AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD

Board of Directors Meeting

February 01, 2024, 9:00 am

Bacciocco Auditorium, 2nd Floor
1250 San Carlos Ave., San Carlos, CA

Members of the public may participate remotely via Zoom at https://us06web.zoom.us/j/87581188408?pwd=OFNUYTfDExiOXRkR2tQOENXQUuhUT09 or by entering Webinar ID: 875 8118 8408, Passcode: 033088 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 https://www.caltrain.com/video-board-directors

Members of the public also may participate in person at: San Mateo County Transit District, Bacciocco Auditorium - Second Floor, 1250 San Carlos Ave., San Carlos, CA, or any other noticed location.

Public Comments: 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: https://www.caltrain.com/about-caltrain/meetings.

Verbal public comments will also be accepted during the meeting in person and through Zoom* or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Participants using Zoom over the Internet should use the Raise Hand feature to request to speak. For 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 Hand feature for public comment. Each commenter will be recognized to speak, and callers should dial *6 to unmute themselves when recognized to speak.

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.
Each public comment is limited to two minutes. The Board Chair has 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.

February 01, 2024 - Thursday 9:00 am

All items to which Government Code section 84308 applies have been marked with an asterisk. A double asterisk indicates that one or more Directors of the JPB serve on the governing board of a public agency with which the JPB proposes to contract. Under Government code section 1091(a)(9), this relationship is considered to be a noninterest but it must be disclosed.

PART I OF MEETING (CALL TO ORDER): 9:00 am

1. Call to Order / Pledge of Allegiance

2. Roll Call

3. Consideration of requests, if any, of Directors to participate remotely due to Emergency Circumstances

4. Report of the Nominating Committee – Election of Officers for 2024 (Verbal)

PART II OF MEETING (CLOSED SESSION): 9:05 am estimated

5. Closed Session: Conference with Real Property Negotiator (Gov. Code § 54956.8)
   [Description of property: strip of land west of rail corridor from 20th Avenue to south of 25th Avenue, San Mateo, CA; Agency Negotiator: Nadine Fogarty; Negotiating parties: SMCTA; Matter under negotiation: price and term of payment] **

6. Closed Session: Conference with Legal Counsel – Pending Litigation (§ 54956.9(d)(1))[Williams v. Peninsula Corridor Joint Powers Board, San Mateo County Superior Court, Case No. 22-CIV-03763]

PART III OF MEETING (REGULAR SESSION): 10:05 am estimated

7. General Counsel Report – Report Out from Above Closed Session (Verbal)

8. Public Comment for 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.

9. Report of the Executive Director Informational
10. Consent Calendar
Members of the Board may request that an item under the Consent Calendar be considered separately.

10.a. Meeting Minutes of January 4, 2024  
10.b. Appointment of the Citizens Advisory Committee Representative and Alternate

Approved by the Finance Committee

10.c. Accept Statement of Revenues and Expenses for the Period Ending December 31, 2023  
10.d. Renew Findings of an Emergency Regarding the North Channel Embankment of the San Francisquito Creek Bridge Due to Erosion Pursuant to Public Contract Code §22050*  
10.e. Amend Statement of Investment Policy and Delegate Investment Authority for Fiscal Years 2024 and 2025
10.f. Update Regarding SamTrans Purchase of a New Headquarters Building and Recommended Next Steps for Caltrain

Approved by the Advocacy and Major Projects Committee

10.g. State and Federal Legislative Update and Approval of Legislative Proposal: Support AB 817 (Pacheco)

11. Resolution Honoring African American History Month  
13. Receive Update on Caltrain's Strategic Financial Plan and Fiscal Cliff Projections
14. Adopt Caltrain Energy Policy

15. Reports (Verbal)

15.a. Report of the Citizens Advisory Committee  
15.b. Report of the Chair  
15.b.i. Resolution of Appreciation for Director Jeff Gee
15.c. Report of the Local Policy Maker Group (LPMG)  
Informational

Informational

16. Correspondence

17. Board Member Requests

18. Date/Time of Next Regular Meeting: Thursday, March 7, 2024 at 9:00 am.  
The meeting will be accessible via Zoom and in person at the San Mateo County Transit District, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA.

19. 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 TOPS and AMP Committee: Two Wednesdays before the Board meeting, 1:30 pm and 3:30 pm respectively. The 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
Members of the Public may attend this meeting in person or remotely via Zoom. *Should Zoom not be operational, please check online at https://www.caltrain.com/about-caltrain/meetings for any updates or further instruction.

Public Comment*
Members of the public are encouraged to participate remotely or in person. Public comments may be submitted by comment card in person and given to the JPB Secretary. Prior to the meeting’s call to order, public comment may be sent to publiccomment@caltrain.com 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: https://www.caltrain.com/about-caltrain/meetings.

Oral public comments will also be accepted during the meeting in person or through Zoom or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. 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 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 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 is 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.
Executive Director’s Monthly Report: January 2024

Executive Director Michelle Bouchard

Report prepared for February Board meeting; data current through December 2023.
Who We Are and What We Do

Caltrain Mission: Caltrain is a customer-focused rail system offering safe, reliable, accessible, and sustainable transportation service that enhances quality of life for all.

Caltrain Vision: To be a vital link in the statewide rail network by improving connectivity to other transit systems, contributing to the region’s economic vitality, and partnering with local communities to ensure that diverse constituencies receive a world-class travel experience.
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<tr>
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<td>Communications and Marketing</td>
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<tr>
<td>Capital Projects Update</td>
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Safety Updates – Injuries and Incidents

Reportable Injury Trends

Reportable Injury Rates (RIR) are based on the number of railroad worker on duty injuries and illnesses per 200,000 employee-hours annually (equivalent of 100 full time employees). The national average RIR is 3.0 across all industries, per the U.S. Bureau of Labor Statistics. Caltrain’s cumulative RIR for calendar year 2023 is 3.24.

Strains or sprains constitute the majority (53%) of reportable injuries for Caltrain’s operator.

Reportable Rail Equipment Incidents

Reportable railroad accidents/incidents are divided into three groups: (1) Highway-Rail Grade Crossing; (2) Rail Equipment; (3) Death, Injury and Occupational Illness.

Reportable Rail Equipment Incidents from recent years peaked in 2022. There were no reportable incidents in 2023.

Days without a Reportable Injury as of 1/9/2024

<table>
<thead>
<tr>
<th>Department</th>
<th>Days Without Injury</th>
<th>Date of Last Injury</th>
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</thead>
<tbody>
<tr>
<td>Operations</td>
<td>67</td>
<td>11/3/2023</td>
</tr>
<tr>
<td>Maintenance of Equipment</td>
<td>64</td>
<td>11/6/2023</td>
</tr>
<tr>
<td>Maintenance of Way</td>
<td>36</td>
<td>12/4/2023</td>
</tr>
<tr>
<td>Other</td>
<td>1,322</td>
<td>5/27/2020</td>
</tr>
</tbody>
</table>
Safety Culture Engagement Efforts

Ongoing Safety Culture Transformation

• Caltrain recently onboarded a new cohort of Safety Champion volunteers to partner with the Safety Department and executives on the Safety Culture Steering Committee to promote, improve, and sustain a proactive safety culture. Safety Champions help create safety messaging, encourage safety concern reporting, model safe behaviors, and obtain feedback from peers.

• Chief Safety Officer issues regular correspondence to Caltrain employees about the importance of continuing to put Safety First and Always. Recent messages covered topics such as learning culture and safety moments.

• Caltrain recently launched a “Safety Leaders of the Quarter” recognition program to acknowledge and celebrate employees who are actively contributing to a positive safety culture. The inaugural Safety Leaders were recognized at Caltrain’s most recent All Hands Meeting.

Recent Engagement Activities

• Attended APTA Mid-Year Safety and Risk Seminar

• Participated in Commuter Rail Safety Committee – presented Caltrain efforts on Roadway Worker Protection, Safety Culture and Grade Crossings

• Meeting with City of Palo Alto to discuss fencing, Churchill Grade Crossing, and Project Safety Net

• Scheduling meetings regarding Burlingame – Broadway Crossing
Security Update

The San Mateo County Sheriff’s Office Transit Police Bureau is Caltrain’s contracted law enforcement provider. The bureau is responsible for policing all Caltrain rail equipment, stations, right-of-ways and facilities throughout San Francisco, San Mateo, and Santa Clara counties.

Average response times for all service calls is approximately 20 minutes and 45 seconds. During rush hour, and depending on the location of the call, response times can often double to more than 40 minutes.

Calls for Service by County – December 2023

Call Volume Categorized by Issue Type – December 2023

Ongoing Caltrain Activities:
- Current CCTV Health Assessment Underway – Diridon, SFK, CEMOF
- Camera Towers arriving for EMU Security
- Security Gate scheduled for installation at 5th and Townsend on January 19th
Performance at a Glance

On-Time Performance
Percentage of trains arriving within six minutes of the scheduled time

- Dec-23: 90%
- 12-Month Average: 88%

Average Daily Ridership
Average estimated weekday ridership

- Dec-23: 17,383
- 12-Month Average: 18,906

Farebox Recovery Ratio
Ratio of fare revenue to operating costs

- Dec-23: 0.26
- 12-Month Average: 0.25

Mean Distance Between Failures
Average miles travelled by locomotives before maintenance/repair is required

- Dec-23: 39,885
- 12-Month Average: 6,460
On-Time Performance

Performance This Month (Dec-23)

Trains are considered on-time if they arrive within six minutes of the scheduled arrival time at end-line locations (i.e. San Francisco, San Jose Diridon, Tamien, and Gilroy).

The on-time performance (OTP) goal for Caltrain is 95 percent. Combined OTP for the month of December was 90%.

Note that weekend OTP includes holidays.

Monthly On-Time Performance in the Past Year
Delays and Cancellations

Trains are considered late if they arrive at their end-line destination six minutes or more after the scheduled time. Average Minutes Late represents the average difference in actual arrival time from the scheduled arrival time for late trains. Cancelled Trains includes trains forced to terminate mid-run, as well as those that are annulled before they begin to operate.

<table>
<thead>
<tr>
<th>Reason</th>
<th>Oct-23</th>
<th>Nov-23</th>
<th>Dec-23</th>
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<tr>
<td>Number of Late Trains</td>
<td>266</td>
<td>316</td>
<td>238</td>
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<tr>
<td>Average Minutes Late for Late Trains</td>
<td>17</td>
<td>21</td>
<td>29</td>
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<tr>
<td>Number of Cancelled Trains</td>
<td>12</td>
<td>44</td>
<td>11</td>
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</tbody>
</table>

Note: “Other” includes special events and track defects.
Ridership and Revenue

Average Daily Ridership (Dec-23)

Average weekday ridership (AWR) increased by approximately 39 percent compared to the same month in the prior year as riders continue to return to the Caltrain system for increased work and leisure travel.

April 2020 through October 2023: Due to pandemic-induced changes in travel patterns, ridership estimates were calculated using a combination of Clipper tap data and limited conductor counts.

November 2023 on: Caltrain implemented a ridership estimation model that is based entirely on fare media sales data.
Ridership and Revenue

Average Weekday Ridership & 13 Month Moving Average
Fiscal Year 2022 to Present

<table>
<thead>
<tr>
<th>Month</th>
<th>Average Weekday Ridership</th>
<th>13 Month Moving Average</th>
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<tbody>
<tr>
<td>Jul-21</td>
<td>8,721</td>
<td>9,096</td>
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<tr>
<td>Aug-21</td>
<td>9,096</td>
<td>11,673</td>
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<tr>
<td>Sep-21</td>
<td>11,881</td>
<td>11,787</td>
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<tr>
<td>Oct-21</td>
<td>11,673</td>
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<tr>
<td>Nov-21</td>
<td>9,044</td>
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<td>Dec-21</td>
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<td>15,451</td>
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<td>Jan-22</td>
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<td>15,575</td>
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<td>Feb-22</td>
<td>15,575</td>
<td>18,187</td>
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<td>Mar-22</td>
<td>18,187</td>
<td>18,598</td>
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<td>Apr-22</td>
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<td>18,696</td>
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<td>May-22</td>
<td>18,696</td>
<td>16,429</td>
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<td>Jun-22</td>
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<td>Jun-23</td>
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<td>18,425</td>
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Year Over Year AWR Increase: 39%
(December 2023 vs. December 2022)
Ridership and Revenue

Special Service Ridership Report

San Francisco Station
• Golden State Warriors
  o Six regular season home games in December with post-game ridership boarding at San Francisco station of 2,803.
  o Year-to-date ridership boarding at San Francisco station was 8,025, an 11% decrease compared to 2022 (8,980) and a 61% decrease compared to 2019 (20,489).
• New Year’s Eve Fireworks
  o Total ridership boarding and alighting at San Francisco station was 5,160, a 78% increase compared to 2022 (2,898) and a 42% decrease compared to 2019 (20,489).
  o Additional Service: two northbound Local pre-fireworks and three southbound Local post-fireworks trains

Mountain View Station
• San Francisco 49ers
  o Two regular season home games in December with ridership of 2,232.
  o Year-to-date ridership at Mountain View Station is 8,699, a 3% increase compared to 2022 (8,479) and a 47% decrease compared to 2019 (16,353)

San Jose Diridon Station
• San Jose Sharks
  o Four regular season home games in December with post-game ridership boarding at San Jose Diridon station of 978.
  o Year-to-date post-game ridership is 3,806, a 101% increase compared to 2022 (1,891) and a 10% decrease compared to 2019 (4,211).

