AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD

Finance Committee Meeting

Committee Members: Monique Zmuda (Chair), Jeff Gee, Glenn Hendricks

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/93388927360?pwd=SFJranR4KzVURGlZVW5VUXJMZGlxQT09 or by entering Webinar ID: # 933 8892 7360, Passcode: 790810, in the Zoom app for audio/visual capability or by calling 1-669-900-6833 (enter webinar ID and press # when prompted for participant ID) for audio only. The video live stream will be available after the meeting at http://www.caltrain.com/about/bod/video.html

Public Comments: Members of the public are encouraged to participate remotely. Public comments may be submitted to publiccomment@caltrain.com prior to the meeting’s call to order so that they can be sent to the Board as soon as possible, while those received after an agenda item is heard will be included into the Board’s weekly correspondence and posted online at http://www.caltrain.com/about/bod/Board_of_Directors_Meeting_Calendar.html. Oral public comments will also be accepted during the meeting through *Zoom or via the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Use the Raise Hand feature to request to speak. For public participants calling in, dial *67 if you do not want your telephone number to appear on the live broadcast. Callers may dial *9 to use the Raise the Hand feature for public comment and press *6 to accept being unmuted when recognized to speak for two minutes or less. Each commenter will be automatically notified when they are unmuted to speak for two minutes or less. 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.

January 25, 2021 - Monday

1:30 pm

1. Call to Order/Pledge of Allegiance
2. Roll Call
3. Swearing in of Glenn Hendricks, Santa Clara Valley Transportation Authority (VTA) Representative

4. Public Comment on Items not on the Agenda
   Comments by each individual speaker shall be limited to two (2) minutes. Items raised that require a response will be deferred for staff reply.

5. Approve Meeting Minutes of December 21, 2020

6. Finance and Ridership Updates – COVID-19 (verbal update)
   INFORMATIONAL

7. Accept Statement of Revenues and Expenses for the Period Ended December 31, 2020

8. Authorization to Enter into Funding Agreements for the San Francisco Downtown Extension Project and Increase the Fiscal Year 2021 Capital Project Budget by $200,000 and Amend the Total Fiscal Year 2021 Capital Budget to $112,559,772

9. Increase the Contract Change Order Authority for Construction of the 25th Avenue Grade Separation Project by $12,100,000 and Amend to Increase The Fiscal Year 2021 Capital Budget to Include $25,900,000 for the Project and Reflect a Cumulative Increase of $26,100,000 for a New Total Budget of $112,559,772

10. Fuel Hedging Update
    INFORMATIONAL

11. Committee Member Requests

12. Date/Time of Next Regular Finance Committee Meeting:
   Monday, February 22, 2021 at 1:30 pm via Zoom

13. Adjourn

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.
INFORMATION FOR THE PUBLIC

All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board. If you have questions on the agenda, please contact the JPB Secretary at 650.508.6242. Agendas are available on the Caltrain website at www.caltrain.com. Communications to the Board of Directors can be e-mailed to board@caltrain.com. Free translation is available: Para traducción llama al 1.800.660.4287; 如需翻译 请电1.800.660.4287.

Date and Time of Board and Committee Meetings
JPB Board: First Thursday of the month, 9:00 am; JPB Finance Committee: Fourth Monday of the month, 1:30 pm. Date, time and location of meetings may be changed as necessary. Meeting schedules for the Board and committees are available on the website.

Location of Meeting
Due to COVID-19, the meeting will only be via teleconference as per the information provided at the top of the agenda. The Public may not attend this meeting in person. *Should Zoom not be operational, please check online at http://www.caltrain.com/about/bod/Board_of_Directors_Meeting_Calendar.html for any updates or further instruction.

Public Comment*
Members of the public are encouraged to participate remotely. Public comments may be submitted to publiccomment@caltrain.com prior to the meeting’s call to order so that they can be sent to the Board as soon as possible, while those received during or after an agenda item is heard will be included into the Board’s weekly correspondence and posted online at http://www.caltrain.com/about/bod/Board_of_Directors_Meeting_Calendar.html. Oral public comments will also be accepted during the meeting through Zoom or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM and each commenter will be automatically notified when they are unmuted to speak for two minutes or less. 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.

Accessible Public Meetings/Translation
Upon request, the JPB will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least at least 72 hours in advance of the meeting or hearing. Please direct requests for disability-related modification and/or interpreter services to the Title VI Administrator at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or email titlevi@samtrans.com; or request by phone at 650-622-7864 or TTY 650-508-6448.

Availability of Public Records
All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that the public records are distributed or made available to the legislative body.

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.
MINUTES OF DECEMBER 21, 2020

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

MEMBERS ABSENT: None


1. CALL TO ORDER/PLEDGE OF ALLEGIANCE
Chair Dev Davis called the meeting to order at 1:30 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
Roland Lebrun, San Jose, commented on Valley Transportation Authority (VTA) surplus used to extend 32 trains to Gilroy, address equity issue, and increasing service before using Measure RR funds.

4. APPROVE MEETING MINUTES OF NOVEMBER 23, 2020
Motion/Second: Collins/Zmuda
Ayes: Collins, Zmuda, Davis
Noes: None
Absent: None

5. ACCEPT STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDING NOVEMBER 30, 2020
Derek Hansel, Chief Financial Officer, noted that there was no presentation and he was available to answer any questions.
Director Monique Zmuda inquired about how the current actual long-term debt expense was derived compared to the budget.

Mr. Hansel replied that it was accrued on a percentage basis, the current actual reflects actual payments made, and other factors included drawing down more on the line of credit than what was budgeted. Mr. Hansel stated that he could provide more information at the next meeting.

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

6. AUTHORIZING EXECUTION OF AMENDMENT FIVE TO THE CONTRACT FOR PROVISION OF RAIL OPERATIONS, MAINTENANCE AND SUPPORT SERVICES WITH TRANSITAMERICA SERVICES, INC. TO EXTEND THE CONTRACT FOR FIVE YEARS THROUGH JUNE 30, 2027

Michelle Bouchard, Chief Operating Officer, provided the presentation, which included background on the agreement and the proposed contract extension, objectives, performance of TransitAmerica Services, Inc. (TASI), and negotiated terms. She spoke about promoting a smooth transition to electrified service, fully incorporating all Positive Train Control (PTC) system requirements, and how the terms eliminated the third conductor requirement. She noted that staff recommended that the JPB execute an operations and maintenance contract for 5 years concluding in Fiscal Year 2027.

The Board members had a robust discussion and staff provided further clarification in response to the Board comments and questions regarding the following:
- Improved ticket checking with Clipper machines
- Existing contract expiration and increased and existing costs
- TTCI (offshoot of American Railroad, assessment of maintenance program)
- FTA PMO overseeing the electrification program
- Reduced GNA (general and administration) costs
- Train and engine crew books
- Performance metrics (quarterly, annually, points, etc.)
- Safety oversight (certified, training, incident reports) versus security
- Third conductor requirement (plans to go over 8 cars) and impact on personnel
- Contract bundling (scope of work allowing flexibility to move personnel from operations to capital without negotiating with multiple vendors) provides single management organization to manage everything

Public comment
Roland Lebrun, San Jose, inquired about the amounts for maintenance, bundled contracts, 16-car trains, and duplicate security. Mr. Lebrun commented on TASI customer experiences and requested listing the contract and monthly governance negotiation reports. He also suggested five one-year extensions.

