

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

**MINUTES OF APRIL 27, 2020**

**MEMBERS PRESENT:** D. Davis(Chair), R. Collins, M. Zmuda

**MEMBERS ABSENT:** None

**STAFF PRESENT:** D. Hansel, S. van Hoffen, G. Martinez, A. Chan, P. Skinner, J. Cassman, D. Seamans, S. Wong

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

Chair Dev Davis called the meeting to order at 2:34 pm and led the Pledge of Allegiance.

**2. ROLL CALL**

District Secretary Dora Seamans called the roll and confirmed all present.

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

Director Dev Davis announced that she would allow three minutes per speaker.

Roland Lebrun, San Jose, commented on Zoom, the Caltrain presentation, video links, SB (Senate Bill) 797, capacity improvements, and Gilroy train capacity.

Aleta Dupree, Oakland, commented on earning interest and the Clipper mobile payment application.

**4. APPROVAL OF MEETING MINUTES OF MARCH 23, 2020**

Motion/Second: Zmuda/Collins

Ayes: Collins, Zmuda, Davis

Noes: None

Absent: None

**5. FINANCE AND RIDERSHIP UPDATES – COVID-19**

Jim Hartnett, Executive Director, provided updates, which included the following: overall ridership was down substantially (98 percent on weekdays), the number of trains are down from 92 to 42 trains per day, Federal funds of \$49 million will help cover losses through the end of the fiscal year. He reported that MTC (Metropolitan Transportation Commission) created a Blue Ribbon Task Force to determine distribution of funds and that it will choose how to distribute the remaining balance in July.

Michelle Bouchard, Chief Rail Officer, provided an update on operations ridership and construction activities. She confirmed the reduction of trains from 92 to 42 trains daily and once every 90 minutes on the weekend. Ms. Bouchard said they are monitoring physical distancing and masks on platforms and on board, and the majority of riders are in compliance. She reported that they have alleviated operating budget costs by

shifting work to capital. For example, they have shifted staff that were previously working on operating and maintenance tasks to state of good repair tasks and construction support. Ms. Bouchard said they have reduced overtime, and that the CARES Act (Federal funding) have allowed Caltrain to forestall furloughs and allow maximum planning flexibility when services reopen. She said physical distancing will be a challenge in their goals of driving ridership. They have found opportunities to advance essential projects due to shelter in place, such as the 25<sup>th</sup> Ave Grade Separation, South San Francisco, and PCEP (Peninsula Corridor Electrification Project).

Derek Hansel, Chief Financial Officer, provided a financial update. He said it has been a period of financial challenges and that the biggest issue is shepherding cash until the influx of Federal funds. He said they have drawn \$10 million against the operating line of credit and subsequently drawn \$15 million against the electrification capital line of credit and thanked their JP Morgan providers. He said they would bring an interim budget (July through September) forward in this Committee's May meeting for approval by the Board in June to fund operations, capital projects, and address irregular expenditures. Mr. Hansel said they are looking to delay the July adopted fare increase. He said they are planning for the space between the end of Federal funds and beginning of ridership recovery.

Public comment

Jeff Carter, Millbrae, commented on the Zoom link.

Roland Lebrun, San Jose, commented on the Zoom link, decreased ridership, reducing pay, and facial coverings in Santa Clara County.

Aleta Dupree, Oakland, commented on the Zoom link, Clipper discount, fare increases, and railroad repair opportunities.

The Board members had a robust discussion and staff provided further clarification in response to the Board comments and questions. Topics included ridership returns, facial coverings, weekday service, idling trains complaint, and Federal funds coverage.

**6. ACCEPT STATEMENT OF REVENUES AND EXPENDITURES MARCH 2020**

Derek Hansel, Chief Financial Officer, informed the Board that the forecast column was removed as it did not provide accurate information given current circumstances.

Public Comment:

Roland Lebrun, San Jose, commented on ridership returns, platforms, train domains, and idling at Diridon.

The Board members had a robust discussion and staff provided further clarification in response to the Board comments and questions. Topics included monthly passes, budget processes for next year (submitting to County auditor), use of reserves, monthly revenues, mask vending machines, fuel cost smoothing, and frozen fare increases.

Motion/Second: Collins/Zmuda

Ayes: Collins, Zmuda, Davis

Noes: None

Absent: None

## **7. AWARD OF CONTRACTS FOR ON-CALL TRANSPORTATION PLANNING & SUPPORT SERVICES**

Julie Taylor, Director of Contracts and Procurement, reported that they would like to award contracts to six firms, with \$25 million not to exceed five years. She stated that there were two one-year option terms, with \$5 million for each of those years and that these firms would be engaged through a work directive process on a project-by-project basis. Ms. Taylor reported that 82 firms attended a pre-proposal conference online; Caltrain received nine proposals. She stated that there is no specific Disadvantaged Business Enterprise (DBE) goal for this request for proposal (RFP), which is the norm, but a goal will be assigned to each work directive that supports a Federally funded project. Ms. Taylor said the selection committee consisted of staff from Caltrain, City of San Jose, and San Francisco's transportation divisions and six firms were found to be competitive and were then interviewed. The current contracts expire in August.

Director Davis requested an update to the Board on an annual or semi-annual basis in regards to how much was spent and with which firm, especially in light of current fiscal circumstances and the amount awarded. Ms. Taylor acknowledged the request and Mr. Hansel noted that he would work with Ms. Taylor and Ms. Bouchard to bring a report forward for the Board's consideration.

### Public Comment:

Roland Lebrun, San Jose, commented on on-call contracts, awarded firms, and face mask distribution.

The Board members had a robust discussion and staff provided further clarification in response to the Board comments and questions regarding distribution of projects to firms, firm pay rates, and assignment of projects.

**Motion/Second: Zmuda/Collins; Approved with an amendment that the Executive Director or designee provide periodic updates regarding the expenditure and scope of work included in the contract.**

Ayes: Collins, Zmuda, Davis

Noes: None

Absent: None

## **8. COMMITTEE MEMBER REQUESTS**

None.

## **9. DATE/TIME OF NEXT REGULAR FINANCE COMMITTEE MEETING**

Chair Davis announced that the next meeting would be Tuesday, May 26, 2020 via Zoom, due to stay at home orders.

## **10. ADJOURN**

The meeting adjourned at 3:53 pm.

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 650.508.6279 or by email to [board@caltrain.com](mailto:board@caltrain.com).