



BOARD OF DIRECTORS 2021
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MICHELLE BOUCHARD
ACTING EXECUTIVE DIRECTOR

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=SFJranR4KzVURGIzVW5VUXJMZGlxQT09> 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.

August 23, 2021 - Monday

2:30 pm

1. Call to Order/Pledge of Allegiance

2. Roll Call

3. 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.

4. Consent Calendar

Members of the Board may request that an item under the Consent Calendar be considered separately

a. Approve Meeting Minutes of July 26, 2021 MOTION

b. Approve 2022 Finance Committee Calendar MOTION

c. Increase the Total Project Budget by \$1,025,000 for the
Broadway Burlingame Grade Separation Project and
Increase the Fiscal Year 2022 Capital Budget to
\$67,234,919 MOTION

5. Report of the Chief Financial Officer (CFO) INFORMATIONAL

a. Information on Statement of Revenues and Expenses for
the Period Ended July 31, 2021 MOTION

6. Authorize the Executive Director to Execute an Amendment to
Supplemental Agreement No. 4 with Pacific Gas and Electric
(PG&E) for Procurement and Construction Services For PG&E
Infrastructure Build Outs in Support Of The Peninsula Corridor
Electrification Project (PCEP) MOTION

7. Authorize the Executive Director to Execute a Change Order to
the Peninsula Corridor Electrification Project (PCEP) Contract
with Balfour Beatty, Inc. for an Increase in Allowance Item No. 9
- Utilities Potholing for a Total Not-To-Exceed Amount of
\$5,700,000 MOTION

8. Accept Quarterly Fuel Hedge Update MOTION

9. Committee Member Requests

10. Date/Time of Next Regular Finance Committee Meeting:
Monday, September 27, 2021 at 2:30 pm via Zoom (additional
location, if any, to be determined)

11. Adjourn

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, 2:30 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.

**Peninsula Corridor Joint Powers Board
Finance Committee Meeting
1250 San Carlos Avenue, San Carlos CA 94070
MINUTES OF JUNE 28, 2021**

MEMBERS PRESENT: Jeff Gee (Acting Chair), Glenn Hendricks

MEMBERS ABSENT: Monique Zmuda

STAFF PRESENT: D. Hansel, M. Bouchard, J. Harrison, S. Petty, A. Simmons, K. Yin, S. Oh, T. Burgwyn, J. Sangha, D. Seamans, S. Wong

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

Acting Chair Jeff Gee called the meeting to order at 2:34 pm and led the Pledge of Allegiance.

2. ROLL CALL

District Secretary Dora Seamans confirmed the presence of a Board quorum.

3. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Marie Blankley, Gilroy Mayor, requested staff agendize discussion of acquisition of the 7-acre parcel in Gilroy to maintain parking at their only transit center site.

Aleta Dupree, Oakland, commented on managing fares and using Clipper.

Roland Lebrun, San Jose, commented on Gilroy parking lot numbers pre-pandemic, email correspondence not posted to packet, and making closed session discussions public.

Adrian Brandt, San Mateo County, commented on ridership, the Citizen's Advisory Committee's resolution to go to distance based fares, and requiring employee vaccinations.

4. CONSENT CALENDAR

- a. **Approved meeting minutes of June 28, 2021**
- b. **Amendment to Increase the Fiscal Year 2022 Capital Budget by \$2.0 Million for the Caltrain San Francisco Railyards Preliminary Business Case**
- c. **Award of Contract for On-Call Ambassador Services**

Motion/Second: Hendricks/Gee

Ayes: Hendricks, Gee

Noes: None

Absent: Zmuda

5. ACCEPT REPORT OF THE CHIEF FINANCIAL OFFICER (CFO)

A. STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDED JUNE 30, 2021

Derek Hansel, Chief Financial Officer, provided updates, which included the following:

- The budget is ready for the upcoming fiscal year
- They have drawn \$42 million of the \$47 million Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) Funding
- Preliminary allocation approved by Metropolitan Transportation Commission (MTC) in \$41 million

In response to Board members' comments and questions, staff provided clarification on plans for the extra budget in the MTC funds allocation and unfunded liability.

Public comment

Roland Lebrun, San Jose, commented on sending the extra funds to reserves and breaking down reserves usage.

Aleta Dupree, Oakland, commented on the two allocations in the process, additional allocations, and improving service.

Motion/Second: Hendricks/Gee

Ayes: Hendricks, Gee

Noes: None

Absent: Zmuda

6. AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE A CHANGE ORDER TO THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT (PCEP) CONTRACT WITH BALFOUR BEATTY, INC. FOR REMOVAL AND DISPOSAL OF CONTAMINATED SOIL FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$2,800,000

John Funghi, CalMod Chief Officer, provided updates, which included the following:

- This change order is for the removal of an additional 30,000 tons of contaminated materials
- The entire allowance expanded because the contaminated soil could not be reused on the property

Public comment

Roland Lebrun, San Jose, commented on the cause of the removal, initial and final foundation poles, and initial and final cost per ton for removal.