Motion/Second: Collins/Zmuda
Ayes: Collins, Zmuda, Davis
Noes: None
Absent: None
7. **AWARD OF CONTRACT FOR FINANCIAL AUDIT SERVICES**

Grace Martinez, Deputy CFO, noted that the Board directed staff in August to procure an accounting firm independent of the one used by the District. She stated that a request for proposal (RFP) was set out in September, three firms were invited for interviews, and it was determined that Brown Armstrong was most responsive to the RFP. Staff recommended award of contract for five-year base term not to exceed $330,909 and one term five-year renewal.

The Board members had a discussion and staff provided further clarification in response to the Board comments, which included the following: costs, start date and the size of the new firm, and if any applicants were small business enterprises (SBE).

Chair Davis requested this item go to the full Board agenda as it was discussed as part of governance.

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

8. **AWARD A SOLE SOURCE AGREEMENT TO HOWARD PERMUT LLC TO PROVIDE GOVERNANCE ADVISORY SERVICES IN THE NOT-TO-EXCEED AMOUNT OF $200,000**

Michelle Bouchard, Chief Operating Officer, noted that as part of working with the Governance Process Ad Hoc committee to make a recommendation on governance to the Joint Powers Board by the end of this year, they would like to bring Howard Permut, LLC in to participate in board workshops toward making a recommendation.

The Board members had a discussion and staff provided further clarification in response to the Board comments and questions, which included the following: if the firm was local, did the contract include travel expenses, and would the firm be available on Zoom during the next Board meeting should there be questions.

**Public comment**

Roland Lebrun, San Jose, commented on whether ad hoc committees are subjected to the Brown Act and referred this matter to the new legal counsel.

Motion/Second: Collins/Zmuda
Ayes: Collins, Zmuda, Davis
Noes: None
Absent: None
9. AUTHORIZATION TO RECEIVE FUNDING FOR THE ATHERTON CALTRAIN STATION CLOSURE PROJECT AND AMEND TO INCREASE THE FISCAL YEAR 2021 CAPITAL BUDGET FROM $82,334,772 TO $86,459,772

Peter Skinner, Director of Grants & Fund Management, stated that this would provide the executive director the authority to help fund the Atherton Station closure project. He explained that the funds would be used for installing permanent fencing, design of the quad gates at Watkins Avenue, and contributing to the town for access and site improvement studies.

The Board members had a discussion and staff provided further clarification in response to the Board comments and questions regarding using non-constant warning at Atherton.

Public comment

Roland Lebrun, San Jose, commented on budgeting for initial planning and outreach for potential future stations with collaboration with Redwood City and Atherton.

Adrian Brandt, San Mateo County, commented on the non-constant warning time at Fair Oaks Lane for electrification disrupting the quiet zoning in Atherton.

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

10. BACKGROUND ON GRADE SEPARATION PROJECTS AND PROCESS

Sebastian Petty, Deputy Chief of Planning, provided the presentation and noted a gap between the regulatory requirement for grade separation and the desires of communities along the corridor. He stated that over the last 30 years, grade separation projects have occurred exclusively in San Mateo County because they set aside a dedicated source of funding (Measure A sales tax) specifically for grade separation projects. Mr. Petty stated that the desired 24 grade separations would take cost $10 billion and this was included in the Plan Bay Area 2050 submittals. Mr. Petty walked through the purpose, background, regulation, safety, usage, existing gate downtimes, funding (section 190 and section 130 program), city-led closure plans, and corridor wide strategies.

The Board members had a robust discussion and staff provided further clarification in response to the Board comments and questions regarding the following: whether the 25th Ave grade separation was included in the corridor wide cost estimates, whether Caltrain is asking for Federal funding, raising profiles, fatalities statistics, differentiating between improvements and separations, and high speed rail funding grade separations in the future.
Public comment
Roland Lebrun, San Jose, commented on Section 190, the Broadway grade separation, the 25th Ave grade separation being done first, and the design of the adjacent stations being a problem due to no passing tracks.

Adrian Brandt, San Mateo County, commented on the Redwood City grade separation designs for passing of local trains by express trains needing a four-track approach, and 90 percent of deaths at crossings are suicides and should be excluded as a safety issue.

Aleta Dupree, Oakland, commented on having a completely grade separated corridor and making each project expandable to four tracks.

11. ON-CALL TRANSPORTATION PLANNING AND CONSULTANT SUPPORT SERVICES UPDATE
Melissa Reggiardo, Caltrain Planning Manager, stated that this was started two years ago to address Caltrain’s evolving needs, six firms were selected in response to the November 2019 RFP and the contracts would be effective July 2020. Ms. Reggiardo noted that updates would occur quarterly and they are making a concerted effort to spread work across all six primes.
Lawrence Leung, Rail Contracts & Budget Manager, provided details on the quarterly report including information on new work directives or amendments.

Public comment
Roland Lebrun, San Jose, commented on working on a $12 million spread on a $15 million contract and previous management.

The Board members thanked staff for their efforts and expressed appreciation for the transparency in the report.

12. COMMITTEE MEMBER REQUESTS
Chair Davis requested an amendment to the TASI contract staff report to mention capital costs for the full board.

Chair Davis requested the following:
- More information on the TASI contract performance metrics and line item savings with current TASI contract from previous TASI contract
- The Award of Contract for Financial Audit Services on the full Board agenda.

13. DATE/TIME OF NEXT REGULAR FINANCE COMMITTEE MEETING
Monday, January 25, 2021 at 1:30 pm via Zoom

14. ADJOURN
The meeting adjourned at 3:30 pm.
TO: JPB Finance Committee

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDING DECEMBER 31, 2020

ACTION
Staff proposes that the Board of Directors accept and enter into the record the Statement of Revenues and Expenses for the month of December 2020.

This staff report provides a brief discussion of significant items and trends on the attached Statement of Revenues and Expenses through December 31, 2020. The statement has been designed to follow the Agency-wide line item rollup as included in the approved budget. The columns have been designed to provide easy comparison of year-to-date current actuals to the budget including dollar and percentage variances.

SIGNIFICANCE
Annual Forecast: The annual forecast was updated based on actual revenue and expense trends through December 2020. The forecast was derived by analyzing trends and reviewing details with cost center managers.

Forecast Revenues: Total revenue (page 1, line 17) is forecast $0.3 million lower than budget. This is driven by lower Shuttles Revenue (page 1, line 3) which is $0.3 million lower than budget due to lower shuttle service as routes have been reduced or suspended due to low ridership.