* Methodology Change: Prior to November 2023, special event ridership was reported in terms of “additional riders.” With the rollout of a new fare media sales-based estimation methodology, special event ridership is now reported in terms of total (gross) ridership on trains before and/or after special events. Gross ridership estimates are available for special events for which additional ridership was previously reported.
Public Transit Ridership Recovery in the Bay Area

The below chart represents total monthly ridership as a percentage of baseline (defined as total monthly ridership reported in February 2020).

**Total Monthly Ridership as a Share of Pre-Pandemic Levels**

**Sources:**
- Starting in November 2023, Caltrain ridership estimates use a fare media sales-based model. Prior to then, Caltrain ridership estimates were based on a combination of conductor counts & Clipper data.
- Ridership data for all other agencies retrieved from the National Transit Database.

**Total Monthly Ridership Estimates (in thousands)**

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<td>13,629</td>
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<td>55</td>
<td>63</td>
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</table>
Ridership and Revenue

Monthly BART Transfers at Millbrae in the Past Year

BART Transfers at Millbrae represents the total number of BART-to-Caltrain and Caltrain-to-BART transfers, as measured by Clipper Card data.

Pre-COVID data is provided for comparison purposes and represents average monthly transfers during the one-year period from March 2019 to February 2020.
Ridership and Revenue

Total Fare Revenues ($M) - Past 3 Months Comparison

Fare revenue comes in the form of one-way tickets, daily or monthly passes ("Caltrain Fares"), and the Go Pass program.

Fare revenue is generally more stable than ridership due to many riders paying for monthly passes, which provide consistent revenue regardless of usage.

Farebox Recovery Ratio represents how much of the cost of providing service is covered by customer fares. A higher ratio indicates that a greater share of costs are covered by riders.

Item #9. 2/1/2024
Ridership and Revenue

Advertising Revenue (3-Month Rolling Average)

- Advertising Revenue declined substantially for transit agencies throughout the country with the onset of the COVID-19 pandemic.

Parking Revenue (3-Month Rolling Average)

- Parking Revenue is generated by purchases of daily and monthly parking permits for parking at Caltrain-owned lots.
**Maintenance Performance**

**Mean Distance Between Failure (Locomotives)**

Mean Distance Between Failure (MBDF) is a measure of fleet reliability that represents the average distance traveled by train cars before maintenance or repair is required. A higher value indicates an improvement in reliability. Data is measured in miles.

The graph to the left represents MDBF for all passenger locomotives in Caltrain’s fleet.

Note: December 2023 MDBF data still under review.

**Equipment in Maintenance/Repair**

Equipment in Maintenance/Repair represents the number of locomotives and cars that are out of service on an average day each month due to routine and preventative maintenance or other repairs.
Maintenance Performance

Equipment Availability is the number of cars or locomotives available for service on an average day each month as a percentage of the daily equipment required to run base service.

Caltrain currently owns 29 passenger locomotives, with 18 required daily; 36 cab cars, with 21 required daily; and 98 trailer cars, with 69 required daily.

The high average age of Caltrain's current fleet, with around two-thirds being at the end of its useful life, significantly affects availability.

Note: The dotted red line (-----) on each graph represents the target line (i.e., the percentage of each equipment type required to run base service on an average weekday).
Service and Program Updates

Caltrain Celebrates 160 Years of Rail Service from San Francisco to San Jose

January 2024 marks the 160th anniversary of the beginning of San Francisco-San Jose passenger rail service, which began on January 16, 1864.

The creation of this rail corridor, which has been in constant use for the past 160 years, was central to the development of the San Francisco Peninsula and South Bay. Most of the cities that can be found along the corridor built their downtowns around the railroad, allowing communities to form and grow together. Easily accessible transportation led to economic prosperity and development, as trains could move far more people and goods than stagecoaches traveling on dirt roads, which would take between eight hours and three days depending on weather.

The idea of creating a rail line between the two cities first came about in 1851, while San Jose was still capital of California. After three failed attempts to obtain funding, the San Francisco and San Jose Railroad incorporated in 1860. Construction began in May 1861 at San Francisquito Creek, and regular service from San Francisco to Mayfield (now the California Avenue Station) began in October 1863, with San Jose-bound passengers transferring to a stagecoach for the remainder of their journey. In 1864, the line was completed.

There has been much talk of history as Caltrain’s historic Electrification Project, the first undertaking in North America in a generation in which diesel trains and their infrastructure components are transitioned to an electrified system, approaches completion later this year. Electrification means faster and more frequent service, including doubling the frequency on weekends. The passenger experience will be greatly improved as well with the new trains featuring Wi-Fi, power outlets at every seat, onboard displays with digital trip information and increased storage capacities. In the spring, Caltrain will have its third public Electric Train tour and will also combine the tour with a celebration of Caltrain’s 160th anniversary.
Communications and Marketing Update

Caltrain Communications and Marketing Campaigns for November 2023

Press Releases
- "Caltrain Offers Free New Year’s Eve Service, Additional Trains for the Fireworks in San Francisco"
- "Caltrain Releases Year in Review"
- "Caltrain Operates Weekend Schedule for Christmas Eve & Christmas Day"
- "Caltrain Temporarily Suspends Train Service Between San Jose Diridon and Tamien Stations to Expedite Electrification Project"
- "Caltrain Announces Exciting New Electrification Service Schedule and Amenities for Riders"

Ongoing Campaigns
- Caltrain Fare Promotions, 50% Off Parking
- Clipper Mobile
- 20% Off Caltrain Monthly Pass
- Clipper Start

Digital Communications Report

Weekend closures were suspended for the rest of the year with the exception of a bus bridge between San Jose Diridon and Tamien the weekend of December 16th. There will be additional closures in early 2024 as we finish testing for Caltrain Electrification, with weekend closures resuming in early Spring.

As social platforms continue to change the communication team along with operations is working to build a better connection with riders with the help of a third-party source.

Weekly the digital team is highlighting historical facts and photos from the past to share with riders on social platforms. Leading up to the 160th anniversary on January 16th.

Another successful Holiday Train took place the first weekend of December bringing large crowds to some new stops this year.
Communications and Marketing Update

December Digital Marketing Highlights

- Weekly “Throwback” post leading to 160th celebration of train service along the Peninsula
- Continued discount fare promotion
- Holiday Train
- New Trains, Faster Experience
- Holiday Travel
- Retirement of Mr. Jim Riche – Engineer
- Free New Years Eve Service
### Capital Projects Update

**Project: Guadalupe River Bridge Replacement**

#### Project Description

JPB will replace the MT-1 railroad bridge and extend and seismically retrofit the MT-2 railroad bridge over the Guadalupe River in the City of San Jose, Santa Clara County, California. The project is located just north of Willow Street and east of State Route (SR) 87 between the Tamien and San Jose Diridon stations.

#### Status Summary

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<thead>
<tr>
<th>Safety</th>
<th>Schedule</th>
<th>Budget</th>
<th>Funding</th>
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#### Project Phase: 6 – Construction/Implementation

#### Project Costs (in thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>Current Budget</th>
<th>Committed to Date</th>
<th>Expended + Accruals</th>
<th>Estimated Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Totals</td>
<td>63,699</td>
<td>29,086</td>
<td>23,937</td>
<td>02/16/25</td>
</tr>
<tr>
<td>Percentages</td>
<td>100.00%</td>
<td>45.7%</td>
<td>37.6%</td>
<td></td>
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</table>

#### Project Highlights – Recent and Upcoming Work

Construction activities in the month of December 2023 included progress on the completion of MT2 bridge punch list items, the installation of substantial erosion control best management practices (BMPs), the installation of a bioswale, and preparations for the installation of bird deterrent systems to prevent nesting on the MT1 bridge, which is scheduled to be demolished in mid-2024. The PCEP contractor continues with reinstallation of the OCS system. Third-party fiber optic carriers commenced work on facilities to enable the relocation of fiber optic lines from MT1 to MT2 to enable the demolition of MT1 bridge.

In January 2024, the JPB anticipates the installation of drainage system elements, the continuation of installation of permanent erosion control measures, the completion of MT2 bridge punch list items, the installation of JPB's positive train control cabling, and the continuation of third-party fiber optic utility relocations. A partnering session will be held with the construction contractor in mid-January to promote communication and collaborative planning for the upcoming demolition and reconstruction of the MT1 bridge in 2024.

The "Funding" status light will remain yellow until FY25 funding appropriated by the Board in June 2023 is activated.

**Note:** The Capital Projects information is current as of December 31, 2023, and is subject to change prior to the February 2024 Board meeting.

**Statuses:**

- [ ] – Green
- [ ] – Yellow
- [ ] – Red
Capital Projects Update

### Project: Ticket Vending Machine (TVM) Upgrade

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Status Summary</th>
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<tbody>
<tr>
<td>This project will upgrade the existing TVM Server and retrofit and refurbish existing TVM machines to include functions planned for the Clipper program. The new machines will be able to dispense new Clipper cards (excluding discount Clipper cards that require verification of eligibility) and allow customers to add value to existing Clipper cards. In addition, the scope was increased to include upgrades to the credit card reader and database.</td>
<td>Safety</td>
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### Project Phase: 6 - Construction/Implementation

#### Project Costs (in thousands of dollars)

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<th>Estimated Completion</th>
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<tbody>
<tr>
<td>Totals</td>
<td>3,892</td>
<td>3,822</td>
<td>3,773</td>
<td>01/25/24</td>
</tr>
<tr>
<td>Percentages</td>
<td>100.00%</td>
<td>98.2%</td>
<td>96.9%</td>
<td></td>
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</tbody>
</table>

### Project Highlights – Recent and Upcoming Work

The issue with the new printers was resolved and all the TVM printers in Phase 5 were replaced. All 27 TVMs at the stations for Phase 5 have been upgraded for Clipper and the vendor obtained Substantial Completion for the project.

Receive the spare parts and begin to close out the project.

Schedule: Phase 5 completion date has been extended due to contemplating a change order to reduce the number of TVMs to be upgraded to replace the chips in the TVMs that were upgraded in Phase 2 & 3. Project Manager to seek approval for Gate 6 & 7 at the January 2024 Management Committee meeting.

### Note:

The Capital Projects information is current as of December 31, 2023, and is subject to change prior to the February 2024 Board meeting.

### Statuses:

- ![Green] – Green
- ![Yellow] – Yellow
- ![Red] – Red
# Capital Projects Update

## Project: MP-36 Locomotive Mid-Life Overhaul Project

### Project Description

This project involves performing mid-life overhaul of six MP-36-3C Locomotives. The mid-life overhaul includes complete disassembly of the main diesel engine, overhauling by reconditioning re-usable main frame components and re-assembly with new engine components and replacement of Separate Head-End Power (SEP-HEP) unit and all electrical components of the SEP-HEP compartment. All areas of the locomotive car body, trucks, wheels and electrical components shall be reconditioned to like-new condition or replaced with new material. The project work is occurring off-site at the contractor’s facility location. The 6 locomotives to be overhauled are Locomotive #’s 923, 924, 925, 926, 927 & 928. In order to maintain daily service, only 1 to 2 of these locomotives are released at a time for overhaul work that is expected to take approximately 8 months per locomotive. Due to this restriction, the overall completion of this work is expected to take approximately 4 years.

### Status Summary

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<tr>
<th>Safety</th>
<th>Schedule</th>
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<tr>
<td><img src="true" alt="Green" /></td>
<td><img src="true" alt="Red" /></td>
<td><img src="true" alt="Yellow" /></td>
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### Project Phase: 6 – Construction/Implementation

### Project Costs (in thousands of dollars)

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<tr>
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<th>Estimated Completion</th>
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</thead>
<tbody>
<tr>
<td>Totals</td>
<td>14,833</td>
<td>12,778</td>
<td>9,536</td>
<td>12/30/24</td>
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<tr>
<td>Percentages</td>
<td>100%</td>
<td>86.1%</td>
<td>64.3%</td>
<td></td>
</tr>
</tbody>
</table>

### Project Highlights – Recent and Upcoming Work

- Replaced a failed traction motor on 924 and Alstom will repair under warranty. Authorized final acceptance of 925. Unit 926 shipped from Alstom late December and in non-revenue conditional acceptance testing. Unit 928 shipped from San Jose to overhaul at Alstom.

- The schedule has been delayed due to part availability. Alstom is working with multiple vendors to procure the parts needed.

- A potential budget shortfall has been identified. Team is actively tracking this item and will seek supplemental funding as part of the FY25 budget amendment if needed.

### Note:
The Capital Projects information is current as of December 31, 2023, and is subject to change prior to the February 2024 Board meeting.

### statuses:
- ![Green](true) – Green
- ![Yellow](true) – Yellow
- ![Red](true) – Red
# Capital Projects Update

## Project: Broadband Wireless Communications

### Project Description

The project will design a broadband wireless communications system along the Caltrain corridor for the wayside train maintenance diagnostics and passenger Wi-Fi service. The project will investigate leveraging the existing infrastructure such as the Overhead Contact System (OCS) poles and JPB fiber network to communicate with passing trains. Wayside antennas may be mounted on the OCS poles at a constant interval to communicate with moving trains that will be equipped with radios and antennas.