Aleta Dupree, Oakland, commented on contingency, the cause of contamination, and foundation production.

The Board members had a discussion and staff provided further clarification, which included the following:

- The amount of soil reserved for removal and the amount needed to be removed
- What is reasonable to know when laying out projects and how much should have been remediated, reused, and costs that were estimated previously and now
- Details regarding the source and nature of the contamination, its location, and the cost per ton,
- Digging requiring a bigger contingency
- Program management –expectations

Motion/Second: Hendricks/Gee

Ayes: Hendricks, Gee

Noes: None

Absent: Zmuda

7. APPROVAL OF MEASURE RR INTERIM FINANCING TRANSACTIONS AND RELATED TRANSACTION DOCUMENTS

Derek Hansel, Chief Financial Officer, provided the presentation. He spoke about the three components of the financing: replacement of two revolving credit agreements, issuing “new money” tax bonds, and refunding farebox revenue bonds.

Public comment

Aleta Dupree, Oakland, commented on Measure RR and financing the railroad.

Roland Lebrun, San Jose, commented on Measure RR board oversight and showing where revenues are going.

The Board members had a discussion and staff provided further clarifications regarding managing the different funds, reducing overall costs, and thanking the voters for backing Measure RR, which allowed for approximately \$2.5 million savings in lower interest costs.

Motion/Second: Hendricks/Gee

Ayes: Hendricks, Gee

Noes: None

Absent: Zmuda

8. UPDATE ON SERVICE RESTORATION

Sebastian Petty, Deputy Chief of Planning, provided the presentation. He spoke about the Service Planning Strategy, ongoing constraints, August 2021 service expansion, Millbrae BART connections, financial implications, overall benefits, and future considerations.

Public comment

Roland Lebrun, San Jose, commented on fare box recovery and having a minimum two baby bullets an hour stopping in Sunnyvale.

Aleta Dupree, Oakland, commented on seeing new schedule, consistency, and making intermediate stops.

Jeff Carter, Millbrae, commented on schedules and gathering data from Clipper to see tag on/off times.

Adrian Brandt, San Mateo County, commented on shifting toward a transit-oriented schedule, Sunnyvale service, and supply oriented ridership.

Drew, San Mateo, commented on additional baby bullets, weekend service, consistency, and clock based schedules.

The Board members had a discussion and staff provided further clarification, which included the following:

- The difficulty of designing schedules
- Adding an actual cost slide to compare with budget
- More service in Sunnyvale
- Frequently adjusting with updated data
- Improving midday service
- Public messaging and setting expectations regarding train increase or decrease
- Consistency and simplification of train schedules(having 5 reliable schedules and expanded service off peak)

9. COMMITTEE MEMBER REQUESTS

Director Hendricks requested verification for November and December finance meetings.

10. DATE/TIME OF NEXT REGULAR FINANCE COMMITTEE MEETING

Monday, August 23, 2021 at 2:30 pm via Zoom

11. ADJOURN

The meeting adjourned at 4:16 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.



JPB Finance Committee Meeting Calendar – 2022

Fourth Mondays – 2:30 PM

***unless stated otherwise**

Monday, January 24

Monday, February 28

Monday, March 28

Monday, April 25

Monday, May 23

Monday, June 27

Monday, July 25

Monday, August 22

Monday, September 26

Monday, October 24

Monday, November 28

*Monday December 19 (3rd Monday)

Board Committee Members: Directors Monique Zmuda (Chair), Jeff Gee, Glenn Hendricks.
Primary Staff Liaison: Derek Hansel

*Regular meetings scheduled for monthly on the 4th Monday at 2:30 pm., unless otherwise noted.

All meetings are held via [Zoom](#) (additional location, if any to be determined), unless scheduled and stated otherwise at:

https://www.caltrain.com/about/bod/Board_of_Directors_Meeting_Calendar.html

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard
Acting Executive Director

FROM: Derek Hansel Rob Barnard
Chief Financial Officer Deputy Chief, Rail Development

SUBJECT: **INCREASE THE TOTAL PROJECT BUDGET BY \$1,025,000 FOR THE BROADWAY
BURLINGAME GRADE SEPARATION PROJECT AND INCREASE THE FY2022
CAPITAL BUDGET TO \$67,234,919**

Finance Committee Recommendation Work Program-
Legislative-Planning Staff Coordinating
Council Reviewed Staff Coordinating Council
Recommendation

ACTION

Staff recommends that the Board of Directors (Board):

1. Authorize amendment of the related Memorandum of Understanding with the City of Burlingame (City) and the San Mateo County Transportation Authority (TA) to provide an additional \$1,025,000 for the project; and
2. Increase the Project budget by \$1,025,000, from \$24,388,000 to \$25,413,000, and amend the Fiscal Year (FY) 2022 Capital Budget by \$1,025,000 to \$67,234,919; and
3. Authorize the Acting Executive Director or designee to execute any necessary agreements or amendments and take any additional actions necessary to give effect to this resolution.