Forecast Expenses: Total Expense (page 1, line 48) is $3.0 million lower than budget. The variance is primarily due to lower expense trends. Shuttles Services (page 1, line 25) is $0.5 million lower than budget due to reduction or suspended service as result of low ridership. Facilities & Equipment Maintenance (page 1, line 30) is lower than budget by $0.8 million due to lower Clipper Operator Charges as a result of lower ridership. Managing Agency OH (page 1, line 38) is lower than budget by $1.6M due to the change in the cost allocation methodology effective January 1, 2021. This included an update to the basis for the cost allocations. As a result, the managing agency overhead costs to the JPB is expected to decrease. Professional Services (page 1, line 40) is lower than budget by $0.1 million as a result of under-runs in various planning studies.

Year to Date Revenues: As of December year-to-date actual, the Grand Total Revenue (page 1, line 17) is $0.5 million higher than the approved budget. This is
primarily driven by Farebox Revenue (page 1, line 1) which is partially offset by less revenues in Shuttles (page 1, line 3) and JPB Member Agencies (page 1, line 12).

**Year to Date Expenses:** As of December year-to-date actual, the Grand Total Expense (page 1, line 48) is $6.1 million lower than the approved budget. This is primarily driven by Facilities and Equipment Maintenance (page 1, line 30), Maint & Services-Bldg & Other (page 1, line 32), Professional Services (page 1, line 40) and Other Office Expenses and Services (page 1, line 42).

**Other Information:** The Agency accounts for revenue and expenditures on a modified cash basis (only material revenues and expenses are accrued) in the monthly financial statements. Due to the impact of Covid-19 pandemic, the variance between the current year actual and the budget shows noticeable variances due to the timing of expenditures.

**BUDGET IMPACT**
There are no budget amendments for the month of December 2020.

**STRATEGIC INITIATIVE**
This item does not achieve a strategic initiative.

Prepared By:  Thwe Han, Accountant II  650-508-7912
             Jennifer Ye, Manager, General Ledger  650-622-7890
## PENINSULA CORRIDOR JOINT POWERS BOARD
### STATEMENT OF REVENUE AND EXPENSE
#### Fiscal Year 2021
December 2020

<table>
<thead>
<tr>
<th></th>
<th>JULY - DECEMBER</th>
<th>% OF YEAR ELAPSED</th>
<th>50.0%</th>
<th>APRROVED</th>
<th>VARIANCE</th>
<th>ANNUAL</th>
<th>$</th>
<th>VARIANCE</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>CURRENT</td>
<td>APPROVED</td>
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<td>ACTUAL</td>
<td>BUDGET</td>
<td>%</td>
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<td>VARIANCE</td>
<td>%</td>
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<td>REVENUE</td>
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<td>OPERATIONS:</td>
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<tr>
<td>1 Farebox Revenue</td>
<td>17,938,465</td>
<td>16,415,496</td>
<td>1,522,969</td>
<td>9.3%</td>
<td>32,029,149</td>
<td>32,029,149</td>
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<tr>
<td>2 Parking Revenue</td>
<td>184,067</td>
<td>253,564</td>
<td>(69,498)</td>
<td>(27.4%)</td>
<td>372,718</td>
<td>372,718</td>
<td>-</td>
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</tr>
<tr>
<td>3 Shuttles</td>
<td>766,312</td>
<td>922,415</td>
<td>(156,103)</td>
<td>(16.9%)</td>
<td>2,031,246</td>
<td>1,773,647</td>
<td>(257,599)</td>
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<tr>
<td>4 Rental Income</td>
<td>571,904</td>
<td>563,452</td>
<td>8,452</td>
<td>1.5%</td>
<td>1,111,804</td>
<td>1,111,804</td>
<td>-</td>
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</tr>
<tr>
<td>5 Other Income</td>
<td>812,956</td>
<td>812,757</td>
<td>199</td>
<td>0.0%</td>
<td>1,764,000</td>
<td>1,764,000</td>
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<td>TOTAL OPERATING REVENUE</td>
<td>20,273,705</td>
<td>19,967,684</td>
<td>1,306,021</td>
<td>6.9%</td>
<td>37,308,917</td>
<td>37,051,318</td>
<td>(257,599)</td>
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<tr>
<td>CONTRIBUTIONS:</td>
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<tr>
<td>10 AB434 Peninsula &amp; TA Shuttle Funding</td>
<td>1,200,737</td>
<td>866,849</td>
<td>333,888</td>
<td>38.5%</td>
<td>1,737,950</td>
<td>1,737,950</td>
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<tr>
<td>11 Operating Grants</td>
<td>2,400,135</td>
<td>2,353,128</td>
<td>47,007</td>
<td>2.0%</td>
<td>12,808,500</td>
<td>12,808,500</td>
<td>-</td>
<td></td>
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<tr>
<td>12 JPB Member Agencies</td>
<td>16,425,767</td>
<td>17,616,569</td>
<td>(1,190,802)</td>
<td>(6.8%)</td>
<td>28,809,434</td>
<td>28,809,434</td>
<td>-</td>
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<tr>
<td>13 CARES ACT Fund</td>
<td>41,509,536</td>
<td>41,079,983</td>
<td>1,553</td>
<td>0.0%</td>
<td>41,507,983</td>
<td>41,507,983</td>
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<tr>
<td>TOTAL CONTRIBUTED REVENUE</td>
<td>61,536,175</td>
<td>62,344,529</td>
<td>(808,354)</td>
<td>(1.3%)</td>
<td>84,863,867</td>
<td>84,863,867</td>
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<tr>
<td>EXPENSE</td>
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<td>OPERATING EXPENSE:</td>
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<tr>
<td>21 Rail Operator Service</td>
<td>46,506,889</td>
<td>46,319,462</td>
<td>187,427</td>
<td>0.4%</td>
<td>85,109,942</td>
<td>85,109,942</td>
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<tr>
<td>24 Security Services</td>
<td>3,149,429</td>
<td>3,235,128</td>
<td>47,007</td>
<td>2.0%</td>
<td>12,808,500</td>
<td>12,808,500</td>
<td>-</td>
<td></td>
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<tr>
<td>25 Shuttle Services</td>
<td>1,701,258</td>
<td>1,815,082</td>
<td>(113,824)</td>
<td>(6.3%)</td>
<td>4,057,249</td>
<td>3,542,715</td>
<td>(514,534)</td>
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</tr>
<tr>
<td>26 Fuel and Lubricants</td>
<td>2,670,405</td>
<td>3,077,019</td>
<td>(406,614)</td>
<td>(13.2%)</td>
<td>5,930,523</td>
<td>5,930,523</td>
<td>-</td>
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<tr>
<td>27 Timetables and Tickets</td>
<td>51,666</td>
<td>51,666</td>
<td>(51,666)</td>
<td>(100.0%)</td>
<td>110,000</td>
<td>110,000</td>
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<tr>
<td>28 Insurance</td>
<td>5,168,031</td>
<td>5,203,333</td>
<td>(35,302)</td>
<td>(.7%)</td>
<td>5,410,000</td>
<td>5,410,000</td>
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<tr>
<td>29 Claims, Payments, and Reserves</td>
<td>265,811</td>
<td>478,635</td>
<td>(212,824)</td>
<td>(44.3%)</td>
<td>960,000</td>
<td>960,000</td>
<td>-</td>
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<tr>
<td>30 Facilities and Equipment Maintenance</td>
<td>768,200</td>
<td>3,773,608</td>
<td>(1,005,408)</td>
<td>(67.6%)</td>
<td>4,813,563</td>
<td>4,063,563</td>
<td>(750,000)</td>
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<tr>
<td>31 Utilities</td>
<td>891,802</td>
<td>1,359,579</td>
<td>(467,777)</td>
<td>(34.4%)</td>
<td>2,731,385</td>
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<tr>
<td>32 Maint &amp; Services-Bldg &amp; Other</td>
<td>96,579</td>
<td>814,491</td>
<td>(717,912)</td>
<td>(88.1%)</td>
<td>1,590,000</td>
<td>1,590,000</td>
<td>-</td>
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<tr>
<td>TOTAL OPERATING EXPENSE</td>
<td>61,218,467</td>
<td>64,878,829</td>
<td>(3,660,362)</td>
<td>(5.6%)</td>
<td>117,459,570</td>
<td>116,195,036</td>
<td>(1,264,534)</td>
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<tr>
<td>ADMINISTRATIVE EXPENSE</td>
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<tr>
<td>36 Wages and Benefits</td>
<td>5,228,302</td>
<td>5,839,537</td>
<td>(611,235)</td>
<td>(10.5%)</td>
<td>10,926,318</td>
<td>10,926,318</td>
<td>-</td>
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<tr>
<td>37 Managing Agency Admin OH Cost</td>
<td>1,922,306</td>
<td>2,569,676</td>
<td>(647,370)</td>
<td>(25.2%)</td>
<td>5,139,352</td>
<td>5,139,352</td>
<td>(1,555,591)</td>
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<tr>
<td>39 Board of Directors</td>
<td>7,114</td>
<td>11,025</td>
<td>(3,911)</td>
<td>(35.5%)</td>
<td>11,025</td>
<td>11,025</td>
<td>-</td>
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<tr>
<td>40 Professional Services</td>
<td>1,502,014</td>
<td>2,229,754</td>
<td>(727,740)</td>
<td>(32.6%)</td>
<td>5,400,000</td>
<td>5,255,000</td>
<td>(145,000)</td>
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<tr>
<td>41 Communications and Marketing</td>
<td>37,516</td>
<td>95,583</td>
<td>(58,067)</td>
<td>(60.8%)</td>
<td>136,000</td>
<td>136,000</td>
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<tr>
<td>42 Other Office Expenses and Services</td>
<td>459,114</td>
<td>1,246,962</td>
<td>(787,848)</td>
<td>(63.2%)</td>
<td>3,034,254</td>
<td>3,034,254</td>
<td>-</td>
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<tr>
<td>TOTAL ADMINISTRATIVE EXPENSE</td>
<td>9,156,365</td>
<td>11,992,537</td>
<td>(2,836,172)</td>
<td>(23.6%)</td>
<td>24,646,949</td>
<td>22,946,358</td>
<td>(1,700,591)</td>
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<tr>
<td>NET SURPLUS / (DEFICIT)</td>
<td>9,801,785</td>
<td>3,249,971</td>
<td>6,551,814</td>
<td>201.6%</td>
<td>(22,315,487)</td>
<td>(19,609,961)</td>
<td>(2,707,526)</td>
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1/15/21 8:24 AM
## PENINSULA CORRIDOR JOINT POWERS BOARD

