

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

MINUTES OF JUNE 22, 2020

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

MEMBERS ABSENT: None

STAFF PRESENT: D. Hansel, M. Bouchard, J. Cassman, S. van Hoften, M. Jones, L. Leung, C. Gayotin, C. Mau, J. Montenero, M. Rush, D. Seamans, S. Wong

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

Chair Dev Davis called the meeting to order at 2:31 pm and led the Pledge of Allegiance.

2. ROLL CALL

District Secretary Dora Seamans confirmed all Board Committee members were present.

3. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

None.

4. APPROVAL OF MEETING MINUTES OF MAY 26, 2020

Motion/Second: Collins/Zmuda

Ayes: Collins, Zmuda, Davis

Noes: None

Absent: None

5. FINANCE AND RIDERSHIP UPDATES – COVID-19

Derek Hansel, Chief Financial Officer, provided a financial update. He stated that they would be making their first draw from the CARES Act this week for losses incurred in May and additional losses from March through May for GoPass. Mr. Hansel noted the increase to 70 trains due to an uptick in ridership. They are positioning themselves for the second tranche of the CARES Act for finances through the Fall.

Michelle Bouchard, Chief Rail Officer, provided an update on operations. She noted high compliance with facial coverings on board the trains, including Transit America Services, Inc (TASI) employees and collaborating with regional operators regarding health and safety efforts for a comprehensive and consistent approach to encourage rider confidence.

Public comment

Roland Lebrun, San Jose, suggested accessing ridership data through Clipper to move forward.

The Board members had a discussion and staff provided further clarification in response to Board comments and questions. Topics included joint measures to educate riders on safety measures and rider data.

6. ACCEPT STATEMENT OF REVENUES AND EXPENDITURES MAY 2020

Mr. Hansel noted that the GoPass revenues were adjusted to reflect March and April data.

Public Comment:

Roland Lebrun, San Jose, commented on the CARES Act and reserves and expenses.

The Board members had a discussion and staff provided further clarification in response to Board comments and questions. Topics included where the CARES funding was shown in the statement, consistent overhead and expenses, and rental income.

Motion/Second: Zmuda/Collins

Ayes: Collins, Zmuda, Davis

Noes: None

Absent: None

7. AWARD OF CONTRACT FOR MARIN AND NAPOLEON STREET BRIDGE REPLACEMENT PROJECT FOR \$8,907,901

Concepcion Gayotin, Acting Director of Contracts & Procurement, reported that eight potential bidders attended a pre-bid meeting and four bids were received. She stated that Disney reported the lowest bid, but did not meet the disadvantaged business enterprise (DBE) requirement of 15 percent, and they underwent a good faith effort hearing. She stated that recommended the award to Proven, who met DBE requirements with a 19.8 percent submittal, and had over 25 years of contracting experience. Ms. Gayotin mentioned that the project completion is expected by the summer of 2021.

Public Comment:

Roland Lebrun, San Jose, commented on expenses for grade crossings at San Jose and San Francisco (Marin and Napoleon) and asked for clarity on how the new Caltrain stations and bridges would tie into Samtran's overall plan for the line.

Board members had a discussion and staff provided further clarification in response to Board comments and questions regarding engineer estimates, sources of funding for this project, timing of the bid process, berm replacement, and interdependency with other project timelines.

Motion/Second: **Zmuda/Davis to not approve this item as stated in the report, directed staff to provide additional information on the engineering bids and soil conditions of berms, and moved this item to the full Board for further discussion and consideration.**

Ayes: Collins, Zmuda, Davis

Noes: None

Absent: None

8. AWARD OF CONTRACT FOR CALTRAIN NAMING RIGHTS AND SPONSORSHIP CONSULTING SERVICES

John Montenero, Manager of Procurement, reported that staff received three qualified proposals and the selection committee identified Elevate Sports Ventures, LLC as the

highest ranked proposal. Mr. Montenero noted that staff recommended the award for a five year base term.

Public Comment:

Roland Lebrun, San Jose, commented on excluding Diridon from this contract.

Board members had a discussion and staff provided further clarification in response to Board comments and questions regarding what was being named, how contractors were paid, what additional services encompasses, the possibility of a ten-year partnership, naming rights policies, and amending the resolution to require Committee approval.

Motion/Second: **Davis/Collins moved to strike the authorization clause and amend the resolution to come back to the Finance Committee for approval during phase 1b (creation of detailed marking and sales strategy)**

Motion/Second: Davis/Collins

Ayes: Collins, Zmuda, Davis

Noes: None

Absent: None

9. AUTHORIZE AMENDMENT TO CONTRACT TO OPERATE THE SAN FRANCISCO CALTRAIN BICYCLE PARKING FACILITY

Dan Provence, Principal Planner, provided background: since 2007 Caltrain has worked with a vendor for the San Francisco Caltrain station to relieve on board bicycle space, in 2013 Bikehub took over the contract; they have been closed since mid-March and plans to reopen in July. Mr. Provence stated that they would like to provide more options for riders to cycle or scooter to the station, and that the contract will be expiring at the end of 2020. He stated that this amendment would extend the contract an additional year while staff work on a request for proposal (RFP) for upcoming years.

