

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

**MINUTES OF DECEMBER 23, 2019**

**MEMBERS PRESENT:** D. Davis (Chair), R. Collins, S. Walton

**MEMBERS ABSENT:** None

**STAFF PRESENT:** D. Hansel, S. van Hoften, G. Martinez, A. Chan, P. Skinner,  
C. Boland, J. Brook

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

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

**2. ROLL CALL**

Assistant JPB Secretary Jean Brook called the roll and confirmed a quorum was present.

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

None.

**4. APPROVAL OF MEETING MINUTES OF SEPTEMBER 23, 2019**

Motion/Second: Walton/Collins

Ayes: Collins, Walton, Davis

Noes: None

Absent: None

**5. APPROVE 2020 COMMITTEE MEETING CALENDAR**

Chair Davis confirmed Committee members' availability to attend the May 2020 Finance Committee meeting, given the meeting would be held on the Tuesday following Memorial Day. Chair Davis noted her inability to attend the July 27, 2020 meeting and Derek Hansel, Chief Financial Officer, noted that he would not be in attendance at the January 27, 2020 meeting due to a scheduling conflict.

Motion/Second: Collins/Walton

Ayes: Collins, Walton, Davis

Noes: None

Absent: None

**6. ACCEPT STATEMENT OF REVENUES AND EXPENDITURES FOR SEPTEMBER, OCTOBER, AND NOVEMBER 2019**

Chair Davis invited public comment.

Public Comment:

Roland Lebrun, San Jose, inquired about the reporting timeframe of revenues and expenditures. He stated revenues and expenses had increased but ridership was down. Mr. Lebrun requested an update on the contract with Transit America Services, Inc.

In response to Chair Davis' question regarding the timing of the financials, Mr. Hansel responded that the months of February and April are purposefully chosen due to the timing of data available within the fiscal year, which begins on July 1. He noted that those months' financials provide a more accurate condition of the agency and that they provide a precursor to the budgeting process itself.

Chair Davis commented on the format of the monthly financials. She suggested adding two columns to the report; "Current Month" and "Year to Date." She noted lower expenditures in the categories of facilities and equipment maintenance and marketing, and discussed aspects of investment reporting. Mr. Hansel responded to the reasoning behind the lower expenditures and the investments.

Director Shamann Walton asked how claims are budgeted. Mr. Hansel explained that as claims are settled or dismissed, the agency's reserves were concurrently released. Shayna van Hoffen, Legal Counsel, discussed the balance of liability between the service provider, TASI, and Caltrain as an agency.

Motion/Second: Walton/Collins

Ayes: Collins, Walton, Davis

Noes: None

Absent: None

**7. AUTHORIZE RECEIPT OF STATE RAIL ASSISTANCE PROGRAM FUNDS**

Peter Skinner, Manager, Grants and Fund Programming, stated the action would allow the Executive Director to submit a project application for \$8 million in State Rail Assistance funding to be used for a portion of the \$38.6 million local match requirement for the Peninsula Corridor Electrification Enhancement project. He noted that the additional grant funding would allow for a seventh car to be added to the existing six-car train sets currently in production and allow for three additional seven-car train sets.

Committee members requested clarification on the total number of electric multiple units that were expected following award of grant money. Mr. Hansel confirmed that with the addition of 37 additional electric multiple units, it would allow the current 16 six-car sets/units to be converted into 19 seven-car sets. The grant funding process was discussed and how the draw-down funding method is utilized.

Public Comment:

Roland Lebrun, San Jose, discussed a discrepancy between a staff report and the overhead presentation on the South San Francisco station improvement project.

Motion/Second: Collins/Walton

Ayes: Collins, Walton, Davis

Absent: None

**8. ACCEPT THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Mr. Hansel stated that the FY 2019 Comprehensive Annual Financial Report (CAFR) was accepted at the December 5 Board meeting.

Public Comment:

Roland Lebrun, San Jose, discussed the purchase of a building at 4000 Campbell Avenue, Menlo Park and inquired about the price of \$20 million.

Through the Chair, Mr. Hansel responded that one building in Menlo Park was purchased from proceeds of bonds and 4000 Campbell; Menlo Park would close in early 2020, totaling \$20 million.

Chair Dev Davis inquired about how trackage rights are valued and booked and inquired whether they should be reviewed every few years to be revalued. Mr. Hansel responded that public agencies' property values are not reviewed nor revalued at any time. Grace Martinez, Director of Accounting, confirmed that Generally Accepted Accounting Principles do not allow for revaluing public property and that the booked amounts remain at their historical levels, unless the property is depreciating.

**9. COMMITTEE MEMBER REQUESTS**

None.

**10. DATE/TIME OF NEXT REGULAR FINANCE COMMITTEE MEETING**

Chair Davis announced the time and location of the next meeting; Monday, January 27, 2020 at 2:30 pm, San Mateo County Transit District, second floor auditorium, 1250 San Carlos Avenue, San Carlos, CA.

**11. ADJOURN**

The meeting was adjourned at 3:13 pm.

An audio/video recording of this meeting is available online at [www.caltrain.com](http://www.caltrain.com). Questions may be referred to the Board Secretary's office by phone at 650.508.6279 or by email to [board@caltrain.com](mailto:board@caltrain.com).