### INVESTMENT PORTFOLIO

**AS OF DECEMBER 31, 2020**

<table>
<thead>
<tr>
<th>TYPE OF SECURITY</th>
<th>MATURITY</th>
<th>INTEREST RATE</th>
<th>PURCHASE PRICE</th>
<th>MARKET PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Agency Investment Fund (Unrestricted)</td>
<td>* Liquid Cash</td>
<td>0.540%</td>
<td>10,036,765</td>
<td>10,036,765</td>
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<tr>
<td>County Pool (Unrestricted)</td>
<td>Liquid Cash</td>
<td>0.998%</td>
<td>553,344</td>
<td>553,344</td>
</tr>
<tr>
<td>Other (Unrestricted)</td>
<td>Liquid Cash</td>
<td>0.050%</td>
<td>49,955,936</td>
<td>49,955,936</td>
</tr>
<tr>
<td>Other (Restricted)</td>
<td>** Liquid Cash</td>
<td>0.050%</td>
<td>13,653,924</td>
<td>13,653,924</td>
</tr>
</tbody>
</table>

$ 74,199,969  $ 74,199,969

---

Interest Earnings for December 2020 $ 1,719.54
Cumulative Earnings FY2021 $ 16,660.13

---

* The market value of Local Agency Investment Fund (LAIF) is calculated annually and is derived from the fair value factor as reported by LAIF for quarter ending June 30th each year.

** Prepaid Grant funds for Homeland Security, PTMISEA and LCTOP projects, and funds reserved for debt repayment. The Portfolio and this Investment Report comply with the Investment Policy and the provisions of SB 564 (1995). The Joint Powers Board has the ability to meet its expenditure requirements for the next six months.
AGENDA ITEM #8  
JANUARY 25, 2021

PENINSULA CORRIDOR JOINT POWERS BOARD  
STAFF REPORT

TO: JPB Finance Committee

THROUGH: Jim Hartnett  
Executive Director

FROM: April Chan  
Chief Officer, Planning, Grants and Transportation Authority

Derek Hansel  
Chief Financial Officer

SUBJECT: AUTHORIZATION TO ENTER INTO FUNDING AGREEMENTS FOR THE SAN FRANCISCO DOWNTOWN EXTENSION PROJECT AND AMEND TO INCREASE THE FISCAL YEAR 2021 CAPITAL BUDGET TO INCLUDE $200,000 FOR THE PROJECT AND REFLECT A CUMULATIVE INCREASE OF $26,100,000 FOR A NEW TOTAL BUDGET OF $112,559,772

ACTION
Staff Coordinating Council recommends the Board:

1. Authorize the Executive Director, or his designee, to enter into funding agreements with the Transbay Joint Powers Authority (TJPA) and San Francisco County Transportation Authority (SFCTA) to receive up to $260,000 in funds for planning work associated with the San Francisco Downtown Extension Project (DTX), in forms approved by legal counsel; and

2. Increase the DTX project Budget by $200,000, from $60,000 to $260,000, and amend to increase the total Fiscal Year 2020-21 (FY2021) Capital Budget to $112,559,772; and

3. Authorize the Executive Director, or his designee, to file any other required documentation and to take any other actions necessary to give effect to the resolution.