### Status Summary

<table>
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<tr>
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<tr>
<td>Green</td>
<td>Green</td>
<td>Green</td>
<td>Yellow</td>
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</table>

### Project Phase: 6 – Construction/Implementation

### Project Costs (in thousands of dollars)

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<tr>
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<th>Current Budget</th>
<th>Committed to Date</th>
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<th>Estimated Completion</th>
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<tr>
<td>Totals</td>
<td>30,441</td>
<td>15,420</td>
<td>11,048</td>
<td>9/30/24</td>
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<tr>
<td>Percentages</td>
<td>100.00%</td>
<td>50.7%</td>
<td>36.3%</td>
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</tbody>
</table>

### Project Highlights – Recent and Upcoming Work

December: Stadler discovered some cables were too short and one mounting plate had to be modified during the prototype EMU installation of the Broadband equipment in Salt Lake City. Stadler ordered new cables and the modified mounting plates which should arrive on the first week of January 2024. All the trenching and installing conduits for the wayside radios in Segment 4 was completed except for going underneath the tracks in 1 location. All the trackside radios and antennas were installed at all the locations in Segment 4. Soil sampling was completed for all the segments. Tested the fiber backbone and found several issues with the fiber cables that were assigned to the Broadband project. The project will work with the contractor and Caltrain’s maintenance team to fix these fiber issues together when they are encountered in the field. The Board approved a revised project budget.

The current activated funds are insufficient to cover the entire construction phase. The "Funding" status light will remain yellow until the remaining approved funds are activated.

### Note:

The Capital Projects information is current as of December 31, 2023, and is subject to change prior to the February 2024 Board meeting.

### Statuses:

- Green
- Yellow
- Red
## Capital Projects Update

### Project: Bayshore Station Bridge Painting

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Status Summary</th>
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<tbody>
<tr>
<td>This project will perform rehabilitation of the coatings of the existing steel pedestrian overpass bridge at the Bayshore Station in Brisbane. The bridge’s paint coatings need rehabilitation due to surface rust. This work combined with a complete repainting of the bridge will bring the structure to a state of good repair.</td>
<td>Safety Schedule Budget Funding</td>
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<th>Project Phase: 6 – Construction/Implementation</th>
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<tr>
<th>Project Costs (in thousands of dollars)</th>
<th>Estimated Completion</th>
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</thead>
<tbody>
<tr>
<td>Current Budget</td>
<td>Committed to Date</td>
</tr>
<tr>
<td>Totals</td>
<td>6,870</td>
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<tr>
<td>Percentages</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

### Project Highlights – Recent and Upcoming Work

**December:** Towers were opened to public on August 7th, 2023. Continued completing the final punch list item to replace window trims and panels at East and West Towers.

**January:** Continue to work with Construction Management team in all the administrative work to close out the contract and project. Continue to work with Project Controls team in updating Work Plan to present to Management Committee.

---

**Note:** The Capital Projects information is current as of December 31, 2023, and is subject to change prior to the February 2024 Board meeting.

**Statuses:**
- Green
- Yellow
- Red
# Capital Projects Update

## Project: Watkins Ave Grade Crossing Safety Improvements

### Project Description

The scope intended for this Project would include safety improvements at Watkins Ave include the following:
1. Installation of quad or exit gates
2. Installation of new pedestrian gates
3. Pavement markers and markings
4. Sidewalk improvements including guard railing and fencing
5. Installation of new sidewalk lighting
6. Contribute to the Atherton station site improvements done by the Town of Atherton.

### Status Summary

<table>
<thead>
<tr>
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<th>Funding</th>
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### Project Costs (in thousands of dollars)

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<tbody>
<tr>
<td>Totals</td>
<td>4,161</td>
<td>2,834</td>
<td>2,506</td>
<td>01/25/2024</td>
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<tr>
<td>Percentages</td>
<td>100.00%</td>
<td>68.1%</td>
<td>60.2%</td>
<td></td>
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</tbody>
</table>

### Project Highlights – Recent and Upcoming Work

- **December**: TASI discovered a bad radar detector controller and returned it to the vendor for repair. Received the radar detector controller back and installed it but still did not work. Will need to investigate the problem with the vendor.

- **January**: Correct the radar detector controller issue and cutover the exit gates.

Additional time is needed by the contractor to finish the project because of the delay in receiving the light poles and to complete the punch list. Project Manager to seek approval for Gate 6 & 7 at the January 2024 Management Committee meeting.

### Note:

The Capital Projects information is current as of December 31, 2023, and is subject to change prior to the February 2024 Board meeting.

### Statuses:
- Green
- Yellow
- Red
## Project: San Mateo Grade Crossing Improvements

### Project Description

This project will design and implement safety improvements including quad gates or exit gates at the 4th and 5th Ave grade crossings in San Mateo. This project will make the two grade crossings safer for the train, motorist and pedestrians.

### Status Summary

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<th>Safety</th>
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<th>Budget</th>
<th>Funding</th>
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### Project Phase: 6 – Construction/Implementation

### Project Costs (in thousands of dollars)

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<th>Committed to Date</th>
<th>Expended + Accruals</th>
<th>Estimated Completion</th>
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</thead>
<tbody>
<tr>
<td>Totals</td>
<td>5,471</td>
<td>3,854</td>
<td>716</td>
<td>09/08/2024</td>
</tr>
<tr>
<td>Percentages</td>
<td>100.00%</td>
<td>70.4%</td>
<td>13.1%</td>
<td></td>
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</table>

### Project Highlights – Recent and Upcoming Work

Stacy and Witbeck, Inc work has been suspended during the City of San Mateo Holiday Moratorium which continues until January 1, 2024. Weekly progress meetings are being held as needed during this suspension of work. Resident Engineer, Office Engineer and field inspector continue to support project through the construction management support contract with TRC. PM and Government and Community affairs staff continue to coordinate community outreach efforts between City of San Mateo and JPB. Ongoing bi-weekly progress meetings being held with TASI for signal construction scope.

### Note:
The Capital Projects information is current as of December 31, 2023, and is subject to change prior to the February 2024 Board meeting.

### Statuses:

- 🟢 – Green
- 🟠 – Yellow
- 🔴 – Red
Capital Projects Update

Project: Churchill Avenue Grade Crossing

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<thead>
<tr>
<th>Project Description</th>
<th>Status Summary</th>
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<tr>
<td></td>
<td>Safety</td>
</tr>
<tr>
<td>The scope includes the widening of the sidewalk to accommodate heavy bike and pedestrian traffic from local schools; relocate the pedestrian crossing gates due to the widened sidewalk; install new pavement marking and markers for vehicular traffic at the Churchill Avenue grade crossing in Palo Alto. Implement a total of 17 seconds of advance signal preemption time.</td>
<td>🟢</td>
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</table>

Project Phase: 6 – Construction/Implementation

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<thead>
<tr>
<th>Project Costs (in thousands of dollars)</th>
<th>Estimated Completion</th>
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<tbody>
<tr>
<td>Current Budget</td>
<td>Committed to Date</td>
</tr>
<tr>
<td>Totals</td>
<td>2,520</td>
</tr>
<tr>
<td>Percentages</td>
<td>100.00%</td>
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</tbody>
</table>

Project Highlights – Recent and Upcoming Work

Stacy and Witbeck, Inc. work is currently on hold awaiting completion of City of Palo Alto work that is a predecessor to JPB work. Resident Engineer, Office Engineer and field inspector continue to support project through the construction management support contract with TRC. CM Team is holding weekly progress meetings as needed during this delay. PM and Government and Community affairs staff continue to coordinate community outreach efforts between City of Palo Alto and JPB. Ongoing bi-weekly progress meetings being held with TASI for signal construction scope. PM worked with Caltrans to request funding extension from December 2023 to December of 2024, which has been fully executed.

Stacy and Witbeck, Inc. work is currently on hold awaiting completion of City of Palo Alto work that is a predecessor to JPB work. Work is not likely to resume until March or April 2024, awaiting updates from the City of Palo Alto.

Note: The Capital Projects information is current as of December 31, 2023, and is subject to change prior to the February 2024 Board meeting.

Statuses: 🟢 – Green  🟡 – Yellow  🔴 – Red
Acknowledgements

This report is made possible by contributions from the following groups and individuals.

Caltrain Planning
Dahlia Chazan, Deputy Chief
Ted Burgwyn, Director, Rail Network and Operations Planning

Communications Division
Robert Casumbal, Director, Marketing & Research
Jeremy Lipps, Digital Communications Manager
Julian Jest, Manager, Market Research & Development

Finance Administration
Bruce Thompson, Manager, Fare Program Operations
Don Esse, Senior Operations Financial Analyst
Dapri Hong, Budget Analyst III

Rail Administration / Rail Operations & Maintenance
John Hogan, Chief Operating Officer
Patrice Givens, Administrative Analyst II
Graham Rogers, Business Operations Project Manager
Sam Sargent, Director, Strategy & Policy
Henry Flores, Director, Rail Vehicle Maintenance

Rail Development
Rob Barnard, Deputy Chief
Andy Robbins, Director Capital Program Delivery
Jonathan Tillman, Director Capital Programs Management
Robert Cheung, Project Controls Deputy Director
Sowmya Karipe, Project Controls Specialist

Additional Support
Margie Alexander, TASI
Sarah Doggett, MTC
1. Call to Order/Pledge of Allegiance
   Chair Gee called the meeting to order at 9:01 am and Director Zmuda led the Pledge of Allegiance.

2. Roll Call
   Chair Gee noted that Directors Chavez and Medina attended remotely under AB (Assembly Bill) 2449.

3. Consideration of requests, if any, of Directors to participate remotely due to Emergency Circumstances
   There were none.

4. Public Comment for Items Not on the Agenda
   Jeff Carter, Millbrae, commented on no materials for item 11 in the agenda packet posted online and the Supplemental Reading File was amended without notation identifying what was amended.

5. Report of the Executive Director
   - Launched 2023 year-in-review website page showcasing significant progress made
   - Upcoming events included the third EMU (electric multiple unit) tour in San Mateo County combined with 160th rail service anniversary celebration, and hosting the annual MLK (Martin Luther King) celebration train on January 15th
   - Recognized Jim Richie’s service on the Peninsula for 31 years with Amtrak and then TASI (TransitAmerica) and wished him well in retirement
   - Safety KPIs (key performance indicators) available in the report and continued emphasis on safety first and always
• December 20th MTC’s (Metropolitan Transportation Commission) meeting - heard information and provided direction on language to include in enabling legislation for a potential 2026 regional transportation revenue measure; MTC to take action in January
• Concerned with Senate Bill 397 by Senator Wahab amended to require CalSTA (California State Transportation Agency) to develop a plan to consolidate all regional transit agencies in the Bay Area
• SamTrans announced moving to a new office building in Millbrae located across from the Caltrain station; a group to work with SamTrans on how the decision affects Caltrain

The Board Members had a robust discussion, and staff provided further clarification in response to Board comments and questions, which included the following:
• San Mateo County Sheriffs is the contracted provider of safety and security for our passengers; therefore, they handle most calls. How are calls dealt with when they come from other counties? What is the percentage of calls per county? Staff will look into this and get back to the board
• Potential timing of proposed enabling legislation – MTC action probably in January Legislative Committee and then onto full MTC Board January or February; request to send future link and information on Senator Wahab’s amended bill once it is available
• Ridership levels compared to Bay Area Rapid Transit (BART) and the impact of electrification Ridership graph expressed total monthly ridership, which included weekend shutdowns with no ridership; expecting 20 percent increase as a result of electrification. Weekend shutdowns to occur again in February/March may have negative effect on ridership
• Proposed legislation by MTC

Public comment
Adina Levin, Seamless Bay Area and Friends of Caltrain, commented hoping Bay Area is similar to County-based measures as they have significant community process around measure’s content and policies.

6. Consent Calendar
6.a. Meeting Minutes of December 7, 2023
6.b. Accept Statement of Revenues and Expenses for the Period Ending November 30, 2023
6.c. Renew Findings of an Emergency Regarding the North Channel Embankment of the San Francisquito Creek Bridge Due to Erosion Pursuant to Public Contract Code §22050*
6.e. Amend and Increase the Fiscal Year 2024 Caltrain Capital Budget By $3,250,000 from $517,525,704 to $520,775,704
6.f. Authorization for the Executive Director to Enter into a 3-year Lease with Elevate PropCo IV LLC for Warehouse Space in San Francisco*
6.g. Authorize the Disposition of 34 Gallery Cars and Two Locomotives
6.h. Award of Contracts for On-Call Construction Management Services*
6.i. Award of Contracts for On-Call General Engineering Consultant Design Services*
6.j. Award of Contracts for On-Call Program Management Oversight Services*
6.k. Authorize Execution of Agreement to Receive Section 130 Funding for the Preliminary Engineering of Charleston Road Grade Crossing Improvements*
6.l. Award of Contract for Mini-High Platform Project*
6.m. Authorize Amendment to On-Call Owner’s Representative Electric Multiple Unit (EMU) Rail Vehicle Support Services Contract 14-PCJPB-P-06 for Caltrain Modernization (CalMod)*

Motion/Second: Davis/Zmuda
Ayes: Burt, Chavez, Heminger, Medina, Walton, Zmuda, Davis, Gee
Absent: Mueller
Noes: None

7. Resolution Recognizing National Slavery and Human Trafficking Prevention Month
Tasha Bartholomew, Media Relations Manager, provided the report, which included the following:
- Raise awareness, prevention, and opposition to modern slavery and human trafficking
- 14,500 to 17,500 individuals are trafficked into the United States each year
- Support Assembly Bill (AB) 2034 which required specified businesses and other establishments that operate inner city passenger rail, light rail, or bus stations to provide employee training on how to recognize signs of human trafficking, and report to the appropriate law enforcement agency

Motion/Second: Chavez/Burt
Ayes: Burt, Chavez, Heminger, Medina, Walton, Zmuda, Davis, Gee
Absent: Mueller
Noes: None

Staff provided further clarification in response to Director Chavez’s comments and questions, which included the following:
- Frequency and details on annual TASI training and new training program for all staff
- Future report on posting signage in restrooms and in train cars with contact information for help
- Check on best practices/models, such as with airlines, to determine best practices for rail training and public education

8. Resolution to Commemorate 160 Years of Rail Service on the Corridor
Tasha Bartholomew, Media Relations Manager, provided the report, which included the following:
- Tracks running from San Francisco to San Jose were completed on January 16, 1864
- Cities started developing around rail stops, laying the groundwork for the Peninsula
• Record high with 104 passenger trains every weekday and helping tens of thousands of people get to where they need to go every day
• Future transformation as modern electrified trains will soon become the standard providing clean, comfortable, and convenient service like never before

Motion/Second: Davis/Walton  
Ayes: Burt, Chavez, Heminger, Medina, Walton, Zmuda, Davis, Gee  
Absent: Mueller  
Noes: None

Public comments  
Jeff Carter commented that the State took over management along with the three partner agencies to continue Caltrain running in 1980.  
Adrian Brandt had technical difficulties earlier and commented on item 4 and the need to work harder on solving vehicle incursion problems as they are a significant risk to riders and staff and suggested improved lighting.  
Aleta Dupree commented on experiencing problems with Zoom and supported the resolution.