SIGNIFICANCE

In January 2019, the San Mateo County Transportation Authority (TA) Board of Directors was informed by the City that the Project would require PCEP to make modifications to a planned traction power paralleling station (PS-3). The TA board programmed and allocated \$200,000 for the design of the modifications to PS-3 at that meeting.

Since January 2019, there have been additional changes to the paralleling station design. The factors associated with the additional design include (a) the relocation of

the paralleling station to be partially within the City's corporation yard, and (b) the design of taller gantries, which connect the power feed between the paralleling station and overhead catenary system (OCS), with larger foundations to support the taller gantries. The taller gantries and larger foundations are necessary because the Project will elevate the track and OCS in the vicinity of the paralleling station.

Additional Project funds are also required to provide for the construction variance, which is related to the construction of the larger gantry foundations and taller gantries which are necessary given the Project will elevate the track and OCS in the vicinity of the paralleling station.

To fund the work, the City requested the TA to program and allocate \$1,025,000 for the relocation design costs and the associated increase in PCEP construction costs for the PS-3 facility changes necessitated by the Project. The TA board approved the allocation on March 4, 2021. The work is being performed by the PCEP contractor and is anticipated to be complete by Spring 2022.

BUDGET IMPACT

The Board approved this project on June 1, 2017. Funding for Fiscal Year 2021 and prior year adopted budgets is \$22,388,000 Measure A Grade Separation Program and \$2,000,000 City of Burlingame contribution. The FY2022 additional funding of \$1,025,000 will also come from Measure A, bringing the total JPB Board approved Measure A allocation to the Project to \$23,413,000 and total project budget to \$25,413,000.

BACKGROUND

Fifteen percent of the Measure A receipts are allocated to the Grade Separation Program Category. The goal of the program is to reduce the number of at-grade crossings on the Caltrain right of way. Grade separations improve safety for drivers and pedestrians, relieve traffic congestion, and enhance operational flexibility of the railroad.

The Broadway at-grade crossing is currently ranked on the California Public Utilities Commission's Grade Separation Priority List as the top-ranked crossing for grade separation in northern California and as the second highest ranked crossing in the state. The Project can: 1) help reduce emergency response times as the Caltrain corridor bisects the east and west sides of the City, 2) help alleviate traffic queuing on Broadway, which extends east to the U.S. Highway 101 ramps. 3) reduce traffic delays at nearby intersections with California Drive, Carolan Avenue and Rollins Road, and 4) significantly improve access to the Broadway commercial district from U.S. Highway 101, which would further support economic development.

Prepared by: Alex Acenas, Senior Project Manager

650.622.7852

RESOLUTION NO. 2021 –

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

*** * ***

**INCREASE THE TOTAL PROJECT AUTHORITY BY \$1,025,000 FOR THE
BROADWAY BURLINGAME GRADE SEPARATION PROJECT AND INCREASE THE
FY2022 CAPITAL BUDGET TO \$67,234,919**

WHEREAS, on June 7, 1988, the voters of San Mateo County approved a ballot measure known as “Measure A” which increased the local sales tax in San Mateo County by ½ percent with the new tax revenue to be used for highway and transit improvements pursuant to the Transportation Expenditure Plan presented to the voters; and

WHEREAS, on November 2, 2004, the voters of San Mateo County approved continued collection and distribution by the San Mateo County Transportation Authority (TA) of a half-cent transaction and use tax for an additional 25 years to implement the 2004 Transportation Expenditure Plan beginning January 1, 2009 (New Measure A); and

WHEREAS, since 2017, the TA has programmed and allocated a total of \$22,388,000 in Measure A Grade Separation Program Category funds to the Broadway Burlingame Grade Separation Project (Project) for the Project Study Report, preliminary engineering/environmental clearance, and final design of the Project; and

WHEREAS, the Measure A allocations for the Project also included \$200,000 for design work related to the relocation of the planned traction power paralleling station #3 (PS-3) required for the Peninsula Corridor Electrification Project (PCEP); and

WHEREAS, the City of Burlingame's (City) selected grade separation alternative necessitates relocation of the paralleling station to avoid removing and rebuilding it later; and

WHEREAS, pursuant to the City's request, the TA programmed and allocated an additional \$1,025,000 for the Project to fund the PS-3 relocation design costs and associated construction cost increases for the PS-3 facility that are necessitated by the Project; and

WHEREAS staff recommends that the Board of Directors increase the total project authority by an additional \$1,025,000 as described above; and

WHEREAS staff recommends that the Board of Directors increase the total FY22 capital budget to \$67,234,819 (Attachment B attached); and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby increases the total project authority by \$1,025,000 for the Broadway Grade Separation Project to support design and construction work associated with the relocation of a Peninsula Corridor Electrification Project paralleling station necessitated by the Broadway Grade Separation Project in the City of Burlingame and that the FY22 Capital Budget be increased to \$67,234,919.