SIGNIFICANCE
The Peninsula Corridor Joint Powers Board (JPB) has been working cooperatively with SFCTA, TJPA, and other external stakeholders including the Metropolitan Transportation Commission (MTC) and the California High Speed Rail Authority (CHSRA) to assess the operational impacts of various service and infrastructure configurations (Operations Analysis) as part of DTX, which would extend Caltrain and high speed rail to the new Salesforce Transit Center.
SFCTA initially planned to provide $60,000 toward the Operations Analysis; these funds were included in the adopted FY2021 Capital Budget to allow the planning activities to proceed while the JPB developed a more refined scope and budget for this effort.

The total cost of the Operations Analysis is now estimated at $260,000, and SFCTA and TJPA have agreed to provide an additional $200,000 to complete the Operations Analysis, comprised of an additional $15,000 from SFCTA and $185,000 from TJPA. The Operations Analysis is anticipated to be completed this spring.

The proposed Board action would authorize the Execute Director, or his designee, to enter into a funding agreements (1) with SFCTA for up to $75,000, and (2) with TJPA for up to $185,000, to complete the Operations Analysis.

**BUDGET IMPACT**
In adopting the FY2021 Capital Budget, the Board approved $60,000 for the DTX project. This request includes an increase in DTX funds in the FY2021 Capital Budget by $200,000, of which $185,000 will be provided by TJPA and $15,000 will be provided by SFCTA. Funds provided by SFCTA are in addition to the JPB member agencies' $6,000,000 per partner commitments toward the FY2021 Capital Budget.

The Board of Directors is also being asked to add $25,900,000 to the FY2021 Capital Budget for the 25th Avenue Grade Separation Project at this February 4 Board meeting. Attachment B shows both of the proposed increases, cumulatively increasing the Capital Budget by $26,100,000 from $86,459,772 to $112,559,772.

**BACKGROUND**
The JPB and DTX stakeholders are leading the Operations Analysis portion of the overall project planning of the $4 billion DTX project. The analysis will include operational requirements at different points in the future based on Caltrain’s and CHSRA’s respective business plans and will identify the infrastructure needed by both agencies for operating scenarios ranging from 6 trains per hour per day (tphpd) to 12 tphpd.

Prepared by: Peter Skinner, Director, Grants and Fund Management 650.622.7818
RESOLUTION NO. 2021–

BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD
STATE OF CALIFORNIA

* * *

AUTHORIZING FUNDING AGREEMENTS FOR THE SAN FRANCISCO DOWNTOWN EXTENSION PROJECT AND AMENDING THE FISCAL YEAR 2020-21 CAPITAL BUDGET TO ADD $200,000 FOR THIS PROJECT

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) has been working cooperatively with the San Francisco County Transportation Authority (SFCTA) and the Transbay Joint Powers Authority (TJPA) to assess the operational impacts of various service and infrastructure configurations (Operations Analysis) as part of the Downtown Extension Project (DTX); and

WHEREAS, DTX would extend Caltrain and high speed rail to the new Salesforce Transit Center in San Francisco; and

WHEREAS, the Operations Analysis will identify the infrastructure needed by both agencies for operating scenarios ranging from 6 trains per hour per day (tphpd) to 12 tphpd; and

WHEREAS, the Fiscal Year 2020-21 (FY2021) Capital Budget previously adopted by the JPB included $60,000 from SFCTA to support the Operations Analysis; and

WHEREAS, the work required to complete the Operations Analysis has now been fully scoped and the cost estimate to complete the study is $260,000; and

WHEREAS, SFCTA and TJPA have agreed to provide an additional $200,000 to complete the project, comprised of an additional $15,000 coming from SFCTA and $185,000 from TJPA; and

WHEREAS, the Staff Coordinating Council recommends, and the Executive Director concurs, that the Board of Directors:
1. Authorize the Execute Director, or his designee, to enter into funding agreements with (1) SFCTA for up to $75,000 and (2) TJPA for up to $185,000, to complete the Operations Analysis, in forms approved by legal counsel; and

2. Amend to increase funds in the Fiscal Year 2020-21 (FY2021) Capital Project Budget for the Operations Analysis by $200,000, as reflected in Attachment B, for a new total FY2021 Capital Budget of $112,559,772; and

3. Authorize the Execute Director, or his designee, to file any other required documentation and to take any other actions necessary to give effect to this resolution.

**NOW, THEREFORE, BE IT RESOLVED** that the Peninsula Corridor Joint Powers Board hereby:

1. Authorizes the Execute Director, or his designee, to enter into funding agreements with the Transbay Joint Powers Authority and the San Francisco County Transportation Authority to receive up to $260,000 in funds to complete the Operations Analysis associated with the San Francisco Downtown Extension Project; and

2. Amends to increase the budget for the Operations Analysis by $200,000, for a new budget of $260,000; and

3. Amends the Fiscal Year 2020-21 Capital Budget for a cumulative increase of $26.1 million, as reflected in Attachment A and representing the requested increase from two capital projects, namely the 25th Avenue Grade Separation Project and the Caltrain Downtown Rail Extension Project, both presented for consideration at this February 4, 2021 Board of Directors meeting; and
4. Authorizes the Execute Director, or his designee, to file any other required
documentation and to take any other actions necessary to give effect to this
resolution.

Regularly passed and adopted this 4th day of February, 2021 by the following
vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTESTS:

Secretary
| Item | PROJECT NAME | Activity | PREVIOUS APPROVED | FTE ADOPTED FUND BOARD | AMENDMENT | Project 1 | Project 2 | Project 3 | Project 4 | Project 5 | Project 6 | Project 7 | Project 8 | Project 9 | Project 10 | Project 11 | Project 12 | Project 13 | Project 14 | Project 15 | Project 16 | Project 17 | Project 18 | Project 19 | Project 20 | Project 21 | Project 22 | Project 23 | Project 24 | Project 25 | Project 26 | Other |
|------|--------------|----------|------------------|-------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 2   | Marin Street and Napoleon Street Bridges | 7 | 4,704,000 | 4,808,000 | - | 2,386,000 | 30,990,000 | - | 3,902,000 | - | 2,700,000 | - | - | 1,250,000 | - | - | 2,100,000 | 25,900,000 | 48,046,000 | 13,461,021 | - | 640,000 | - | - | - | 23,800,000 | 2,100,000 | 29,280,064 | 1,250,000 | 48,046,000 |
| 3   | Toledo Street Bridge Replacement | 6 | 159,000 | 169,000 | - | 2,200,000 | 8,200,000 | - | 1,200,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,000,000 | 1,000,000 | - | - | 5,200,000 |
| 4   | South 4th Street Bridge Replacement | 12 | 1,439,000 | 2,000,000 | - | 340,000 | 1,170,000 | - | 1,200,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,000,000 | 1,000,000 | - | - | 5,200,000 |
| 5   | Cheerful Lane Bridge Replacement | 13 | 93,000 | 93,000 | - | 93,000 | 93,000 | - | 93,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 93,000 |
| 6   | Lakeview Boulevard Bridge Replacement | 12 | 400,000 | 400,000 | - | 400,000 | 400,000 | - | 400,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 400,000 |
| 7   | Guadalupe River Bridge Replacement | 16 | 1,663,825 | 5,500,000 | - | 3,100,000 | 9,000,000 | - | 1,100,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 5,500,000 |
| 8   | 46th Street Bridge Replacement | 16 | 1,200,000 | 1,200,000 | - | 1,200,000 | 1,200,000 | - | 1,200,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,200,000 |

