1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

Chair Monique Zmuda called the meeting to order at 2:30 pm and led the Pledge of Allegiance.

2. ROLL CALL

District Secretary Dora Seamans confirmed the presence of all Board Committee members.

3. PUBLIC HEARING FOR PROPOSED FARE STRUCTURE CHANGES

Chair Monique Zmuda opened the public hearing.

Derek Hansel, Chief Financial Officer, provided a presentation, which included the public comment process, Title VI analysis, temporary monthly pass discount, option for extending the Clipper START pilot program, and policy goals.

Public comment

Aleta Dupree, Oakland, commented on continuing Clipper START program and discounts.

Jeff Carter, Millbrae, expressed support for the proposal and commented on a comprehensive fare package, 15-ride ticket, 7-day pass, and zone system inequities.

Roland Lebrun, San Jose, commented on zone based fare system, not increasing fares, and increasing revenues and ridership.

The Board members had a discussion and staff provided further clarification in response to the Board comments and questions, which included the following:

- The mechanism to change fares depending on circumstances/economic triggers over the next five years, and effects on the overall revenue picture and ridership
- A roadmap with numbers indicating hitting ridership numbers due to fare changes
- Comparing a point on a graph one year from now (for instructional purposes only)
• Equity analysis showing no disproportionate burdens
• Efficacy of GoPasses in the future and having different fare tickets for multi-rides
• Means based fare pilot participation

Chair Zmuda closed the public hearing at 3:13pm

Motion/Second: Gee/Hendricks
Ayes: Gee, Hendricks, Zmuda
Noes: None
Absent: None

4. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA
Roland Lebrun, San Jose, commented on low ridership numbers, farebox recovery, gate activation and custom warning times.
Aleta Dupree, Oakland, commented on modernizing railroads and dispensing Clipper Cards.
Jeff Carter, Millbrae, commented on Clipper discounts and subsidies.
Adina Levin, Friends of Caltrain, commented on the underfunding of maintenance.

5. CONSENT CALENDAR
   a. APPROVED MEETING MINUTES OF APRIL 26, 2021
   b. AUTHORIZE EXECUTION OF CONTRACTS FOR INFORMATION TECHNOLOGY LICENSES, MAINTENANCE SERVICES, AND PROFESSIONAL SERVICES
   c. AUTHORIZE EXECUTION OF CONTRACTS FOR TECHNOLOGY-RELATED PRODUCTS AND SERVICES THROUGH PIGGYBACKING CONTRACTS AND COOPERATIVE PURCHASING PROGRAMS
   d. AUTHORIZATION TO EXECUTE MASTER AGREEMENT AND PROGRAM SUPPLEMENTS FOR STATE-FUNDED TRANSIT PROJECTS
   e. AUTHORIZE EXECUTION OF A CHANGE ORDER TO THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT CONTRACT WITH ARINC FOR SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) DATABASE CHANGES
   f. AUTHORIZE AN AMENDMENT TO THE AGREEMENT WITH HDR ENGINEERING, INC. FOR ENGINEERING CONSULTANT DESIGN
   g. CAPITAL PROJECTS/FY21 Q3 QUARTERLY PROGRESS REPORT

Motion/Second: Hendricks/Gee
Ayes: Gee, Hendricks, Zmuda
Noes: None
Absent: None

6. ACCEPT REPORT OF THE CHIEF FINANCIAL OFFICER (CFO)
A. STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDING MARCH 31, 2021

Derek Hansel, Chief Financial Officer, provided an update which included significant withdrawals from federal relief funds, working down the deficit, changes in the preliminary budget, and approving the current financing plan.

Motion/Second: Gee/Hendricks
Ayes: Gee, Hendricks, Zmuda
Noes: None
Absent: None

7. ADOPTION OF PROPOSED FISCAL YEAR 2022 OPERATING AND CAPITAL BUDGETS

Derek Hansel, Chief Financial Officer, provided a presentation, which included the following: pandemic related challenges, areas of uncertainty in Fiscal Year 2022, options and member contributions, the proposed outlook and assumptions for revenue and expenditures. He also reviewed key expense drivers, staff allocation, unconstrained versus constrained capital budget, and next steps.