Lawrence Leung, Manager of Rail Contracts & Budget, stated that JPB staff is requesting three items: 1) an increase the base compensation 2) to extend the contract term for an additional year of service, and 3) to add sidewalk space as part of the property.

Public Comment:

Aleta Dupree, Oakland, commented on the importance of providing bicycle parking, issues with bicycle theft, and her appreciation for shared scooters, and the ease of bicycle parking compared to car parking.

Board members had a discussion and staff provided further clarification in response to Board comments and questions included the following: what services would be provided with the \$70,000 contact overage amount; concern and the need for clarifications on how payments are handled without sufficient funding in the contract; sidewalk space and property lines.

Motion/Second: **Zmuda/Davis moved to include unanticipated overrun costs and payment clarification in the resolution**

Ayes: Collins, Zmuda, Davis
Noes: None
Absent: None

10. AUTHORIZE EXECUTION OF FUNDING AGREEMENT WITH THE METROPOLITAN TRANSPORTATION COMMISSION FOR CLIPPER START, THE REGIONAL MEANS-BASED FARE PILOT PROGRAM

Melissa Jones, Principal Planner, provided an update on the Clipper START program. She stated that this was in response to the growing need for discounted transit fares for low-income adults. Ms. Jones said the participating agencies included BART, Golden Gate, and San Francisco Municipal Transportation Authority (SFMTA) and the July 15th launch date. She reviewed promotion and outreach efforts, evaluation of the pilot program, and last steps in entering into a funding agreement with the Metropolitan Transportation Commission (MTC).

Public Comment:

Roland Lebrun, San Jose, commented on tagging on and off for multi-passes and GoPasses for informational purposes, MTC engagement, and changing programming with Clipper (communicate with Cubic).

Aleta Dupree, Oakland, commented on the benefits of the program, moving away from paper tickets, and maintaining service standards.

The Board members had a discussion and staff provided further clarification in response to the Board comments and questions regarding launch dates, communication with MTC staff, notices at stations and electronic sign boards for outreach, frequency of updates, and social media promotions.

Motion/Second: **Collins/Davis moved to approve the recommendation with an amendment to include quarterly reports rather than bi-annual reports**

Ayes: Collins, Zmuda, Davis
Noes: None
Absent: None

11. AUTHORIZE EXECUTION OF AMENDMENT 2 OF THE AMENDED AND RESTATED CLIPPER MEMORANDUM OF UNDERSTANDING (MOU)

Carter Mau, Deputy General Manager, provided an update: this amendment would authorize the Executive Director to execute a Clipper MOU (an agreement between MTC and other agencies). Mr. Mau explained that 50 percent of revenues are collected via Clipper and the amended MOU would 1) extend the current agreement to 2026, 2) allow for changes when MTC announces notice to proceed with the Clipper mobile system (payment by Clipper smartphone), and 3) change to the cost formula when MTC announces notice to proceed with Clipper Next Generation (2023). He noted that the first two items would be split 50/50 between the operator and MTC.

The Board members had a discussion and staff provided further clarification in response to the Board comments and questions regarding mobile apps and immediate funds now available on Clipper cards.

Motion/Second: Davis/Zmuda
Ayes: Collins, Zmuda, Davis
Noes: None
Absent: None

12. APPROVE AND RATIFY FISCAL YEAR 2021 INSURANCE PROGRAM

Derek Hansel, Chief Financial Officer, noted that while they were able to maintain all insurance coverages, with liability pricing being pretty fair, there were substantial increases on the property side. He noted that prices were generally consistent with available budget.

The Board members had a discussion and staff provided further clarification in response to the Board comments and questions regarding timing of negotiations, whether it was pre or post-COVID, pandemic exclusions, cash flow, and property insurance.

Motion/Second: Collins/Zmuda
Ayes: Collins, Zmuda, Davis
Noes: None
Absent: None

13. COMMITTEE MEMBER REQUESTS

Chair Davis inquired about the reason for replacing bridges with berms in the Marin and Napoleon Street Bridge replacement project and why engineer estimates were higher in the bids.

Chair Davis requested striking the authorization clause and amending the naming rights resolution to come back to the Finance Committee for approval during phase 1b (creation of detailed marketing and sales strategy).

Director Zmuda requested clarification in the Bikehub resolution regarding unanticipated overrun in costs (\$70,000) regarding services previously provided. Both Director Zmuda and Chair Davis requested payments without sufficient funding in the contract come before the Committee prior to payment.

Director Collins requested quarterly reports instead of bi-annual reports for the Clipper START program initially.

Chair Davis requested the Clipper START social media packaging for promotion on the City of San Jose's website.

Director Collins requested an earlier start time for Finance Committee meetings by an hour or two. There was general informal Committee member consensus that 1:30 p.m. could work and Chair Davis referred the matter to staff to check and follow up.

Public Comment:

Roland Lebrun, San Jose, commented on planning a meeting with awareness of other regional meetings.

14. DATE/TIME OF NEXT REGULAR FINANCE COMMITTEE MEETING

Monday, July 27, 2020 at 2:30 pm, via Zoom.

15. ADJOURN

The meeting adjourned at 4:10 pm.

An audio/video recording of this meeting is available online at <https://www.caltrain.com/about/bod/video.html?> Questions may be referred to the Board Secretary's office by phone at 650.508.6279 or by email to board@caltrain.com.