Pranaya Shrestha, CalMod Chief Officer, provided the presentation that included the following:  
• Balfour Beatty Infrastructure Company (BBI) working towards delivering its contractual milestone requirement - issuing substantial completion on April 1st  
• Live run testing scheduled for March and anticipated weekend shutdowns  
• Significant number of trainings for local emergency responders throughout the corridor  
• BBI focused on short circuit testing and OCS (overhead catenary system); five short circuit testing dates approved by PG &E (Pacific Gas and Electric Corporation) starting in February

Keith McCoy, BBI Project Director, provided the presentation that included the following:  
• On schedule for substantial completion by April 1st  
• 66 percent completed as of yesterday for closeout execution for final acceptance  
• 35 to 45 punch list items completed at night on average  
• Category A – Electrical and Category B - Pantograph must be completed before short circuit testing and sectionalization  
• Weather became a risk so adding it to the plan

The Board Members had a robust discussion, and staff provided further clarification in response to Board comments and questions, which included the following:  
• Clarification on live run testing sections  
• Explanation for shared risk pool for project contingency
• Backend contingency at sectionalization testing and short circuit testing and night and weekend production to help cover weather-related risks
• Redesign of impedance bonds for a permanent solution against theft
• Two-speed check in place that allows grade crossing to function under electrification
• Safety certification process and final check by the safety team to ensure all contractual safety qualities have been met and provide KPIs on quality of work

Public comments
Aleta Dupree expressed appreciation for the reports and charts and commented on weather concerns.

Adrian Brandt commented on the impedance bond issue being on report for months, a potentially sustainable solution is in the works for gate-downed times, and expressed concerns regarding the last four trains to be received at the end of July.

Jeff Carter commented on end-to-end testing whether simulating the proposed schedule during testing or standard end-to-end testing and suggested adding an explanation of acronyms used in the agenda.

Doug Delong commented on utility clearance issues along the corridor as they have to be resolved before energizing wiring in areas.

Jill Gibson, Kimley-Horn, provided the presentation that included the following:
• Developed Crossing Delivery Guide as a result of project delivery opportunities
• Draft sent out to all jurisdictions in late December for feedback
• Two workshops were held - LPMG (Local Policy Makers Group) and CSCG (City/County Staff Coordination Group) in November (takeaways from CSCG were brought to the LPMG)
• Confirmed a strong structure needed to be defined to develop, endorse, and adopt a coordinated delivery approach

Chair Gee invited Director Burt to add comments as Chair of LPMG.

Chair Burt, LPMG, provided a report that included the following:
• The workshop was well received and well attended with cities starting to view themselves as partners through the grade separation initiative
• Funding issues were a good part of the discussion and looking at prioritizing and grouping projects that the FRA (Federal Railroad Administration) and State are more interested in
• Some pushback from some cities that like the concept but do not want interference from seeking their own funding
The Board Members had a robust discussion, and staff provided further clarification in response to Board comments and questions, which included the following:

- Draft strategy will articulate recommendation for tiered approach for crossings
- Project websites list Federal and State funding sources
- Future success of the framework and future advocacy for mega projects will be reliant upon cohesion formed at LPMG
- Notion of one-offs for grade separations must be avoided and built-in tension about prioritization needs to be figured out

**Public comments**

Aleta Dupree commented on enjoying train travels on routes without grade crossings and agreed with reviewing corridor in its entirety.

Adrian Brandt suggested a toolkit on how to implement quiet zones, commented on addressing freight train-oriented maximum grade restrictions at 1 percent and vertical curve lengths, and an exception procedure should be in the document.

Doug Delong commented on Federal and State monies for grade separations, systemic clause slotted under rail funding and not highway funding as grade separations are technically road improvements. Mr. Delong added an addendum to his earlier comment during PCEP update about a vegetation issue at Menlo Park.

*Director Walton left the meeting at 11:05 am*

Jeff Carter commented that grade separations are more road and highway improvements as opposed to transit or rail improvements.

**11. Reports**

11.a. Report of the Citizens Advisory Committee

Brian Shaw, CAC Chair, provided the report that included the following:

- Elected 2024 Chair (Brian Shaw) and Vice Chair (Adrian Brandt)
- Received report on Corridor Crossing Strategy Update
- Suggestions from CAC Members included developing a priority list of individual grade separation projects based on statistics and safety, revisiting maximum grade standards and increase the number of feasible alternatives, providing a list of agencies responsible for funding projects, data should be a standalone component of the study, and Caltrain’s responsibility to evaluate engineering design standards
- Received report on ridership reporting methodology changes
- Barriers for issuing stickers as opposed to using Clipper cards for the Go Pass program
- Dashboard for ridership needs to have the breakdown of tickets sold between zones and point to point data
- Provide data for vehicle incursions in the corridor in comparison to how other commuter rail properties are dealing with similar issues
• Reviewed of the number of grade separations with solar turtles and their impact
• Suggested that staff interview people who had vehicle incursions on the corridor to determine why the incursion occurred
• January meeting will have TOD (transit-oriented development) presentation, an update on the public comment process, and quarterly safety update

11.b. Report of the Chair
   11.b.i. Appointment of Nominating Committee for 2024 Officers
   Chair Gee reported that he, Director Heminger, and Director Chavez served as in Ad Hoc Committee and recommended Director Davis as Chair and Director Heminger as Vice Chair effective February.

   Chair Gee invited Director Davis to report on the meeting with BBI leadership. Director Davis reported meeting with Mr. McCoy and Leo Quinn, BBI CEO, received an update similar to item 9. She noted they were able to reiterate the issues, focus on quality and safety, and the desire to keep on schedule. BBI bringing more resources to address quality issues earlier in the process.

   Director Burt noted it was covered under item 10.

   Chair Gee reported not being awarded funding and the need to recalibrate the work plan to align with the funding available at the next grant cycles.

12. Correspondence – Available online

13. Board Member Requests
   There were none.

14. Date/Time of Next Regular Meeting: Thursday, February 1, 2024 at 9:00 am.

15. Adjourn
   Meeting adjourned at 11:14 am.
Peninsula Corridor Joint Powers Board  
Staff Report  

To: Board of Directors  
Through: Michelle Bouchard, Executive Director  
From: Dora Seamans, JPB Secretary  
Subject: Appointment of the Citizens Advisory Committee Representative and Alternate  

**Purpose and Recommended Action**  
The Board of Directors representing the County of Santa Clara, recommend the following appointments to the Joint Powers Board Citizens Advisory Committee:  
- Patricia Leung as a regular member, representing Santa Clara County, to a regular term ending June 30, 2026  
- David Hernandez as an alternate member, representing Santa Clara County, to a term ending June 30, 2026  

**SIGNIFICANCE**  
The CAC Bylaws state:  
1. Article 1 – Membership, Section 1: As prescribed by the Peninsula Corridor Joint Powers Board (“JPB” or “Board”), the Citizens Advisory Committee (“CAC” or “Committee”) shall consist of nine (9) members, three appointed from each constituent county (San Francisco County, San Mateo County, Santa Clara County). Each county will select its county committee members and the JPB will affirm these appointments. CAC members should reflect the demographics of Caltrain riders. The Citizens Advisory Committee shall act in an advisory capacity to the JPB. Its activities shall include seeking the views of various groups of users and potential users of Caltrain and ancillary transit facilities; develop proposals and recommendations for meeting the needs of the various groups; reviewing and commenting on staff proposals and actions as requested by the JPB; and assisting the JPB in any matter which the Board may deem appropriate.  
2. Article 1 – Membership, Section 2: CAC members shall serve three (3) year terms.  
3. The CAC was established as a JPB advisory group by Resolution No. 1992-28, dated June 3, 1992. The CAC serves as a forum for conveying community information, ideas and comments to the Board. The Board adopted a set of Bylaws under Resolution No. 2002-13, dated May 2, 2002, to formalize the rules of procedure governing the manner in which the CAC functions. The Board amended the Bylaws under Resolution No. 2019-45, dated December 5, 2019, to add one alternate member from each of the Counties to help ensure presence of a quorum in case of periodic CAC member absences and vacancies.  

**Budget Impact**  
There is no impact on the budget.  

Prepared By: Dora Seamans Executive Officer/JPB Secretary 650-508-6242
Peninsula Corridor Joint Powers Board
Staff Report

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
Subject: Accept Statement of Revenues and Expenses for the Period Ending December 31, 2023

Purpose and Recommended Action
Staff proposes that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) accept and enter into the record the Statement of Revenues and Expenses for the Period Ending December 31, 2023.

This staff report provides a brief discussion of significant items and trends on the attached Statement of Revenues and Expenses through December 31, 2023. 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 an easy comparison of year-to-date current actuals to the budget including dollar and percentage variances.

Discussion
Annual Forecast: The annual forecast is currently the same as the budget. The staff has been working on the annual forecast which is expected to be available in a few months.

Year-to-Date Revenues: As of December year-to-date actual, the Grand Total Revenue (page 1, line 17) is $1.4 million lower than the adopted budget. This is primarily driven by the decrease in Measure RR (page 1, line 11), and Other Income (page 1, line 5) which is offset by Rental Income (Page 1, line 4).

Year-to-Date Expenses: As of December year-to-date actual, the Grand Total Expense (page 2, line 51) is $6.4 million lower than the adopted budget. This is primarily driven by the decreases in Rail Operator Service (page 2, line 22), Wages and Benefits (page 2, line 36), Professional Services (page 2, line 39), Other Office Expense (Page 2, line 41), and Facilities and Equipment Maintenance (page 2, line 29) which is partially offset by the increase in Claims, Payments, and Reserves (page 2, line 28).
Budget Impact

There is no budget impact for December 2023.

Prepared By:  

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<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Li Saunders</td>
<td>Accountant II</td>
<td>650.622.7848</td>
</tr>
<tr>
<td>Danny Susantin</td>
<td>Grants &amp; Capital Accounting, Manager</td>
<td>650.622.8073</td>
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</tbody>
</table>
## PENINSULA CORRIDOR JOINT POWERS BOARD
STATEMENT OF REVENUE AND EXPENSE

Fiscal Year 2024
DECEMBER 2023

<table>
<thead>
<tr>
<th></th>
<th>JULY TO DECEMBER</th>
<th></th>
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<th>ANNUAL</th>
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<tr>
<td></td>
<td>CURRENT $</td>
<td>ADOPTED $</td>
<td>% VARIANCE</td>
<td>BUDGET $</td>
<td>FORECAST $</td>
<td>% VARIANCE</td>
<td>BUDGET $</td>
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<td>BUDGET</td>
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<td>BUDGET</td>
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<td>REVENUE</td>
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<tr>
<td>1</td>
<td>Caltrain Fares</td>
<td>14,703,497</td>
<td>14,784,814</td>
<td>(81,317)</td>
<td>(0.6%)</td>
<td>29,936,000</td>
<td>29,936,000</td>
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<tr>
<td>2</td>
<td>Go Pass</td>
<td>8,222,789</td>
<td>8,382,000</td>
<td>(159,211)</td>
<td>(1.9%)</td>
<td>16,764,000</td>
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<tr>
<td>3</td>
<td>Parking Revenue</td>
<td>947,237</td>
<td>952,506</td>
<td>(5,269)</td>
<td>(0.6%)</td>
<td>1,905,015</td>
<td>1,905,015</td>
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<tr>
<td>4</td>
<td>Rental Income</td>
<td>1,052,886</td>
<td>513,246</td>
<td>539,640</td>
<td>105.1%</td>
<td>1,026,489</td>
<td>1,026,489</td>
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<tr>
<td>5</td>
<td>Other Income</td>
<td>2,601,092</td>
<td>3,270,630</td>
<td>(669,538)</td>
<td>(20.5%)</td>
<td>6,541,260</td>
<td>6,541,260</td>
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<tr>
<td>6</td>
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<tr>
<td>7</td>
<td>TOTAL OPERATING REVENUE</td>
<td>27,527,501</td>
<td>27,903,196</td>
<td>(375,695)</td>
<td>(1.3%)</td>
<td>56,172,764</td>
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<td>10</td>
<td>Operating Grants</td>
<td>6,423,365</td>
<td>6,400,470</td>
<td>22,895</td>
<td>0.4%</td>
<td>12,800,936</td>
<td>12,800,936</td>
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<td>11</td>
<td>Measure RR</td>
<td>62,466,255</td>
<td>63,525,000</td>
<td>(1,058,745)</td>
<td>(1.7%)</td>
<td>118,400,000</td>
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<td>12</td>
<td>Member Agency (VTA - Gilroy)</td>
<td>235,000</td>
<td>235,002</td>
<td>(2)</td>
<td>(0.0%)</td>
<td>470,000</td>
<td>470,000</td>
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<tr>
<td>13</td>
<td>LCTOP/SRA</td>
<td>3,454,352</td>
<td>3,454,248</td>
<td>104</td>
<td>0.0%</td>
<td>6,908,503</td>
<td>6,908,503</td>
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<tr>
<td>14</td>
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</tr>
<tr>
<td>15</td>
<td>TOTAL CONTRIBUTED REVENUE</td>
<td>72,578,971</td>
<td>73,614,720</td>
<td>(1,035,749)</td>
<td>(1.4%)</td>
<td>138,579,439</td>
<td>138,579,439</td>
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<td>16</td>
<td></td>
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<tr>
<td>17</td>
<td>GRAND TOTAL REVENUE</td>
<td>100,106,473</td>
<td>101,517,916</td>
<td>(1,411,443)</td>
<td>(1.4%)</td>
<td>194,752,203</td>
<td>194,752,203</td>
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<tr>
<td>18</td>
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</tbody>
</table>
## PENINSULA CORRIDOR JOINT POWERS BOARD
### STATEMENT OF REVENUE AND EXPENSE
#### Fiscal Year 2024
##### DECEMBER 2023