**II. LEGAL MANDATES AND REQUIRED ENHANCEMENTS**

- **Federal Funds**
- **State Funds**
- **Other Funds**
- **Project Total**
- **Proposed FTE CAPITAL BUDGET**

**February 2021**

**Amendment 4**

**Attachment B**
<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>Activity</th>
<th>PRIOR YEARS</th>
<th>TOTAL ADOPTED</th>
<th>FY21 ADOPTED</th>
<th>Proposed FY22</th>
<th>Federal Funds</th>
<th>Federal Distrib &amp; Operating</th>
<th>State Funds</th>
<th>CAFRR Funds</th>
<th>Federal/Railway Authority</th>
<th>Other</th>
<th>Proposed FY23</th>
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1 Other funds includes project savings from the Sea Cities Bridge Replacement project ($2,102,558) and from the San Mateo Avenue Bridge replacement project ($1,421,946), prior years VTA funds ($901,073) and SM funds ($236,402) and deobligated Prop K funds ($180,624).
2 Insurance proceeds and/or Operating funds
3 Federal Transportation Planning and Programmatic Evaluation Funds
4 Other funds: $16,600,000 from City of San Mateo
5 Transfers from prior years' balances from CCF Rail (FY19 & FY20) to the Marin Napoleon Bridge Replacement project.
TO: JPB Finance Committee

THROUGH: Jim Hartnett
Executive Director

FROM: Michelle Bouchard
Chief Operating Officer, Rail

SUBJECT: INCREASE THE CONTRACT CHANGE ORDER AUTHORITY FOR CONSTRUCTION OF THE 25TH AVENUE GRADE SEPARATION PROJECT BY $12,100,000 AND AMEND TO INCREASE THE FISCAL YEAR 2021 CAPITAL BUDGET TO INCLUDE $25,900,000 FOR THE PROJECT AND REFLECT A CUMULATIVE INCREASE OF $26,100,000 FOR A NEW TOTAL BUDGET OF $112,559,772

ACTION
Staff Coordinating Council recommends that the Board of Directors (Board):

1. Increase the Executive Director’s contract change order authority for the 25th Avenue Grade Separation Project (Project) in an amount not to exceed $12.1 million;

2. Increase the Project budget by $25.9 million, from $180.0 million to $205.9 million, and amend to increase the total Fiscal Year 2020-21 (FY2021) Capital Budget to $112,559,772; and

3. Authorize the Executive Director or his designee to take any actions necessary to give effect to the above actions, including the execution of amendments to funding agreements with the City of San Mateo (City) and San Mateo County Transportation Authority (TA) to provide funding to complete the Project.

This item is presented to the Finance Committee for concurrence and to the Work Program - Legislative - Planning Committee as an informational Project update.

SIGNIFICANCE
The Peninsula Corridor Joint Powers Board (JPB) awarded a contract to Shimmick/Disney Joint Venture for construction of the Project in 2017 at a cost not to exceed $82.89 million (Contract), with a Contract contingency of $16.578 million. The Contract change order authority was increased by $7 million in 2019. When the Contract was initially awarded, the total Project budget was $180 million.

Several significant and unforeseen circumstances have occurred since 2017, resulting in the Contract and Project requiring increases to their budget capacities by $12.1 million.
and $25.9 million, respectively, to complete the Project. These circumstances were largely related to utility coordination and relocation that was not accounted for in the original Project scope. Some of the resulting costs are being paid for out of the existing Project contingency. A more detailed description of these circumstances is provided below.

- Union Pacific Third Party Fiber Optic line (TPFOC) and AT&T lines: These underground communications facilities were in conflict with the Project and needed to be relocated, which resulted in approximately 500 days of delay. While the utility relocation work is complete, this delay increased Project costs by $14 million.

- PG&E High Pressure Gas (HPG) Pipeline: This pipeline was in conflict with the Project construction and needed to be relocated outside the Project area. PG&E had obtained permanent easement rights to place their gas line within the railroad right of way when the railroad was owned by Southern Pacific, prior to purchase of the railroad by the Peninsula Corridor Joint Powers Board (JPB). There were no provisions in the easements requiring PG&E to bear the cost of relocation. The cost of this pipeline relocation is $18 million.

- Additional administrative, materials, and labor escalation costs due to the overall delay in completion of the Project.

- Re-design of affected Project elements to accommodate the newly-relocated TPFOC and AT&T lines.

- Utility connections to new Caltrain facilities: The design of these utilities was finalized after the original Contract award, causing an increase in the overall construction cost.

- Costs for removing contaminated soil and improving ground conditions related to unsuitable and unforeseen subsurface issues.

- Contingency for ongoing field adjustments to various structural components, roadways, the Hillsdale station, and the station parking lot.

- Contingency for upcoming change order work and open risk register items, including: COVID-19 related claims and differing site conditions.

- Costs associated with modifying the design and eventual construction of a set-out track to address nearby community concerns.

The following table provides a comparison of the original and revised Project costs. While some of the cost increases can be covered by the existing Contract contingency, additional funding will be needed to fully fund the cost increases. Additional information on Project cost increases, challenges, and status will be provided via a PowerPoint presentation at the January 2021 Finance Committee meeting and February 2021 Board of Directors (Board) meeting.
### Project Phase/Component

<table>
<thead>
<tr>
<th>Original Cost Estimate</th>
<th>Updated Costs</th>
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<tr>
<td>Pre-Construction Costs</td>
<td>$14.7 M</td>
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<tr>
<td>Construction Contract</td>
<td>$84.9</td>
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<td>Utilities and Right of Way</td>
<td>$12.0</td>
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<td>Construction management</td>
<td>$28.6</td>
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<td>Contingency</td>
<td>$39.8</td>
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<tr>
<td>Repayment from JPB*</td>
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<tr>
<td>Total</td>
<td>$180.0 M</td>
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*Repayment of costs associated with installation of overhead centenary system foundations from the Peninsula Corridor Electrification Project*

At the City’s request, the TA has allocated $23.8 million in additional Measure A funding for the Project, which will be supplemented by $2.1 million from the City, to cover cost increases in the Project budget from $180.0 million to $205.9 million.

