paused to preserve confidentiality while the closed session would be held via confidential teleconference call, and then the open meeting would resume via Zoom for the report out.

The Board convened in closed session at 11:17 a.m.

- a. Closed Session: Conference with Real Property Negotiators  
Property: 2121 South El Camino Real, San Mateo California Pursuant to Government Code Section 54956.8.  
Agency Negotiators: Joan Cassman, General Counsel, Brian Fitzpatrick, Director of Real Estate Program, and Gary Cardona, Manager, Capital Project Support & Property Management  
Negotiating parties: LPC West, Inc. and RREF III-P Tower Plaza, LLC under  
Negotiation: Lease price and terms of payment

The Board reconvened in open session at 11:40 a.m. Ms. Cassman reported that the Board had considered the resolution and was ready for a vote.

Public Comment

Roland Lebrun, San Jose, commented on PCEP contingency funding used for the lease extension.

Director Davis clarified that closed session revealed that the funding for PCEP lease renewal would come from regular funds and not contingency funds.

**Approved by Resolution 2020-15, Authorizing the Execution of a One-Year Extension to, and Amendment of, the Lease for the PCEP Office Rental Property at 2121 S. El Camino Real in San Mateo etc.**

Motion/Second: Collins/Stone

Ayes: Davis, Bruins, Collins, Heminger, Stone, Zmuda, Pine

Noes: None

Absent: Chavez, Walton

**12. DATE/TIME OF NEXT REGULAR MEETING:** Thursday, May 7, 2020 at 9:00 am, San Mateo County Transit District Administrative Building, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA

**13. ADJOURN**

The meeting adjourned at 11:44 am.

An audio/video recording of this meeting is available online at [www.caltrain.com](http://www.caltrain.com). Questions may be referred to the Board Secretary's office by phone at 650.508.6242 or by email to [board@caltrain.com](mailto:board@caltrain.com).