<table>
<thead>
<tr>
<th>EXPENSE</th>
<th>JULY TO DECEMBER</th>
<th>ANNUAL</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>CURRENT ACTUAL</td>
<td>ADOPTED BUDGET</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>DIRECT EXPENSE:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rail Operator Service</td>
<td>49,237,379</td>
<td>53,005,301</td>
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<tr>
<td>Security Services</td>
<td>4,080,435</td>
<td>4,143,017</td>
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<tr>
<td>Shuttle Services</td>
<td>34,338</td>
<td>40,002</td>
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<tr>
<td>Fuel and Lubricants*</td>
<td>7,600,244</td>
<td>7,605,654</td>
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<tr>
<td>Timetables and Tickets</td>
<td>8,103</td>
<td>47,496</td>
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<td>Insurance</td>
<td>5,478,357</td>
<td>5,114,850</td>
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<td>Claims, Payments, and Reserves</td>
<td>2,286,004</td>
<td>660,000</td>
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<td>Facilities and Equipment Maintenance</td>
<td>3,491,005</td>
<td>4,072,782</td>
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<td>Utilities</td>
<td>1,285,870</td>
<td>1,354,452</td>
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<td>Maint &amp; Services-Bldg &amp; Other</td>
<td>476,384</td>
<td>892,302</td>
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<td><strong>TOTAL DIRECT EXPENSE</strong></td>
<td>73,978,118</td>
<td>76,935,856</td>
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<td><strong>ADMINISTRATIVE EXPENSE</strong></td>
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<tr>
<td>Wages and Benefits</td>
<td>7,723,194</td>
<td>9,602,442</td>
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<tr>
<td>Managing Agency Admin OH Cost</td>
<td>1,539,653</td>
<td>1,782,732</td>
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<td>Board of Directors</td>
<td>6,817</td>
<td>31,434</td>
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<td>Professional Services</td>
<td>4,051,107</td>
<td>5,006,386</td>
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<td>Communications and Marketing</td>
<td>161,781</td>
<td>221,364</td>
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<tr>
<td>Other Office Expenses and Services</td>
<td>1,530,772</td>
<td>2,141,500</td>
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<td><strong>TOTAL ADMINISTRATIVE EXPENSE</strong></td>
<td>15,013,324</td>
<td>18,785,858</td>
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<td><strong>TOTAL OPERATING EXPENSE</strong></td>
<td>88,991,442</td>
<td>95,721,714</td>
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<td><strong>GRAND TOTAL EXPENSE</strong></td>
<td>91,159,282</td>
<td>97,569,564</td>
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<tr>
<td>Projected Contribution to Reserve</td>
<td>2,029,548</td>
<td>2,029,548</td>
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<tr>
<td><strong>NET SURPLUS / (DEFICIT)</strong></td>
<td>8,947,191</td>
<td>3,948,142</td>
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<tr>
<td>Reserve, Beginning Balance</td>
<td>26,878,850</td>
<td>26,878,850</td>
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<tr>
<td>Projected Contribution to Reserve</td>
<td>2,029,548</td>
<td>2,029,548</td>
</tr>
<tr>
<td>Reserve, Ending Balance</td>
<td>26,878,850</td>
<td>28,908,398</td>
</tr>
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</table>

* Fuel and Lubricants costs were decreased by a realized gain of $639,093 from the fuel hedge program.
## PENINSULA CORRIDOR JOINT POWERS BOARD

**INVESTMENT PORTFOLIO**

**AS OF DECEMBER 31, 2023**

<table>
<thead>
<tr>
<th>TYPE OF SECURITY</th>
<th>MATURITY DATE</th>
<th>INTEREST RATE</th>
<th>PURCHASE PRICE</th>
<th>MARKET RATE</th>
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<tr>
<td>Local Agency Investment Fund \ (Unrestricted) *</td>
<td>Liquid Cash</td>
<td>3.929%</td>
<td>372,051</td>
<td>372,051</td>
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<tr>
<td>County Pool \ (Unrestricted)</td>
<td>Liquid Cash</td>
<td>3.512%</td>
<td>580,022</td>
<td>580,022</td>
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<tr>
<td>Other \ (Unrestricted)</td>
<td>Liquid Cash</td>
<td>5.060%</td>
<td>21,926,416</td>
<td>21,926,416</td>
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<tr>
<td>Other \ (Restricted) **</td>
<td>Liquid Cash</td>
<td>5.269%</td>
<td>30,779,141</td>
<td>30,779,141</td>
</tr>
</tbody>
</table>

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Interest Earnings for December 2023  $241,366.42
Cumulative Earnings FY2024  $1,277,844.93

* 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.
## Farebox Revenues by Ticket Type

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<tr>
<td>401410 (Clipper)</td>
<td>54,621,910</td>
<td>37,970,696</td>
<td>2,924,987</td>
<td>7,764,755</td>
<td>15,493,238</td>
<td>1,584,242</td>
<td>1,688,849</td>
<td>1,283,054</td>
<td>1,964,018</td>
<td>1,537,081</td>
<td>1,331,257</td>
<td>9,388,501</td>
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<tr>
<td>401420 (Central)</td>
<td>64,908</td>
<td>20,799</td>
<td>309,748</td>
<td>39,911</td>
<td>58,267</td>
<td>1,068</td>
<td>-</td>
<td>7,861</td>
<td>8,407</td>
<td>2,619</td>
<td>251</td>
<td>20,206</td>
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<tr>
<td>401430 (Mobile App)</td>
<td>4,716,955</td>
<td>5,689,776</td>
<td>830,051</td>
<td>2,808,795</td>
<td>3,501,791</td>
<td>289,934</td>
<td>353,887</td>
<td>285,899</td>
<td>332,212</td>
<td>307,863</td>
<td>242,542</td>
<td>1,812,338</td>
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<tr>
<td>401500 (Gilroy)</td>
<td>1,903,341</td>
<td>1,542,171</td>
<td>178,759</td>
<td>449,281</td>
<td>706,203</td>
<td>58,850</td>
<td>58,850</td>
<td>75,084</td>
<td>64,261</td>
<td>64,261</td>
<td>385,568</td>
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<tr>
<td>401700 (Go-Pass)</td>
<td>22,929,136</td>
<td>19,705,372</td>
<td>25,737,533</td>
<td>15,337,175</td>
<td>16,728,021</td>
<td>1,362,537</td>
<td>1,337,709</td>
<td>1,370,632</td>
<td>1,375,408</td>
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<td>FY2020</td>
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<td>FY2022</td>
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Peninsula Corridor Joint Powers Board
Staff Report

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Robert Barnard, Deputy Chief, Caltrain Design and Construction
Subject: Renew Findings of an Emergency Regarding the North Channel Embankment of the San Francisquito Creek Bridge Due to Erosion Pursuant to Public Contract Code §22050

Purpose and Recommended Action
Staff recommends that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB):

1. Renew findings previously adopted by the Board pursuant to California Public Contract Code section 22050(c)(2) (Resolution No. 2023-19) on March 29, 2023, and renewed at its subsequent meetings on May 4, 2023 (Resolution 2023-23), June 1, 2023 (Resolution 2023-38), August 3, 2023 (Resolution 2023-46), September 7, 2023 (Resolution 2023-56), October 5, 2023 (Resolution 2023-62), November 2, 2023 (Resolution 2023-68), December 7, 2023 (Resolution 2023-74) and January 4, 2024 (Resolution 2024-01) that an emergency exists at the north channel embankment of the San Francisquito Creek Bridge due to erosion and scouring caused by winter storms, and that immediate action is necessary to respond to the emergency; and
2. Continue to authorize emergency repairs of the north channel embankment of the San Francisquito Creek Bridge;
3. Continue to delegate authority to approve all plans and/or designs with regard to the emergency repairs to the Executive Director, or designee; and
4. Continue to authorize the Executive Director, or designee, to take all other actions required to respond to said emergency.

Discussion
Background Regarding Previous Findings Authorizing Emergency Repairs: The JPB owns and maintains the San Francisquito Creek Bridge, which is located in Menlo Park and Palo Alto between Control Points Alma (MP 29.98) and Mayfield (MP 33.50). In early January 2023, after a week of heavy rain, Caltrain Engineering staff inspected the Bridge and discovered that storms had eroded the soil on the creek bank supporting the northern abutment of the Bridge. Further
investigation showed that additional erosion resulting from future storms could undermine the abutment, bridge, and tracks.

The JPB has the authority to undertake emergency repairs pursuant to California Public Contract Code section 22050, which requires that the Board, by a four-fifths vote, make findings based on substantial evidence that the emergency will not permit delay resulting from a competitive solicitation of bids, and that action is necessary to respond to the emergency. Public Contract Code section 1102 defines an emergency as “sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.” The Board made these findings at its March 29, 2023, meeting (Resolution 2023-19) and renewed these findings at its subsequent meetings on May 4, 2023 (Resolution 2023-23), June 1, 2023 (Resolution 2023-38), August 3, 2023 (Resolution 2023-46), September 7, 2023 (Resolution 2023-56), October 5, 2023 (Resolution 2023-62), November 2, 2023 (Resolution 2023-68), December 7, 2023 (Resolution 2023-74) and January 4, 2024 (Resolution 2024-01). Section 22050(c) requires the Board to review the emergency action at its next regularly scheduled meeting and at every subsequent regularly scheduled meeting until the action is terminated to determine that there is a need to continue the action.

November 18, 2023, Emergency Declaration: On November 16, 2023, a team of three registered California professional engineers, including a fluvial geomorphologist experienced with the San Francisquito Creek, completed a technical memorandum titled "Overview of Temporary Emergency Stabilization Measures," which stated that, in regard to the creek bank supporting the north abutment of Caltrain’s rail bridge, "the existing bank is likely to erode and would not be stable during/after a large storm event."

On November 18, 2023, the Executive Director issued an emergency declaration, which concluded:

a. The situation at that time necessitated immediate action because anticipated winter storms threatened the integrity of the bridge, creating the potential for a catastrophic failure of the bridge and the subsequent risks to public safety, infrastructure, and the environment; and

b. The dry condition of the creek bed created a narrow window during which the JPB could implement emergency stabilization repairs to ensure the integrity of the bridge without risking the safety of workers or endangering aquatic life; and

c. Given a prediction of severe winter storms and a risk of flash flooding and high creek flows at the San Francisquito Creek, attempting any work during the rainy season would have presented a substantial risk to the safety of workers, threatened endangered species, and increased the risk of a failed stabilization effort and a catastrophic failure of the bridge; and

d. The situation at that time required that Caltrain take action within a time period less than the normal time needed to process regulatory applications under standard procedures.
Based on these findings, the Executive Director declared an emergency situation for the San Francisquito Creek Bridge and directed that all necessary and appropriate actions be taken to address the emergency, including the mobilization of resources and implementation of temporary creek bank stabilization measures.

The temporary stabilization measures have ameliorated the risk of the immediate collapse of the embankment. However, a continued risk to the Bridge exists, especially in light of long-term predictions of a “strong” El Nino winter for 2023-2024. Accordingly, the emergency will persist until permanent repairs can be completed in the Summer of 2024. Under state law, the Board must continue to review the situation at each meeting and renew findings until the emergency is resolved via the implementation of permanent stabilization measures during the dry-creek season in 2024.