The revised funding plan for the Project is as follows:

<table>
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<tr>
<th>Fund Source</th>
<th>Original Contribution</th>
<th>Additional</th>
<th>Updated</th>
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<tr>
<td>Measure A</td>
<td>$74.0 M</td>
<td>$23.8 M</td>
<td>$97.8 M</td>
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<td>City of San Mateo</td>
<td>$12.0</td>
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<td>California High Speed Rail</td>
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<td>Caltrans Section 190</td>
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<td><strong>Total</strong></td>
<td><strong>$180.0 M</strong></td>
<td><strong>$25.9 M</strong></td>
<td><strong>$205.9 M</strong></td>
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**BUDGET IMPACT**

In 2017, the Board of Directors budgeted $180.0 million for the Project. The additional budget request of $25.9 million will be funded as follows: $23.8 million from the TA and $2.1 million from the City.

The Board of Directors is also being asked to add $200,000 to the FY2021 Capital Budget for the San Francisco Downtown Extension Project at this February 4 Board meeting. Attachment B shows both of the proposed increases, cumulatively increasing the Capital Budget by $26,100,000 from $86,459,772 to $112,559,772.

**BACKGROUND**

The 25th Avenue Grade Separation Project will raise the tracks and slightly lower the road (grade separate) at E. 25th Avenue in San Mateo. In addition to separating the tracks and road at E. 25th Avenue, the Project will complete east-west street connections at 28th and 31st Avenues. The Project will also construct a new elevated Hillsdale Station located at E. 28th Avenue. The new station will offer updated amenities and will improve safety and reduced traffic. The City is the sponsor of this Project, with JPB as the lead implementing agency for Project design and construction.

The Project scope and associated funding plan were developed based on the assumption that the Project would incorporate certain scope elements that would enable the Peninsula Corridor Electrification Program (PCEP) and would be completed in time to avoid conflicts with construction of PCEP. It was determined that waiting until after PCEP to complete the Project would greatly increase the Project’s complexity and
costs. As a result, the City and JPB opted to award the construction contract by mid-2017, while working in parallel on the relocation of several utilities and the resolution of other right-of-way issues. While it is unfortunate that resolving these issues took longer than anticipated, the construction of this Project before completion of PCEP is still economically more advantageous for all of the public agencies involved, and less disruptive to the local community, than waiting to implement the Project until after the completion of PCEP.

Prepared by: Joy Sharma, Project Manager  650.489.8161
RESOLUTION NO. 2021 –
BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD
STATE OF CALIFORNIA

* * *

INCREASING THE CONTRACT CHANGE ORDER AUTHORITY FOR CONSTRUCTION OF THE 25TH AVENUE GRADE SEPARATION PROJECT BY $12,100,000 AND AMENDING THE FISCAL YEAR 2020-21 CAPITAL PROJECT BUDGET TO ADD $25,900,000 FOR THIS PROJECT

WHEREAS, on July 6, 2017, pursuant to Resolution No. 2017-32, the Peninsula Corridor Joint Powers Board (JPB) awarded a contract to Shimmick/Disney Joint Venture (Contract) to construct the 25th Avenue Grade Separation Project (Project), in an amount not to exceed $82,890,000; and

WHEREAS, the Executive Director’s original Contract change order authority was established at 20 percent of the total Contract amount, or $16,578,000; and

WHEREAS, pursuant to Resolution 2019-25, adopted on July 11, 2019, the Executive Director’s original Contract change order authority was increased by $7,000,000 to $23,578,000; and

WHEREAS, additional change orders in the amount of $12,100,000 are needed to address work associated with third-party utilities and for design changes, time, and time-related costs associated with a delay in relocating third-party fiber optic utilities, and additional changes due to differing site conditions; and

WHEREAS, the above-referenced Contract change orders, as well as third-party costs including utility relocations, require that the Project budget be increased by $25,900,000, from $180,000,000 to $205,900,000; and

WHEREAS, Project funders the San Mateo County Transportation Authority (TA) and
the City of San Mateo (City) have authorized increases to their contributions to the Project; and

WHEREAS, the Staff Coordinating Council recommends, and the Executive Director concurs, that the Board of Directors (Board):

1. Increase the Executive Director’s Contract change order authority in an amount not to exceed $12,100,000, which will permit execution of essential change orders required for the Project;
2. Amend to increase funds in the Fiscal Year 2020-21 (FY2021) Capital Budget for the Project by $25,900,000, as reflected in Attachment B, for a new total FY2021 Capital Budget of $112,559,772
3. Authorize the Executive Director, or his designee, to take whatever actions may be necessary, including executing amendments to funding agreements with the City and the TA, to provide funding to complete the Project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby:

1. Increases the Executive Director’s change order authority for the Contract with Shimmick/Disney Joint Venture for the 25th Avenue Grade Separation Project in an amount not to exceed $12,100,000, for a total not-to-exceed revised Contract authority amount of $118,568,000; and
2. Increases the overall Project budget by $25,900,000, from $180,000,000 to $205,900,000; and
3. Amends the Fiscal Year 2020-21 Capital Budget for a cumulative increase of $26.1 million, as reflected in Attachment A and representing the requested
increase from two capital projects, namely the 25th Avenue Grade Separation Project and the Caltrain Downtown Rail Extension Project, both presented for consideration at this February 4, 2021 Board of Directors meeting; and

4. Authorizes the Executive Director or his designee to take any actions necessary to give effect to this Resolution and to receive the requisite funding from the City of San Mateo and San Mateo County Transportation Authority to complete the Project.

Regularly passed and adopted this 4th day of February, 2021 by the following vote:

AYES:

NOES:

ABSENT:

______________________________
Chair, Peninsula Corridor Joint Powers Board

ATTESTS:

______________________________
JPB Secretary
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<th>Activity</th>
<th>Proposed FY2020 Capital Budget</th>
<th>TOTAL ADOPTED</th>
<th>AMENDMENT 1</th>
<th>AMENDMENT 2</th>
<th>AMENDMENT 3</th>
<th>Proposed FY2020 Capital Budget</th>
<th>Federal Funds</th>
<th>Federal Disbursement to Operating</th>
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<th>Total SP Prop C уolution</th>
<th>Regional Funds</th>
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<th>Other Funds</th>
<th>Overall</th>
<th>Transfers from CCO</th>
<th>Proposed Amended FY2020 Capital Budget</th>
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PURPOSE: To provide funding for planning and capital projects related to Caltrain Electrification.

1. **Federal Programs**
   - **Positive Train Control Litigation**
     - Request only for board authority; funding will begin upon commencement of the electrified service from designated operational savings.