BE IT FURTHER RESOLVED that the Acting Executive Director or her designee is authorized to execute any necessary agreements or other documents, and to take any additional actions that may be necessary, to give effect to this resolution, including the execution of agreements or amendments with the City and the JPB.

Regularly passed and adopted this 2nd day of September 2021 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary



FY2022 CAPITAL BUDGET

Attachment B
Amendment 3
September 2021

Item #	PROJECT NAME	PRIOR YEARS APPROVED	AMENDED FY2022 CAPITAL BUDGET	Federal Funds	STA SOGR Funds	Measure RR	Others	AMENDED FY2022 CAPITAL BUDGET
i. STATE OF GOOD REPAIR								
Bridges								
1	Guadalupe River Bridge Replacement and Extension	12,400,000	1,989,000	1,591,200	397,800	-	-	1,989,000
			1,989,000	1,591,200	397,800	-	-	1,989,000
Right of Way								
2	Track SOGR	11,220,000	5,437,771	4,350,217	1,087,554	-	-	5,437,771
3	Right of Way Fencing	585,000	156,000	-	-	156,000	-	156,000
			5,593,771	4,350,217	1,087,554	156,000	-	5,593,771
Signal & Communications								
4	Communications SOGR	2,000,000	416,000	332,800	5,667	77,533	-	416,000
5	Fiber Optics SOGR	1,000,000	572,000	457,600	-	114,400	-	572,000
6	Signal SOGR	-	1,248,000	998,400	-	249,600	-	1,248,000
7	Migration To Digital Voice Radio System	700,000	832,000	665,600	-	166,400	-	832,000
			3,068,000	2,454,400	5,667	607,933	-	3,068,000
Rolling Stock								
			-	-	-	-	-	-
Facilities & Intermodal Access								
8	Stations SOGR	1,500,000	208,000	-	-	208,000	-	208,000
9	Historic Stations SOGR	-	1,352,000	-	-	1,352,000	-	1,352,000
29	South San Francisco Station Improvement ³	71,600,000	25,000,000	-	-	-	25,000,000	25,000,000
			26,560,000	-	-	1,560,000	25,000,000	26,560,000
	Total SOGR		37,210,771	8,395,817	1,491,021	2,323,933	25,000,000	37,210,771
ii. LEGAL MANDATES AND ELECTRIFIED SERVICE RAIL PROGRAM INTEGRATION								
10	Rail Program Integration and Transition	-	4,658,148	-	-	4,658,148	-	4,658,148
11	Hayward Park Remediation	-	51,000	-	-	51,000	-	51,000
			4,709,148	-	-	4,709,148	-	4,709,148
iii. OPERATIONAL IMPROVEMENTS/ENHANCEMENTS								
12	PADS Replacement	-	1,040,000	-	-	1,040,000	-	1,040,000
13	Grade Crossing Improvements Construction	500,000	1,040,000	-	-	1,040,000	-	1,040,000
14	Caltrain VoIP	-	520,000	-	-	520,000	-	520,000
15	TVM Upgrade Phase 5	2,795,000	1,040,000	832,000	-	208,000	-	1,040,000
16	Caltrain Fiber Connectivity to Caltrain Stations and Digital Voice Base Station	-	624,000	-	-	624,000	-	624,000
17	Next Gen Clipper Validators Site Prep	2,500,000	1,560,000	1,248,000	-	312,000	-	1,560,000
18	Mountain View Transit Center Grade Separation and Access Project ¹	-	11,200,000	-	-	-	11,200,000	11,200,000
31	Broadway Burlingame Grade Separation ⁵	24,388,000	1,025,000	-	-	-	1,025,000	1,025,000
			18,049,000	2,080,000	-	3,744,000	12,225,000	18,049,000
iv. PLANNING/STUDIES								
19	Operations, Access and Customer Interface Planning	-	260,000	-	-	260,000	-	260,000
20	Business Strategy and Policy Development	-	780,000	-	-	780,000	-	780,000
21	Electrification Expansion and Integration - Preliminary Planning	-	520,000	-	-	520,000	-	520,000
22	Capital Planning Technical Support	-	286,000	-	-	286,000	-	286,000
23	Transit-oriented Development Studies	-	1,040,000	-	-	1,040,000	-	1,040,000
24	Diridon Integrated Station Concept Plan (DISC) ²	-	720,000	-	-	-	720,000	720,000
30	SF Railyards Preliminary Business Case ⁴	-	2,000,000	-	-	-	2,000,000	2,000,000
			5,606,000	-	-	2,886,000	2,720,000	5,606,000
iv. CAPITAL CONTINGENCY FUNDS								
25	Capital Contingency Funds - Engineering	-	330,000	-	-	330,000	-	330,000
26	Capital Contingency Funds - Rail	-	660,000	-	-	660,000	-	660,000
27	Capital Project Development	-	335,000	-	-	335,000	-	335,000
28	Capital Program Management	-	335,000	-	-	335,000	-	335,000
		131,188,000	1,660,000	-	-	1,660,000	-	1,660,000
	Total FY2022 Capital Budget		67,234,919	10,475,817	1,491,021	15,323,081	39,945,000	67,234,919