**Actions Taken**

To date, JPB staff has:

1. Increased frequency of visual inspections of the Bridge and conducted immediate inspections during and/or after storms.
2. Retained on-call bench consultants (WSP, AECOM, Jacobs, and TRC), to assist the JPB in obtaining the required environmental permits, designing the bank stabilization, estimating the cost of the proposed work, and providing construction management services, respectively.
3. Engaged the U.S. Army Corps of Engineers, the Regional Water Quality Control Board, and the California Department of Fish and Wildlife and submitted all necessary applications for regulatory permits and approvals.
4. Met regularly with the City of Menlo Park, the City of Palo Alto, the San Francisquito Creek Joint Powers Authority, and Stanford University to coordinate the scope of the project and jointly review iterative design updates.
5. Jointly developed 15%, 35%, 65%, and 100% designs for the bank stabilization with input from the City of Menlo Park, City of Palo Alto, and regulatory agencies.
6. Jointly prepared and executed a trilateral project agreement by and between the JPB, the City of Menlo Park, and the City of Palo Alto to memorialize cost sharing arrangements and other responsibilities.
7. Obtained iterative and independent cost estimates from consultants and Walsh Construction to establish clear cost expectations and determine a fair and reasonable not-to-exceed construction budget.
8. Updated the overall project cost to $6.5 million based on recent construction cost estimates and actual costs incurred for design, permitting, and other professional services.
9. Updated the overall project funding plan to align with the cost sharing agreement between JPB, the City of Menlo Park, and City of Palo Alto.
10. Identified the necessary funding sources from other project underruns and contingency for the JPB share of costs and obtained approval from Caltrain’s Management Committee to apply those funds.
11. Awarded a construction contract to Walsh Construction to implement the bank stabilization because Walsh has a crew onsite that specializes in emergency work and because of Walsh’s experience on JPB in-water construction projects, such as the Guadalupe River Bridge Replacement Project.

12. Obtained timely construction permits from the City of Menlo Park, City of Palo Alto, Regional Water Quality Control Board, and California Department of Fish and Wildlife.

13. In accordance with the Executive Director’s November 18, 2023, emergency declaration, JPB staff notified regulatory agencies of the temporary bank stabilization plan and JPB staff’s intent to seek any relevant permits.

14. JPB staff obtained a second encroachment permit from the City of Menlo Park for the implementation of the temporary stabilization measures.

15. JPB staff and Walsh Construction implemented the emergency temporary bank stabilization measures to protect the San Francisquito Creek Bridge from 2023-2024 winter storms which could have otherwise threatened the integrity of the bridge.

Current Status
As of the date of this staff report:

1. An executed trilateral project agreement is in place between the JPB, the City of Menlo Park, and the City of Palo Alto.

2. JPB has 100% final construction drawings and specifications for the permanent bank stabilization design, which has been reviewed by all relevant stakeholders.

3. JPB has a construction contractor, Walsh Construction, under contract to implement the bank stabilization. The contract is based on a time-and-materials approach to compensation and therefore allows flexibility to adapt to changes in scope and schedule.

4. JPB staff has obtained the following permits:
   a. California Department of Fish and Wildlife Streambed Alteration Agreement
   b. Regional Water Quality Control Board Section 401 Water Quality Certification Permit
   c. City of Palo Alto Encroachment Permit for the permanent stabilization project
   d. City of Menlo Park Encroachment Permit for the permanent stabilization project
   e. City of Palo Alto Noise Exception Permit for the permanent stabilization project
   f. City of Menlo Park Heritage Tree Permit
   g. City of Menlo Park Encroachment Permit for the temporary stabilization measures

JPB staff submitted a timely application for a Section 404 permit to the U.S. Army Corps of Engineers. As part of their ongoing review, the U.S. Army Corps of Engineers has determined it is necessary to seek the review of relevant historic preservation issues and approval from the State Historic Preservation Officer prior to issuing the permit. Due to the time needed for this process to be completed, JPB staff did not receive the essential Section 404 permit in time to construct the project before the end of the dry season on October 15, 2023.

5. Temporary stabilization measures are in place to protect Caltrain’s San Francisquito Creek Bridge from 2023-2024 winter storms.
Ongoing and Future Activities
In the months ahead:

1. JPB staff will continue to coordinate closely with the U.S. Army Corps of Engineers to facilitate the issuance of the Section 404 permit for construction of the permanent bank stabilization during the 2024 dry season.
2. JPB staff will continue to monitor conditions around the foundations of the Caltrain rail bridge.
3. JPB staff will update the project cost estimate, schedule, funding plan, and contracts to align with recent implementation of temporary stabilization measures and the planned implementation of permanent stabilization measures in mid-2024.
4. During the 2024 dry season, JPB staff and Walsh Construction will remove the temporary bank stabilization measures and replace them with the permanent bank stabilization measures designed under the joint project between JPB, the City of Menlo Park, and the City of Palo Alto.
5. JPB staff will report regularly to the Board regarding the status of the project.

Budget Impact
The San Francisquito Creek Emergency Bank Stabilization Project has an approved budget of $6,471,067 funded by Capital Contingency Funds, the San Mateo County Transportation Authority (SMCTA), the Cities of Palo Alto and Menlo Park, and project savings from recently completed projects.

Prepared By: Robert Barnard Deputy Chief, Design and Construction 650.508.7783

Mike Boomsma Project Manager 808.208.2355

(00501205)
Resolution No. 2024-

Board of Directors, Peninsula Corridor Joint Powers Board
State of California

*   *   *

Renewing Findings of an Emergency Regarding the North Channel
Embankment of the San Francisquito Creek Bridge Due to Erosion Pursuant to
Public Contract Code §22050

Whereas, the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) previously authorized repair pursuant to California Public Contract Code section 22050 by a four-fifths vote of the Board on March 29, 2023 (Resolution 2023-19), making findings that: there was an emergency to repair the north channel embankment of the San Francisquito Creek Bridge due to erosion that threatened the integrity of the structure supporting the JPB’s tracks; that the emergency did not permit a delay that would have resulted from a formal solicitation for bids; and that action is necessary to respond to the emergency; and

Whereas, Resolution 2023-19 also authorized emergency repairs of the north channel embankment of the San Francisquito Creek Bridge without adopting plans and specifications or giving notice to potential bidders; and

Whereas, California Public Contract Code Section 1102 defines an emergency as a “sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services”; and

Whereas, California Public Contract Code section 22050 authorizes the JPB to repair and take other immediate actions required to address an emergency, and requires that findings based on substantial evidence must be made that the emergency will not permit delay resulting from a
competitive solicitation of bids, and that the action is necessary to respond to the emergency, by a four-fifths vote of the Board; and

Whereas, Resolution 2023-19 delegated to the Executive Director, or designee the authority: to approve all plans and/or designs; to execute a contract with Walsh Construction II, LLC, to undertake emergency repairs of the north channel embankment at the San Francisquito Creek Bridge at a price that staff has determined is fair and reasonable; and to take all other actions required to respond to said emergency, provided that the Executive Director reports such actions to the Board at each monthly Board meeting until the emergency situation is resolved, with a final report to be made at the first Board meeting after the emergency is resolved; and

Whereas, pursuant to Public Contract Code section 22050(c), the Board must review the emergency action at its next regularly scheduled meeting and affirm by the passage of a four-fifths vote at every subsequent regularly scheduled meeting until the action is terminated to determine that there is a need to continue the action; and

Whereas, the Board most recently renewed its findings via Resolution 2024-01 at its January 4, 2024, Board meeting; and

Whereas, following months of heavy rain in January 2023, assessments of the condition of the north embankment supporting the San Francisquito Creek Bridge Main Track 1 (MT-1) and Main Track (MT-2) by the Peninsula Corridor Joint Powers Board (JPB) revealed significant erosion on the slope of the embankment, threatening the integrity of the north approaching track structure; and

Whereas, the JPB consulted with the U.S. Army Corps of Engineers (USACE), the Regional Water Quality Control Board, and the California Department of Fish and Wildlife concerning
environmental permits for restoration activities to preserve the integrity of MT-1 and MT-2 tracks in light of the significant erosion of the northern embankment; and

Whereas, on November 16, 2023, a team of three registered California professional engineers, including a fluvial geomorphologist experienced with the San Francisquito Creek, completed a technical memorandum, which stated that, in regard to the creek bank supporting the north abutment of Caltrain’s rail bridge, "the existing bank is likely to erode and would not be stable during/after a large storm event;"

Whereas, on November 18, 2023, the Executive Director issued an emergency declaration, which concluded:

a. The situation at that time necessitated immediate action because anticipated winter storms threatened the integrity of the bridge, creating the potential for a catastrophic failure of the bridge and the subsequent risks to public safety, infrastructure, and the environment; and

b. The dry condition of the creek bed created a narrow window during which the JPB could implement emergency stabilization repairs to ensure the integrity of the bridge without risking the safety of workers or endangering aquatic life; and

c. Given a prediction of severe winter storms and a risk of flash flooding and high creek flows at the San Francisquito Creek, attempting any work during the rainy season would have presented a substantial risk to the safety of workers, threatened endangered species, and increased the risk of a failed stabilization effort and a catastrophic failure of the bridge; and

d. The situation at that time required that Caltrain take action within a time period less than the normal time needed to process regulatory applications under standard procedures.

Based on these findings, the Executive Director declared an emergency situation for the San Francisquito Creek Bridge and directed that all necessary and appropriate actions be taken to address the emergency, including the mobilization of resources and implementation of temporary creek bank stabilization measures; and

Whereas, the temporary stabilization measures have ameliorated the risk of immediate collapse of the embankment, but these measures were designed to address the immediate risk of
collapse. However, a continued risk to the San Francisquito Creek Bridge exists, especially in light of long-term predictions of a “strong” El Nino winter for 2023-2024. Accordingly, the emergency will persist until the implementation of permanent stabilization measures is completed during the dry-creek season in 2024; and

Whereas, there is a continued and ongoing emergency to repair the north channel embankment of the San Francisquito Creek Bridge due to erosion that threatens the integrity of the structure supporting the JPB’s tracks, and because meteorologists predict a wet winter including storms that could result in additional erosion; and

Whereas, action is necessary to respond to this continued and ongoing emergency to prevent or mitigate loss or damage to life, health, property, or essential public services; and

Whereas, the time required to obtain competitive bids would have unduly delayed the JPB’s ability to make emergency repairs to these essential facilities, and substantial evidence supports the conclusions that the need for emergency actions cannot be delayed, and that the JPB has and must continue to act as expeditiously as possible to repair necessary facilities; and

Whereas, JPB staff have awarded a contract to Walsh Construction, which is also working on the Guadalupe River Bridge project, to undertake emergency repair work; and

Whereas, iterative comparison of independent cost estimates from consultants and Walsh Construction has provided clear cost expectations to assure fair and reasonable pricing.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby:

1. Renews findings from January 4, 2024, that an emergency, as defined by Section 1102 of the California Public Contract Code, exists at the north channel embankment at the San
Francisquito Creek Bridge due to erosion that threatens the integrity of the structure supporting the JPB’s tracks; and

2. Renews findings, based on the substantial evidence presented by staff, that the emergency did not permit a delay that would have resulted from a formal solicitation for bids because the time required to obtain competitive bids would have unduly delayed the JPB’s ability to make emergency repairs to these essential facilities, that action is necessary to respond to the ongoing emergency to prevent or mitigate loss or damage to life, health, property or essential public services, that the need for emergency actions cannot be delayed, and that the JPB has and must continue to act as expeditiously as possible to repair necessary facilities; and

3. Continues to authorize emergency repairs of the north channel embankment at the San Francisquito Creek Bridge without adopting plans and specifications or giving notice to potential bidders; and

4. Continues to delegate to the Executive Director, or designee, the authority: to approve all plans and/or designs; to amend the contract with Walsh Construction, to undertake emergency repairs of the north channel embankment at the San Francisquito Creek Bridge at a price that staff has determined is fair and reasonable; and to take all other actions required to respond to said emergency, provided that the Executive Director reports such actions to the Board at each monthly Board meeting until the emergency situation is resolved, with a final report to be made at the first Board meeting after the emergency is resolved.

**Be It Further Resolved** that the Board of Directors has reviewed the emergency action taken on March 29, 2023, on May 4, 2023, on June 1, 2023, on August 3, 2023, on September 7,
2023, on October 5, 2023, on November 2, 2023, on December 7, 2023, and on January 4, 2024, to remediate emergency conditions at the embankment of the San Francisquito Bridge, and will continue to conduct such a review at every subsequent regularly scheduled meeting until the action is terminated to determine that there is a need to continue the action by a four-fifths vote pursuant to Public Contract Code section 22050(c).

Regularly passed and adopted this 1st day of February, 2024 by the following vote:

Ayes:

Noes:

Absent:

_________________________________________
Chair, Peninsula Corridor Joint Powers Board

Attest:

__________________________
JPB Secretary
(00501203)
Purpose and Recommended Action

Staff proposes that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB):

1. Amend the JPB’s Statement of Investment Policy to align with current state law, including Government Code Section 53601. This Investment Policy provides guidelines for the investment of JPB’s funds and includes delegations of authority to invest such funds; and
2. Delegate investment authority to the Executive Director, or designee, for Fiscal Years 2024-2025.

Discussion

The JPB’s investments are made in accordance with sound treasury management practices and in compliance with the objectives of safety, liquidity, and yield, in that order of priority. The Executive Director, or designee, serves as the JPB’s trustee for purposes of placing investments pursuant to the Investment Policy. The Board of Directors, in accordance with Government Code Sections 53607 and 53646(a), may review the Investment Policy and reauthorize the included delegations of authority on an annual basis at a public meeting. The proposed action will:

- Amend the Investment Policy to align the delegation of investment authority with Government Code Section 53607;
- Amend the Investment Policy to align with the increase, from 30 to 45 days, allowed for quarterly investment reporting to be made to the Board, per updates to Government Code Section 53646;
- Amend the Investment Policy's section on Maturity to note that while state law allows for investment in Federal and Federal Agency Securities with a maturity of up to 15 years, not more than 30% of the portfolio will be invested in securities with a maturity of more than five years;
• Add language to reflect an amendment to Government Code section 53601(o), which took effect on January 1, 2024 and which clarified that mortgage and lease backed securities issued by the federal government or its agencies are not subject to the AA minimum rating imposed on non-governmental issued securities;

• Update the language pertaining to realized losses to denote that incurring losses in rebalancing the portfolio to increase overall earnings is permitted; and

• Update the table of authorized investments to denote that Shares of Beneficial Interest issued by diversified management companies must maintain the highest rating issued by at least two Nationally Recognized Statistical Rating Organizations (NRSRO’s).