2. **System-Wide Planning and Policy & Org Design**
   - **Unspent funds from Project 100337 Mega Regional Rail Planning (FY19 $75k)**
   - **Unspent funds from Project 100458 Service & Access Planning (FY20 $434,157)**

3. **Business Plan**
   - **Update and Upgrade GIS system**
     - **Capital Project Development**
     - **San Mateo Grade Crossing Improvements**
     - **22nd St. ADA Feasibility Study**

4. **Other Funds**
   - **Rail Network and Operations Planning**
   - **Capital Program Management**
   - **San Carlos Transit Village LLC ($149,322)**
   - **Bay Area Air Quality Management District (BAAQMD $1,240,000)**

5. **Construction**
   - **San Mateo County Transportation Authority**
   - **Other Transfers from Other Funds**

6. **Total**
   - **Total Other Funds**
   - **Total**
25th Avenue Grade Separation Update and Request for Additional Funds
Agenda Slide

• The Project

• Project Background

• Project Status Update
  ➢ Budget and Schedule Update

• Requested Board Action
Project Benefits

• East West Access
• Economic Development
• Roadway/Railroad Safety
• Benefit of Completing Project Pre-Electrification
Project Background

- Project developed by City of San Mateo
- Final $180 Funding Secured in 2016-2017
  - SMCTA-$74
  - CPUC-$10
  - CSM-$12
  - CHSRA-$84
- Only project to receive CHSRA (High Speed Rail Authority) Grade Separation funding
Timing of project construction is to precede Caltrain electrification

- If project were to delay until after electrification, will likely lose CHSRA funding
- Completing project post-electrification would cost $250M (in 2027)

Project is complex and much has been completed

- Construction contract was awarded concurrent with utility relocation and permitting. Delays in utility relocation due to UP negotiation has caused cost and delay to the project since Dec 2017 to April 2019.
Project Update

- Project is 85% complete
- Track is completely separated from vehicular traffic
  - Train service on the berm and bridges since July 2020
- Hillsdale Station work is ongoing—projected opening Spring 2021
- Road work progressing with phased completions
  - 28th Avenue—January 2021
  - 25th Avenue—June 2021
  - 31st Avenue—September 2021
Project Update (Photos)

28th Ave

28th Ave
Project Update (Photos)
Project Update (Photos)

New Hillsdale Station

Pedestrian Underpass Bridge
Project Update (Photos)

South Parking Lot

North Parking Lot
Project Schedule Overview

• Contract Award-July 2017
• NTP-December 2017
• Original Contract Completion-January 2020
• Current Contract Completion-September 2021
Construction Challenges

• Project is to precede Caltrain electrification; as a result, construction contract needs to be advertised and awarded in 2017
  • Permits pursued in parallel
  • Major utility relocation pursued in parallel
  • UPRR negotiations impact ability to move fiber optic – Caused delay of more than 500 days
  • PGE not originally budgeted for relocation of high pressure gas line
  • Contaminated soil
  • Additional associated soft costs
  • Last Update to JPB Board was provided in July 2019, which indicated an year delay in construction schedule due to UP FOC Issue

• Additional challenges in 2020: COVID
Construction Challenges (cont’d)

- A detailed project analysis was performed between July – Oct 2020

- Deep dive program review establishes new cost to complete
# Project Cost Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Post Bid (2017)</th>
<th>Estimate at Completion</th>
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<tbody>
<tr>
<td>Pre-Construction Costs</td>
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<tr>
<td><strong>Total</strong></td>
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<td><strong>$205.9</strong></td>
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</tbody>
</table>

- Additional Funds Request = $25.9M
Additional Funds Request

- City Council of San Mateo approved $2.1M funds request on Jan 4, 2021

- SMCTA Board of Directors approved $23.8M funds request on Jan 7, 2021
Remaining Major Risks

• Still digging at 25\textsuperscript{th} and 31\textsuperscript{st}
  • Advanced location of remaining utilities
  • Potential soil contamination
  • Unknown ground conditions/unknown utilities
  • Conformance Issues/Traffic Control at El Camino Real and Delaware
  • Covid-19 Impacts

• Program cash flow
  • $8M left in project budget, project delays and cost escalation if funding not granted
Board Request

Increase the Total Project Authority By $25.9M for the 25th Ave Grade Separation Project

Increase the Executive Director’s Contract Change Order Authority by $12.1M
Questions
TO: JPB Finance Committee

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: FUEL HEDGING UPDATE

ACTION

Staff proposes the Board to review, accept, and enter into the record the presentation providing an update on the implementation of a fuel hedging strategy for Caltrain.

SIGNIFICANCE

The purpose of this presentation is to provide an update on the implementation and performance status of the Fuel Hedging Program (Program) established for Caltrain.

Under this program, the staff will continue to work with Linwood Capital, LLC in order to:

- Accumulate new fuel hedge contracts for the upcoming fiscal year as market conditions allow

- Maintain the size of the hedge in order to protect Caltrain’s fuels budget against volatile price movements in the diesel fuel market.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

The Program implemented for Caltrain is designed to minimize large budget variances resulting from the volatility of diesel fuel prices. An effective hedging strategy can increase budget certainty and facilitate more effective utilization of budgetary resources. The purpose of the Program is not to speculate on the price of fuel but to manage risk, particularly as that relates to Caltrain’s annual budget.
- As of December 31st, the hedge program realized net gains of $81,502.50 for the time period July, 2020 through December, 2020

- Additionally the hedge currently reflects unrealized gains of $134,954.40 (+0.0843/gallon on all gallons through June 2021). This assumes projected consumption of 266,666 gallons per month through June 2021.

- Approximately 33.78% of the anticipated fuel usage through June 2021 is hedged at an average price of $1.30/gallon, excluding taxes and fees (versus a budget estimate of $1.30/gallon, excluding taxes and fees) (based on a 70 train/day schedule.

- The remaining un-hedged gallons have a projected cost of $1.53/gallon as of 12/31/2020.

- Weighted average projected cost of all gallons net of hedging as of 12/31/2020 is $1.45/gallon.

Prepared by: Jayden Sangha, Treasury Manager 650-508-6405
Fuel Hedging Update
for
Peninsula Corridor Joint Powers Board

Linwood Capital, LLC
4316 Eton Place
Edina, Minnesota  55424
Telephone:  612.333.1673
E-mail: jeff@linwoodcapital.com
Website: www.linwoodcapital.com
Caltrain Fuel Hedge Forecast
As of December 31, 2020

- Percentage Hedge = Approximately 34% of the anticipated diesel usage through June 2021
- Average hedged diesel fuel price = $1.30/gallon (excluding taxes and fees)
- Unhedged diesel price estimate = $1.53/gallon, excluding taxes and fees (based on a 70 train/day schedule) as of 12/31/20.
Caltrain Historical FY 2021
As of December 31st

- Realized Gains: $81,502.50 since July.

* Taxes and Fees included in the Fuel Price Figures
Caltrain Prospective
As of December 31st.

- Unrealized Gains: +$134,954.40 (+$0.0843/gallon) through June 2021.

* Taxes and Fees included in the Fuel Price Figures
Caltrain Prospective Variability Analysis
As of December 31st.

* Taxes and Fees included in the Fuel Price Figures
The Future of Caltrain’s Fuel Hedge Strategy

- Caltrain will continue accumulating new fuel hedge contracts as market conditions allow.

- Also, continue to maintain the size of the hedge in order to protect Caltrain’s fuel hedge budget against adverse price movement.