¹ \$10.0 million from Santa Clara Valley Transportation Authority (VTA) per Reso 2020-39 and \$1.2 million from the City of Mountain View

² City of San Jose

³ San Mateo County Transportation Authority and City of South San Francisco

⁴ Prologis LLC

⁵ San Mateo County Transportation Authority (TA)

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

DATE: August 19, 2021

TO: JPB Finance Committee

THROUGH: Michelle Bouchard
Acting Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: August 23, 2021 Finance Committee Report of the Chief Financial Officer

HIGHLIGHTS

- Staff continues to work to complete final accruals for Fiscal Year 2021, after which unaudited statements for June 2021 will be presented to the Finance Committee.
- We have completed the process of member agency approval of the comprehensive financing plan discussed with the Board earlier this month. We closed on the replacement of the two JPMorgan credit lines with the two Wells Fargo credit lines on August 16, 2021, and have drawn additional funding as we await the arrival of Measure RR funding, as well as reimbursements from funding partners for capital projects.
- The JPB has fully drawn on the \$46.7 million CRRSAA funding (Tranche 2). The MTC Commission approved a Phase 1 distribution plan of ARPA funding that will provide \$41.1 million to Caltrain. This is in excess of the \$14.8 million of ARPA funding included in the adopted Fiscal Year 2022 Operating Budget.
- Our Contracts and Procurement team have earned the 2021 Achievement of Excellence in Procurement award. This is the third year in a row for our receipt of this recognition – we are one of only 182 agencies nationally and one of 36 special districts nationally to receive this award.

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: JPB Finance Committee
THROUGH: Michelle Bouchard
Acting Executive Director
FROM: Derek Hansel
Chief Financial Officer

**SUBJECT: INFORMATION ON STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD
ENDED JUNE 30, 2021**

Finance Committee Recommendation Work Program-Legislative-Planning Committee Recommendation Staff Coordinating Council Reviewed Staff Coordinating Council Recommendation

The Finance Division engages in many activities following the end of the June 30 fiscal year both to close out the old fiscal year and set up the new fiscal year. The demands of these activities require a longer time to produce a complete Statement of Revenues and Expenses than allowed by the normal board meeting cycle. Consequently, staff will present a Statement of Revenues and Expenses for June at the September 27th meeting of the JPB Finance Committee. The auditors, Brown Armstrong Accountancy Corporation, expect to finish the audit in late October. We expect to have the Comprehensive Annual Financial Statement finalized by November 2021.

Prepared by: Jennifer Ye, Acting Director, Accounting 650.622.7890

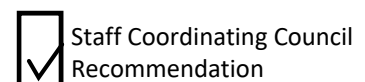
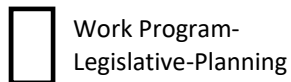
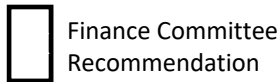
**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard
Acting Executive Director

FROM: John Funghi
Chief Officer, CalMod Program

SUBJECT: **AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT TO SUPPLEMENTAL AGREEMENT NO. 4 WITH PACIFIC GAS AND ELECTRIC (PG&E) FOR PROCUREMENT AND CONSTRUCTION SERVICES FOR PG&E INFRASTRUCTURE BUILD OUTS IN SUPPORT OF THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT (PCEP)**



ACTION

Staff Coordinating Council recommends the Board authorize an amendment to Supplemental Agreement No. 4 with Pacific Gas and Electric (PG&E), entitled "PG&E Procurement and Construction Services for PG&E Infrastructure Build Outs in Support of PCEP" at a cost not to exceed \$38.8 million. The amendment will increase the total authorized amount for Supplemental Agreement No. 4 from \$82 million to \$120.8 million and will increase PCEP's share of the cost of Supplemental Agreement No. 4 by \$15.5 million, from \$32.8 million to \$48.3 million.