**Budget Impact**
There is no impact on the budget.

Prepared By:  
Kevin Beltz  
Manager, Debt and Investment  
650-508-6405

Connie Mobley-Ritter  
Director, Treasury  
650-508-7765
I. PURPOSE

This Statement of Investment Policy (Investment Policy) sets forth the investment guidelines for the prudent investment and cash management of the Peninsula Corridor Joint Powers Board’s (PCJPB) funds. It is the goal of this Investment Policy to establish investment objectives in accordance with the provisions of the California Government Code, Section 53600 et seq. (hereafter “Code”), and investment guidelines to ensure that the funds under its purview are prudently invested to preserve capital, provide necessary liquidity, and achieve a market-average rate of return over an economic cycle consistent with the PCJPB’s goals of preserving principal and minimizing the risk of diminishing the principal.

Investments may only be made as authorized by this Investment Policy, and subsequent revisions. This Statement of Investment Policy may be reviewed annually by the PCJPB’s Board of Directors at a public meeting. (California Government Code Section 53646(a)). Irrespective of these policy provisions, should the provisions of the Code be, or become, more restrictive than those contained herein, then such provisions will be considered immediately incorporated into this Statement of Investment Policy.

II. OBJECTIVE

The PCJPB’s cash management system is designed to monitor and forecast accurately, expenditures and revenues, thus enabling the PCJPB to invest funds to the fullest extent possible. Idle funds of the PCJPB shall be invested in accordance with sound treasury management and in accordance with the provisions of the Code and this Investment Policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be applied in the context of managing an overall portfolio. PCJPB officials shall act in accordance with written procedures and the Investment Policy, and should report deviations from expectations in a timely fashion and take appropriate action to control adverse developments.

The PCJPB’s primary objective with respect to its invested funds is to safeguard the principal of the funds. The second objective is to meet the liquidity needs of the PCJPB. The third objective is to achieve a return
III. BENCHMARKS

Investment performance will be compared to the performance benchmark selected by the PCJPB, which approximates the PCJPB's portfolio and the specific restrictions on the PCJPB's portfolio in accordance with applicable current legislation by the State of California. The benchmark will be reviewed periodically to ensure it remains appropriate and consistent with the PCJPB's risk and return expectations.

IV. POLICY

At all times, the PCJPB shall invest its funds in accordance with the rules and restrictions established by the law of the State of California (including the Code). In addition, the PCJPB shall conduct its investments under the "prudent investor standard": "When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency." (California Government Code Section 53600.3).

The Board of Directors delegates, on an annual basis, the authority to invest funds to the Executive Director of the PCJPB, or his designee, who shall serve as the PCJPB's trustee for purposes of placing investments pursuant to this Investment Policy. The Board of Directors may review and specifically reauthorize this delegation of authority on an annual basis (California Government Code Section 53607).

1. Criteria for Selecting Investments. Criteria for selecting investments and the order of priority are:

a. Safety. The safety and risk associated with an investment refer to the potential loss of principal, interest or a combination of these amounts. The PCJPB shall operate only in those investments that are considered safe. Investments in instruments and with institutions permitted under Section 2, 6, and Section 7, are deemed to constitute safe investments within the meaning of this Investment Policy.

b. Liquidity. An adequate percentage of the portfolio, in the approximate amount of six months' operating expenses, should be maintained in liquid short-term investments which can convert to cash if necessary to meet disbursement requirements. For purposes of this Investment Policy, fixed income securities maturing in one year or more are considered investment term, and fixed income securities maturing in less than one year are considered short-term cash equivalents. All funds available for investment shall be directed to the managers of the PCJPB's investment portfolio.

c. Return on Investment. The PCJPB's investment portfolio shall be designed with
the objective of attaining the safety and liquidity objectives first, and then attaining a market rate of return throughout the budgetary and economic cycles, consistent with the portfolio’s benchmark as described in the section entitled “Objective” (see above). This benchmark takes into account the PCJPB’s investment risk constraints and the cash flow characteristics of the portfolio.

2. **Diversification.** The PCJPB will focus on diversification and invest in securities consistent with the diversification limits established by this policy and consistent with California Government Code.

3. **Safekeeping and Custody.** All security transactions, including collateral for repurchase agreements, will be executed on a Delivery versus Pay Basis (DVP). The assets of the PCJPB shall be held in safekeeping by the PCJPB's safekeeping agent, or secured through third party custody and safekeeping procedures. A due bill or other substitutions will not be acceptable.

4.4. **Maturity of Investments.** The specific security guidelines including maximum maturities and qualified Fixed Income instruments can be found in Section 10 “Summary of Instruments & Limitations” of this Investment Policy. The PCJPB has received authorization to purchase securities with a term remaining to maturity greater than five years. For purposes of compliance with this Policy, an investment’s term or remaining maturity shall be measured from the settlement date to final maturity. Securities with term to maturity greater than five years shall not exceed 30% of the overall portfolio value.

The maximum dollar weighted average maturity of the fund is five years. This policy limitation leaves open the flexibility to take advantage of interest rate fluctuations as well as yield curve differences to maximize the return on investment. The imposed maximum dollar weighted five year average maturity limits the market risk to levels appropriate for an intermediate income fund. For the purposes of calculating the “average life” of the fund, callable and asset backed securities will be run to their stated final maturity.

5. **Deposit of Funds.** As far as possible, all money belonging to or in the custody of the PCJPB including money paid to the PCJPB to pay the principal, interest or penalties of bonds, shall be deposited for safekeeping in state or national banks, savings associations or federal associations, credit unions or federally insured industrial loan companies in California (as defined by California Government Code Section 53630). Pursuant to California Government Code Sections 53635, 53637 and 53638, the money shall be deposited in any authorized depository with the objective of realizing maximum return, consistent with prudent financial management.

6. **Allowable Investment Instruments.** The PCJPB also may invest in any investment instrument as authorized by the California Government Code, as it may be amended from time to time, and subject to any conditions set forth in the California Government Code.
This Policy may be more restrictive than California Government Code regarding the limitations of certain investment types, as shown in the table in Section 109. These investment instruments include but are not limited to:

a. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest, pursuant to California Government Code Section 53601(b).

b. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government sponsored enterprises, pursuant to California Government Code Section 53601(f).

c. Bankers’ acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers’ acceptances shall not exceed 180 days’ maturity or 40 percent of the agency’s moneys that may be invested pursuant to this section. However, no more than 30 percent of the agency’s moneys may be invested in the bankers’ acceptances of any one commercial bank pursuant to this section. This subdivision does not preclude a municipal utility district from investing moneys in its treasury in a manner authorized by the Municipal Utility District Act (California Public Utilities Code Section 11501, et seq.). Pursuant to California Government Code Section 53601(g).

d. Commercial paper of “prime” quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical rating organization (NRSRO). Eligible commercial paper shall have a maximum maturity of 270 days or less. No more than 40 percent of the agency’s money may be invested in eligible commercial paper. The agency may invest no more than 10 percent of its total investment assets in the commercial paper and medium-term notes of any single issuer pursuant to California Government Code Section 53601(h).

e. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by California Financial Code Section 5102), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed 30 percent of the agency’s moneys that may be invested pursuant to California Government Code Section 53601(i).

f. Investments in repurchase agreements or reverse repurchase agreements or securities lending agreements as defined in California Government Code Section 53601(j).

g. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by
corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of “A” or its equivalent or better by an NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of the agency’s moneys that may be invested pursuant to California Government Code Section 53601(k). The agency may invest no more than 10 percent of its total investment assets in the commercial paper and the medium-term notes of any single issuer.

h. Shares of beneficial interest issued by diversified management companies that invest in the securities and obligations as described by California Government Code Section 53601(l).

i. Local government investment pools. Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 as described by California Government Code Section 53601(p).

j. A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond. For Securities authorized for investment under this subdivision not issued or guaranteed by an agency or issuer identified in subdivision (a) or (b) of this Policy, the following limitations apply: 1) The security shall be rated in a rating category of “AA” or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less. 2) Purchase of securities authorized by this subdivision may not exceed 20 percent of the agency’s surplus moneys that may be invested pursuant to this California Government Code Section 53601(o).

k. Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state. Pursuant to California Government Code 53601(c)

Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California. Pursuant to California Government Code 53601(d).

Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Pursuant to California Government Code 53601(e)
I. Supranational obligations including United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of “AA” or its equivalent or better by an NRSRO and shall not exceed 30 percent of the agency’s moneys that may be invested pursuant to California Government Code Section 53601(q).

m. Collateral is defined in this Investment Policy to mean property (as securities) pledged by a borrower to protect the interest of the lender. For purposes of this Investment Policy, the following investments are considered to have collateral backing: Certificates of Deposit protected by either the FDIC or pledged securities in conformance with California Codes and this Investment Policy; or Bankers' Acceptances (protected by an irrevocable time draft or bill of exchange) whereby the accepting bank incurs an irrevocable primary obligation thus guaranteeing payment on the draft or bill. A secondary obligation rests with the issuing company; Commercial Paper (protected by an unsecured promissory note from the issuer who must be rated A1/P1/F1 or better) thereby guaranteeing that the earning power and/or liquidity had been established to fulfill the obligation to pay; and, asset backed securities which are rated AAA by both Moody’s and Standard & Poor’s.

Local Agency Investment Fund & San Mateo County Investment Pool. The Board of Directors also authorizes the PCJPB to invest in the Local Agency Investment Fund (LAIF) pursuant to California Government Code Section 16429.1 and in the San Mateo County Investment Fund (SMCIF).

87. Prohibited Investments. The PCJPB shall not invest any funds in inverse floaters, range notes or mortgage derived interest-only strips. The PCJPB shall not invest any funds in any security that could result in zero interest accrual if held to maturity; however, the PCJPB may hold this prohibited instrument until its maturity date. The limitation does not apply to investments in shares of beneficial interest issued by diversified management companies as set forth in California Government Code Section 53601.6.

98. Portfolio Transactions. The PCJPB’s investment advisors are expected to seek best execution for all portfolio transactions. Best execution relates to the expected realized price net of commissions and is not necessarily synonymous with the lowest commission rate. Investment advisors are to obtain three independent bids from SEC licensed brokerage institutions, licensed by the state as a broker-dealer, as defined in California Government Code Section 53601.5, or from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank, prior to the execution of each portfolio transaction. The investment advisors, at their sole discretion and authority, will choose which broker dealers or brokerage firms from which to solicit bids and final selection is to be made based on the best interests of the PCJPB. Investment advisors may incur Realized capital losses as part of their management of the portfolio in order to maximize overall
earnings through reinvestment into different securities in order to minimize the decrease in real purchasing power of the assets over an indefinite period of time.

### 109. Summary of Instruments & Limitations
Subject to the limitations set forth in *California Government Code Sections 53600 et seq.* which may be amended from time to time, the Executive Director or his designee may invest in the following instruments, subject to the limits of flexibility described above and in the table below. Limitations set in this Policy may be more restrictive than required by *California Government Code*:

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Credit Rating</th>
<th>% of Fund</th>
<th>% of Fund per Issuer</th>
<th>Maximum Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) U.S. Treasury Obligations</td>
<td>100</td>
<td>N/A</td>
<td>15 years</td>
<td></td>
</tr>
<tr>
<td>(b) Obligations of U.S. Agencies or Government Sponsored Enterprises</td>
<td>100</td>
<td>N/A</td>
<td>15 years</td>
<td></td>
</tr>
<tr>
<td>(c) Bankers’ Acceptances</td>
<td>40</td>
<td>30</td>
<td>180 days</td>
<td></td>
</tr>
<tr>
<td>(d) Commercial Paper</td>
<td>A1/P1/F1</td>
<td>40</td>
<td>10</td>
<td>270 days</td>
</tr>
<tr>
<td>Local agencies with less than $100M of investment assets under management may invest no more than 25% of the agency’s money in eligible commercial paper</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(e) Negotiable Certificates of Deposit</td>
<td>30</td>
<td>N/A</td>
<td>5 years</td>
<td></td>
</tr>
<tr>
<td>(f) Repurchase Agreements</td>
<td>100</td>
<td>N/A</td>
<td>1 year</td>
<td></td>
</tr>
<tr>
<td>Reverse Repurchase Agreements &amp; Securities Lending</td>
<td></td>
<td></td>
<td></td>
<td>92 days</td>
</tr>
<tr>
<td>(g) Medium Term Corporate Notes</td>
<td>“A” category</td>
<td>30</td>
<td>10</td>
<td>5 years</td>
</tr>
<tr>
<td>(split rated issues not allowed)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(h) Shares of beneficial interest issued by diversified management companies</td>
<td>Highest rating by two NRSROs</td>
<td>20</td>
<td>10</td>
<td>N/A</td>
</tr>
<tr>
<td>(i) Local Government Investment Pools</td>
<td>100</td>
<td>N/A</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>(j) Asset-backed and mortgage-backed securities</td>
<td>“AA” category</td>
<td>20</td>
<td>N/A</td>
<td>5 years</td>
</tr>
</tbody>
</table>
11. **Oversight.**

a. Quarterly, the Executive Director shall submit an investment report to the Board of Directors within 30-45 days of the end of the quarter. The report shall include the following information:

1. type of investment, issuer, date of maturity, par and dollar amount invested in all securities, investments and money held by the PCJPB;