Public comment
Roland Lebrun, San Jose, commented on analyzing ridership data and reintroducing successful service patterns.

Jeff Carter, Millbrae, commented on partner agencies not contributing as they had in the past and using Measure RR funding due to the lack of member contributions.

Aleta Dupree, Oakland, commented on the American Rescue Plan allocations, customers with disabilities, and elevators,

The Board members had a discussion and staff provided further clarification in response to the Board comments and questions, which included the following:
- Constrained versus unconstrained capital budget
- Continuing discussions with partner agencies and lack of member contributions
- List items that needs to get done including which items may or may not create problems when not done
- Follow up with a presentation regarding the funding gap and provide detailed information on deferred projects
- American Rescue Plan Act (ARPA) funding and its relationship to ridership revenue
- Operating costs, financing and other costs associated with interest
- The cause of insurance reduction
- The use of reserves

Motion/Second: Hendricks/Gee
Ayes: Hendricks, Zmuda
Noes: None
Absent: None
8. **2021 MEASURE RR FINANCING PLAN**

Jayden Sangha, Acting Director of Treasury provided a presentation that detailed the three action items: (1) replace 2019 revolving credit agreements, (2) advance refund principal amount, and (3) re-approve PJCJPB’s debt policy. He spoke about revolving credit agreements with JPB Morgan, potential savings, and farebox revenue bonds.

**Public comment**

Roland Lebrun, San Jose, commented on getting into $200 million in debt, farebox revenues, what is borrowed, where money is going, and the use of Measure RR.

Jeff Carter, Millbrae, commented on the amount of Measure RR funding used.

Aleta Dupree, Oakland, commented on financing infrastructure, use of sales tax, and re-financing.

The Board members had a discussion and staff provided further clarification in response to the Board comments and questions, which included the following:

- $2.5 million in savings a year
- If the funding strategy needed dealt with cash flow or projects
- How the previous $87 million in operations funding, and $15 million towards capital funding, relate to the current lines of credit
- How Measure RR is used to fund lines of credit and if there is a strategy to create reserves

*Director Gee left the meeting at 4:45 pm.*

Motion/Second: Zmuda/Hendricks  
Ayes: Hendricks, Zmuda  
Noes: None  
Absent: Gee

9. **GOPASS DONATION PROGRAM UPDATE**

Melissa Jones, Principal Planner, provided the presentation and spoke about the program overview, goals, structure, key roles, organizations’ selection, participants, and pilot program evaluation. She thanked Intuit and the Metropolitan Transportation Commission (MTC) for their generous donations and making the pilot launch possible.

**Public comment**

Jeff Carter, Millbrae, expressed support for the program and commented on ridership data.

Adina Levin, Friends of Caltrain, expressed support and commented on providing access to transit.
Roland Lebrun, San Jose, commented on exposure, and potential demand on the system and capacity.

Jeff Carter, Millbrae, expressed appreciation for Joan Cassman and Hanson Bridgett.

The Board members thanked Intuit and MTC for their GoPass contribution.

Chair Zmuda thanked Hanson Bridgett LLC for their decades of professional legal service to the Board and welcomed James Harrison from Olson Remcho LLC.

10. COMMITTEE MEMBER REQUESTS

Director Hendricks requested a roadmap indicating the correlation between fare changes and ridership. He also requested a list of budget items that staff needs to be done.

Director Gee requested a follow up presentation spelling out the funding gap (projects deferred, planning studies not done, and postponed maintenance.)

11. DATE/TIME OF NEXT REGULAR FINANCE COMMITTEE MEETING

Monday, June 28, 2021 at 2:30 pm via Zoom

12. ADJOURN

The meeting adjourned at 4:59pm.

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.