SIGNIFICANCE

PCEP will require PG&E to provide power for testing and for future operation of the electrified Caltrain railroad through interconnections between the Caltrain Traction Power Substation (TPSS-1) and PG&E's East Grand Substation in South San Francisco and between the Caltrain Traction Power Substation (TPSS-2) and PG&E's FMC Substation in San Jose.

A System Impact Study performed by PG&E and reviewed by PCEP staff determined that PG&E's East Grand and FMC substations needed improvements in order to provide sufficient and reliable power to Caltrain.

On February 1 2018, the JPB executed Supplemental Agreement No. 4 for PG&E to design and construct the needed improvements at PG&E's East Grand and FMC substations. The cost for Supplemental Agreement No. 4 was a not-to-exceed amount of \$82 million.

Based on cost allocation regulations promulgated by the California Public Utilities Commission and the Federal Energy Regulatory Commission, PCEP's share of the cost of the Supplemental Agreement No. 4 is \$32.8 million.

Due to the following, PG&E has determined that the cost of Supplemental Agreement No. 4 will have to be increased by \$38.8 million, from \$82 million to \$120.8 million:

1. Delay related costs associated with a PG&E requirement to stop construction work from March 2020 to April, 2020 due to the COVID-19 shelter-in-place orders,
2. Delay related costs associated with re-scheduling of planned electrical clearances required for testing,
3. Change orders resulting from design progression performed by PG&E's Engineering, Procurement, & Construction (EPC) contractor, and
4. An increase in the Income Tax Component of Contributions (ITCC) Tax from 22% to 24%.

PCEP staff has reviewed PG&E's supporting documents in support of the proposed \$38.8 million cost increase and has determined that the proposed increase is fair and reasonable.

Based on the previously referenced cost allocation regulations, PCEP's share of the \$38.8 million cost increase will be \$15.5 million. This will increase PCEP's share of the cost of Supplemental Agreement No. 4 from \$32.8 million to \$48.3 million.

BUDGET IMPACT

The PCEP Change Management Board (CMB) met on July 21, 2021 and approved the \$38.8 million increase in the cost of PG&E Supplemental Agreement No. 4, and correspondingly, the CMB also approved \$15.5 million as PCEP's share of the \$38.8 million cost increase. The \$15.5 million increase in PCEP's share of the cost for Supplemental Agreement No. 4 will be funded by contingency funds included in the Board-approved PCEP Budget without requiring a budget amendment.

BACKGROUND

PG&E's scope of work for Supplemental Agreement No. 4, PG&E Procurement and Construction Services for PG&E Infrastructure Build Outs in Support of PCEP, includes design, procurement, installation and testing of new breakers, switch gear, protective relays, busses, and other substation upgrades, as well as potential relocation of transmission lines at PG&E's East Grand and FMC substations.

Prepared Liria C. Larano
By: Deputy Chief Officer, CalMod Program

650.288.9151

RESOLUTION NO. 2021-

**PENINSULA CORRIDOR JOINT POWERS BOARD
STATE OF CALIFORNIA**

* * *

**AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT TO
SUPPLEMENTAL AGREEMENT NO. 4 WITH PACIFIC GAS AND ELECTRIC (PG&E) FOR
PROCUREMENT AND CONSTRUCTION SERVICES FOR PG&E INFRASTRUCTURE BUILD OUTS IN
SUPPORT OF THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT (PCEP)**

WHEREAS, the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) previously signed Supplemental Agreement No. 4 with Pacific Gas and Electric (PG&E), entitled "PG&E Procurement and Constructions Services for PG&E Infrastructure Build Outs in Support of PCEP" at a cost not-to-exceed \$38.8 million; and

WHEREAS, PCEP will require PG&E to provide power for testing and for future operation of the electrified Caltrain railroad through interconnections between the Caltrain Traction Power Substation (TPSS-1) and PG&E's East Grand Substation in South San Francisco and between the Caltrain Traction Power Substation (TPSS-2) and PG&E's FMC Substation in San Jose. A System Impact Study performed by PG&E and reviewed by PCEP staff determined that PG&E's East Grand and FMC substations needed improvements in order to provide sufficient and reliable power to Caltrain; and

WHEREAS, on February 1, 2018, the JPB executed Supplemental Agreement No. 4 for PG&E to design and construct the needed improvements at PG&E's East Grand and FMC substations. Based on cost allocation regulations promulgated by the California Public Utilities Commission and the Federal Energy Regulatory Commission, PCEP's share of the cost of the Supplemental Agreement No. 4 is \$32.8 million; and

WHEREAS, PG&E has determined that the cost of Supplemental Agreement No. 4 will have to be increased by \$38.8 million, from \$82 million to \$120.8 million, due to the following factors:

1. Delay-related costs associated with a PG&E requirement to stop construction work from March 2020 to April 2020 due to the COVID-19 shelter-in-place orders,
2. Delay-related costs associated with re-scheduling of planned electrical clearances required for testing,
3. Change orders resulting from design progression performed by PG&E's Engineering, Procurement, & Construction (EPC) contractor, and
4. An increase in the Income Tax Component of Contributions (ITCC) Tax from 22% to 24%.

Staff has reviewed PG&E's supporting documents in support of the proposed \$38.8 million cost increase and has determined that the proposed increase is fair and reasonable. Based on the previously referenced cost allocation regulations, PCEP's share of the \$38.8 million cost increase will be \$15.5 million. This will increase PCEP's share of the cost of Supplemental Agreement No. 4 from \$32.8 million to \$48.3 million.

WHEREAS, the PCEP Change Management Board (CMB) met on July 21, 2021 and approved the \$38.8 million increase in the cost of PG&E Supplemental Agreement No. 4, and correspondingly, the CMB also approved \$15.5 million as PCEP's share of the \$38.8 million cost increase; and

WHEREAS, the Staff Coordinating Council recommends that the Board authorize the increased amount be funded from the contingency included in the Board-approved PCEP Budget and that the amendment be authorized by JPB;

NOW, THEREFORE, BE IT RESOLVED that the Board authorizes the Acting Executive Director, or designee, to execute an amendment to Supplemental Agreement No. 4, "PG&E Procurement and Construction Services for PG&E Infrastructure Build Outs in Support of PCEP," on behalf of the JPB with PG&E with a total authorized amount of increase from \$82 million to \$120.8 million, increasing PCEP's share of the cost of Supplemental Agreement No. 4 by \$15.5 million, from \$32.8 million to \$48.3 million, in a form approved by legal counsel.

Regularly passed and adopted this 2nd day of September 2021 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard
Acting Executive Director

FROM: John Funghi
Chief Officer, CalMod Program

SUBJECT: **AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE A CHANGE ORDER TO THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT (PCEP) CONTRACT WITH BALFOUR BEATTY, INC. FOR AN INCREASE IN ALLOWANCE ITEM NO. 9 - UTILITIES POTHOLING FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$5,700,000**



Finance Committee
Recommendation



Work Program-
Legislative-Planning



Staff Coordinating
Council Reviewed



Staff Coordinating Council
Recommendation

ACTION

Staff Coordinating Council recommends that the Board authorize a change order to the PCEP design-build contract with Balfour Beatty, Inc. (BBII) dated July 7, 2016 for an increase in Allowance Item No. 9 – Utilities Potholing for an amount not to exceed \$5,700,000 and in a form approved by legal counsel.

SIGNIFICANCE

The PCEP design-build contract with BBII currently includes Allowance Item No. 9 – Utilities Potholing for 5,358 potholes at BBII's bid unit rate of \$1,900 per pothole, for a total of \$10.18 million.

At this time, the allowance amount \$10.18 million for 5,358 potholes has been expended, and the value of the allowance has to be increased to pay for additional potholes required to identify utilities that could potentially conflict with OCS foundations, traction power equipment foundations and signal ductbanks.

Staff recommends an increase of 3,000 potholes for Allowance Item No. 9 to pay for 1,167 potholes that have been completed but for which the Contractor has not been paid plus an estimate of an additional 1,833 potholes required to identify utilities that could potentially conflict with the remaining OCS foundations, traction power equipment foundations and signal ductbanks. An increase in the allowance quantity of 3,000 potholes at \$1,900 per pothole will increase the value of the allowance by an additional \$5.7 million.

This change has been approved by the PCEP Change Management Board (CMB).

BUDGET IMPACT

The Contract change orders will be funded from the contingency included in the Board-approved PCEP Budget without requiring a budget amendment.

BACKGROUND

The PCEP is a key component of the Caltrain Modernization (CalMod) Program. The PCEP will electrify the Caltrain Corridor from San Francisco's 4th and King Caltrain Station to approximately the Tamien Caltrain Station, convert diesel-hauled to electric trainsets ("Electric Multiple Unit" or "EMU"), and increase service to up to six Caltrain trains per peak hour per direction.

The PCEP design-build and EMU contracts, which are the cornerstone contracts of the Caltrain Electrification Program, represent approximately 60 percent of the CalMod Program budget.

The Board of Directors has authorized the Executive Director to enter into change orders of up to 5% of the original total Contract amount. As the proposed Contract change order would be specifically approved by the Board, the proposed action will not decrease the Executive Director's remaining change order authority.

Prepared By: Liria C. Larano
Deputy Chief Officer, CalMod Program

650.288.9151

RESOLUTION NO. 2021-

**PENINSULA CORRIDOR JOINT POWERS BOARD
STATE OF CALIFORNIA**

* * *

**AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT TO
SUPPLEMENTAL AGREEMENT NO. 4 WITH PACIFIC GAS AND ELECTRIC (PG&E) FOR
PROCUREMENT AND CONSTRUCTION SERVICES FOR PG&E INFRASTRUCTURE BUILD OUTS IN
SUPPORT OF THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT (PCEP)**

WHEREAS, the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) previously signed Supplemental Agreement No. 4 with Pacific Gas and Electric (PG&E), entitled "PG&E Procurement and Constructions Services for PG&E Infrastructure Build Outs in Support of PCEP" at a cost not-to-exceed \$38.8 million; and

WHEREAS, PCEP will require PG&E to provide power for testing and for future operation of the electrified Caltrain railroad through interconnections between the Caltrain Traction Power Substation (TPSS-1) and PG&E's East Grand Substation in South San Francisco and between the Caltrain Traction Power Substation (TPSS-2) and PG&E's FMC Substation in San Jose. A System Impact Study performed by PG&E and reviewed by PCEP staff determined that PG&E's East Grand and FMC substations needed improvements in order to provide sufficient and reliable power to Caltrain; and

WHEREAS, on February 1, 2018, the JPB executed Supplemental Agreement No. 4 for PG&E to design and construct the needed improvements at PG&E's East Grand and FMC substations. Based on cost allocation regulations promulgated by the California Public Utilities Commission and the Federal Energy Regulatory Commission, PCEP's share of the cost of the Supplemental Agreement No. 4 is \$32.8 million; and

WHEREAS, PG&E has determined that the cost of Supplemental Agreement No. 4 will have to be increased by \$38.8 million, from \$82 million to \$120.8 million, due to the following factors:

1. Delay-related costs associated with a PG&E requirement to stop construction work from March 2020 to April 2020 due to the COVID-19 shelter-in-place orders,
2. Delay-related costs associated with re-scheduling of planned electrical clearances required for testing,
3. Change orders resulting from design progression performed by PG&E's Engineering, Procurement, & Construction (EPC) contractor, and
4. An increase in the Income Tax Component of Contributions (ITCC) Tax from 22% to 24%.

Staff has reviewed PG&E's supporting documents in support of the proposed \$38.8 million cost increase and has determined that the proposed increase is fair and reasonable. Based on the previously referenced cost allocation regulations, PCEP's share of the \$38.8 million cost increase will be \$15.5 million. This will increase PCEP's share of the cost of Supplemental Agreement No. 4 from \$32.8 million to \$48.3 million.

WHEREAS, the PCEP Change Management Board (CMB) met on July 21, 2021 and approved the \$38.8 million increase in the cost of PG&E Supplemental Agreement No. 4, and correspondingly, the CMB also approved \$15.5 million as PCEP's share of the \$38.8 million cost increase; and

WHEREAS, the Staff Coordinating Council recommends that the Board authorize the increased amount be funded from the contingency included in the Board-approved PCEP Budget and that the amendment be authorized by JPB;

NOW, THEREFORE, BE IT RESOLVED that the Board authorizes the Acting Executive Director, or designee, to execute an amendment to Supplemental Agreement No. 4, "PG&E Procurement and Construction Services for PG&E Infrastructure Build Outs in Support of PCEP," on behalf of the JPB with PG&E with a total authorized amount of increase from \$82 million to \$120.8 million, increasing PCEP's share of the cost of Supplemental Agreement No. 4 by \$15.5 million, from \$32.8 million to \$48.3 million, in a form approved by legal counsel.

Regularly passed and adopted this 2nd day of September 2021 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

**PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT**

TO: JPB Finance Committee

THROUGH: Michelle Bouchard
Acting Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **ACCEPT QUARTERLY FUEL HEDGE UPDATE**



Finance Committee
Recommendation



Work Program-
Legislative-Planning



Staff Coordinating
Council Reviewed



Staff Coordinating Council
Recommendation

ACTION

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

SIGNIFICANCE

The purpose of this report 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 June 30th, the hedge program realized net gains of \$552,354.14 for the time period July, 2020 through June, 2021.
- Additionally, the hedge currently reflects unrealized gains of \$1,345,587.60 (+\$0.28/gallon on all gallons through December 2022). This assumes projected consumption of 266,666 gallons per month through December 2022.
- Approximately 71.75% (65.69% after tax) of the anticipated fuel usage through December 2022 is hedged at an average price of \$1.75/gallon, excluding taxes and fees (\$2.33 with tax and fees) (versus a currently planned budget estimate of \$2.45/gallon, excluding taxes and fees) based on a 70 train/day schedule.
- The remaining un-hedged gallons through December 2022 have a projected cost of \$2.14/gallon as of 06/30/2021 excluding taxes and fees (\$2.76 with tax and fees).
- Weighted average projected cost of all gallons through December 2022 net of hedging excluding taxes and fees is \$1.88/gallon and including taxes and fees is \$2.48/gallon as of 06/30/2021.

Prepared by: Jayden Sangha Acting Director, Treasury

650-508-6405