2. description of any of the PCJPB’s funds, investments or programs that are under the management of contracted parties, including lending programs;

3. for all securities held by the PCJPB or under management by any outside party that is not a local agency or the State of California LAIF, a current market value as of the date of the report and the source of this valuation;

4. statement that the portfolio complies with the Investment Policy or the manner in which the portfolio is not in compliance; and

5. statement that the PCJPB has the ability to meet its pool’s expenditure requirements (cash flow) for the next six months or provide an explanation as to why sufficient money shall or may not be available.

b. Annually, the Executive Director shall perform, or cause to be performed, an independent audit of the PCJPB’s assets as reported for the investment program’s activities. It is to be conducted in such a way as to determine compliance with the PCJPB’s Investment Policy and State Codes. Such independent auditors will express an opinion whether the statement of assets is presented fairly and in accordance with generally accepted accounting principles.

c. If the PCJPB places all of its investments in the LAIF, FDIC-insured accounts in a bank or savings and loan association, or the SMCIF (or any combination of these three), the Executive Director can simply submit, on at least a quarterly basis, the most recent statements from these institutions to meet the requirements of

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<table>
<thead>
<tr>
<th>(k) Municipal Obligations</th>
<th>100</th>
<th>N/A</th>
<th>10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>(l) Supranational Obligations</td>
<td>“AA” category</td>
<td>30%</td>
<td>N/A</td>
</tr>
<tr>
<td>Local Agency Investment Fund</td>
<td>Up to current state limit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>San Mateo County Investment Fund</td>
<td>Up to current state limit</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
items 1-3 above, with a supplemental report addressing items 4 and 5 above. (California Government Code Section 53646(b)-(e)).
Resolution No. 2024 –

Board of Directors, Peninsula Corridor Joint Powers Board
State of California

* * *

Amending the Statement of Investment Policy for the Peninsula Corridor Joint Powers Board
and Delegating Investment Authority for Fiscal Years 2024 and 2025

WHEREAS, as encouraged by applicable State law and in accordance with best practices, the Peninsula Corridor Joint Powers Board (JPB) adopted a Statement of Investment Policy in August 1999; and

WHEREAS, the JPB may annually render a statement of said Investment Policy to the Board of Directors for review and approval pursuant to Section 53646 of the Government Code; and

WHEREAS, the JPB has amended or reaffirmed its Statement of Investment Policy over the years, most recently in November 2020, to align with descriptions of investments contained in the California state law and to more clearly reflect the JPB’s strategy for the investment of its funds; and

WHEREAS, in presenting the Statement of Investment Policy to the Board of Directors for this year, staff recommends amending the Statement of Investment Policy to align with state law, including Government Code Section 53601; and

WHEREAS, staff further recommends that Investment Authority for the period of July 1, 2024, through June 30, 2025 be delegated to the Executive Director, or designee, who shall serve as trustee for purposes of placing investments pursuant to the aforementioned policy.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby:
1. Amends the Statement of Investment Policy, as reflected in Exhibit A, which is attached hereto, as follows:

- Amend the Investment Policy to align the delegation of investment authority with Government Code Section 53607;
- Amend the Investment Policy to align with the increase, from 30 to 45 days, allowed for quarterly investment reporting to be made to the board, per updates to Government Code Section 53646;
- Amend the Investment Policy's section on Maturity to note that while state law allows for investment in Federal and Federal Agency Securities with a maturity of up to 15 years, not more than 30% of the portfolio will be invested in securities with a maturity of more than five years;
- Add language to reflect an amendment to Government Code section 53601(o), which took effect on January 1, 2024, and which clarified that mortgage and lease backed securities issued by the federal government or its agencies are not subject to the AA minimum rating imposed on non-governmental issued securities;
- Update the language pertaining to realized losses to denote that incurring losses in rebalancing the portfolio to increase overall earnings is permitted; and
- Update the table of authorized investments to denote that Shares of Beneficial Interest issued by diversified management companies must maintain the highest rating issued by at least two Nationally Recognized Statistical Rating Organizations (NRSRO's).

2. Delegates investment authority to the Executive Director, or designee, for Fiscal Years 2024-2025.

Regularly passed and adopted this 1st day of February 2024 by the following vote:

AYES:
NOES:
ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary
Peninsula Corridor Joint Powers Board
Staff Report

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: James Harrison, General Counsel
Nadine Fogarty, Director, Real Estate and TOD

Subject: Update Regarding SamTrans Purchase of a New Headquarters Building and Recommended Next Steps for Caltrain

Purpose and Recommended Action
This report provides an update regarding SamTrans’ plans to purchase a new headquarters building and a recommendation to the Peninsula Corridor Joint Powers Board (JPB) regarding next steps in the search for a new Caltrain headquarters space.

Staff recommend pursuing two paths concurrently:

1. Move forward with negotiations with SamTrans to define the terms of a lease for Caltrain to co-locate in the new SamTrans headquarters building; and
2. Engage in a competitive search process to identify other headquarters options for consideration.

Significance
Caltrain staff currently occupy office space owned by the San Mateo County Transit District (SamTrans) at 1250 San Carlos Avenue in San Carlos. Under the existing Independent Cost Allocation Plan (ICAP), Caltrain reimburses SamTrans for its share of depreciation costs for the building as well as for maintenance and security expenses and overhead costs associated with the shared services provided by SamTrans. SamTrans recently entered a lease-to-purchase agreement that will enable acquisition of a new headquarters building located adjacent to the Millbrae Caltrain Station. As a result, Caltrain staff are analyzing Caltrain’s options for future office space, which include co-locating with SamTrans, either as a lessee or co-owner, or leasing or purchasing office space along the Caltrain corridor independent of SamTrans.

The purpose of this briefing is to provide an update regarding the SamTrans acquisition, results of an initial analysis of Caltrain’s options, and recommended next steps.
**Budget Impact**

This informational item has no budget impact.

**Background**

The current SamTrans headquarters building is outdated, suffers from significant deferred maintenance and is rapidly deteriorating. For the last several years, SamTrans has been exploring the potential to redevelop the building to include new office space using a public-private partnership approach; however current financial market conditions, including high interest rates, make this approach infeasible for the foreseeable future. Recently, SamTrans shifted its focus to consider the acquisition of a building rather than redeveloping its current facility given that current office market conditions present an opportunity to purchase a building with favorable terms. The SamTrans Board authorized SamTrans staff to begin a search for a new headquarters building in August 2023, and approved acquisition of a building in December.

The new SamTrans headquarters is a mixed-use building with 157,000 square feet of office and 23,000 square feet of ground floor retail. SamTrans will acquire the building through a lease-to-purchase agreement, and the developer will pay for and complete tenant improvements over the next 12-15 months.

To facilitate Caltrain’s consideration of its options, including co-locating with SamTrans or relocating independent of SamTrans, and the costs and benefits of leasing versus owning, staff agreed to share confidential information pursuant to a common interest agreement. In addition, SamTrans agreed to make its broker available to Caltrain to provide information about the market.

Caltrain retained Arup to assist in evaluating Caltrain’s options, including analyzing office space currently on the market and estimating a range of potential costs under different scenarios. The analysis focused on locations within walking distance of a Caltrain station and relied upon the following criteria:

- Ability to meet Caltrain’s current and expected future space requirements and operational needs.
- Cost to purchase or lease and any other financial considerations.
- Expected impact on employee retention and recruitment.
- Other key location factors such as frequency of Caltrain service and presence of neighborhood amenities such as restaurants and cafes.

Key findings from the analysis include:
• No properties that meet Caltrain’s criteria are currently listed for sale; however, brokers reported that properties that meet the criteria only become available occasionally, will be “off-market,” and will require some patience to find.
• A variety of office properties are available for lease along the Caltrain corridor, a high proportion of which are in San Francisco (4th and King station) and San Jose (Diridon station). Properties near these stations also tend to have the lowest asking rents.
• Millbrae scores high for staff retention and recruitment, given its BART and Caltrain access. Redwood City and San Mateo also appear to be good locations based on estimated commute times for existing staff.
• Overall, San Francisco (4th and King), Redwood City and Millbrae stations appear to be the most promising locations according to the criteria.

While the new SamTrans headquarters is expected to have higher rents and fewer amenities than some other Caltrain options, some cost savings are expected to be achieved from co-locating with SamTrans, including cost efficiencies from shared space (including the board room and other meeting rooms), as well as reduced cost of shared services provision to a remote location. Staff are working to better quantify existing building-related costs and estimate additional costs of locating separately from SamTrans, in order to be able to evaluate the cost impact of different Caltrain headquarters options.

Recommendation
Staff recommend pursuing two paths concurrently:
1. Move forward with negotiations with SamTrans to lease office space; and
2. Engage in a competitive search process to identify other headquarters options for consideration.

Prepared By: Nadine Fogarty  Director, Real Estate and TOD  Phone: 650-730-6115
Peninsula Corridor Joint Powers Board
Staff Report

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Casey Fromson, Chief Communications Officer
Subject: State and Federal Legislative Update and Approval of Legislative Proposal: Support AB 817 (Pacheco)

Purpose and Recommended Action

The 2024 Legislative Program establishes the principles that will guide the legislative and regulatory advocacy efforts. Based on those principles, staff coordinates closely with our Federal and State advocates on a wide variety of issues that are considered in Congress and the State legislature. The attached reports highlight the recent issues and actions that are relevant to the Board.

Staff proposes the Committee recommend the Board:
1. Receive the attached State and Federal Legislative Updates
2. Approve Legislative Proposal:
   a. Support AB 817 (Pacheco)

Discussion

AB 817 (Pacheco), Brown Act – Teleconferencing for Advisory Bodies, provides a narrow exemption under the Brown Act for non-decision-making legislative bodies to participate in meetings via teleconferencing outside of a declared state of emergency without posting the physical location of members or requiring a quorum to be present at a meeting location. Staff is recommending the Committee take a support position on this bill.

Budget Impact

None.

Prepared By: Devon Ryan Government & Community Affairs Officer 650.730.6172
Isabella Conferti Government & Community Affairs Specialist 650.647.3498
Caltrain Federal Report
December 2023 - January 2024

FY 2024 Appropriations Update

- House and Senate leadership have released bill text for an additional short-term, continuing resolution (CR) that would extend government funding through early March in order to avert a funding lapse at the end of this week. The second “laddered” CR would extend government funding to the following deadlines:
  - March 1: Military Construction-VA, Agriculture-FDA, Transportation-HUD, and Energy-Water funding (currently set to expire January 19).

- The stopgap funding measure does not include supplemental funding for Ukraine, Israel, and border security requested by the Biden Administration. On January 16, President Biden called for a meeting on January 17 with congressional leadership to discuss a spending package for these national security provisions.

- The proposed CR would also extend some programs currently funded past March 8, including but not limited to:
  - Temporary Assistance for Needy Families (TANF)
  - FEMA’s National Flood Insurance Program (NFIP)
  - DHS’ National Cybersecurity Protection System
  - Authorization for the U.S. Parole Commission
  - DHS’ Countering Weapons of Mass Destruction Office
  - Prohibitions on firearms typically undetectable through metal detectors/X-ray machines

- This short-term CR is intended to provide lawmakers additional time to negotiate funding levels and pass all 12 FY 2024 appropriations bills. The Senate began consideration of the bill on January 17 and is hoping to pass it by January 18. However, a partial shutdown is still possible if both the House and Senate cannot pass the measure before midnight on January 19.

House T&I Committee Holds IIJA Oversight Hearing

- On December 13, 2023, the House Transportation and Infrastructure (T&I) Committee held an oversight hearing to examine the Department of Transportation (DOT)’s
implementation of the Infrastructure Investment and Jobs Act (IIJA). The Undersecretary of Transportation for Policy and the four modal administrators appeared and testified on their respective work to faithfully implement the 2021 law.

- T&I Committee Chair Sam Graves (R-MO) highlighted the IIJA’s historic investments in transportation but voiced concern regarding the increasing cost of infrastructure projects. The Chairman also criticized the Biden Administration’s attempt to decarbonize the transportation sector. Democrats in the hearing applauded the IIJA’s investments but echoed their concerns about the speed and effectiveness of its rollout.

- In her testimony to the Committee, Federal Transit Administration (FTA) Administrator Nuria Fernandez touted her agency’s work to return transit ridership to pre-COVID levels and support zero-emission public transportation. During the question-and-answer period, Administrator Fernandez offered greater insight into the Administration’s efforts to protect transit workers from assault. She referenced the newly proposed General Directive on required actions regarding assaults on transit workers. With this directive, FTA hopes to protect transit workers from physical harm further. FTA encourages interested parties to submit comments through the Federal Register by February 20.

**Administration Update**

**DOT Releases 2021-2023 Progress Report**

- On January 10, DOT released its 2021-2023 Progress Report highlighting DOT’s accomplishments under the Biden-Harris Administration. The report details the agency’s improvements in road safety, rail safety, air travel consumer protection, infrastructure, climate/sustainability, and more.

- DOT has previously issued their 2022-2026 Strategic Plan, which highlights the agency’s goals/objectives to deliver safer, cleaner, and more modern transportation infrastructure.

**DOT Launches Advisory Committee on Transportation Innovation**

- On December 29, 2023, DOT announced the formation of a new advisory committee, Transforming Transportation Advisory Committee (TTAC), to guide the Department’s approach to transportation innovation. Members of the committee will advise the Secretary and other members of the Department’s leadership on innovation issues. The list of committee members, in addition to the official announcement, can be found [here](#).

- Among many policy areas, the committee will advise specifically on pathways to safe, secure, equitable, environmentally friendly and accessible deployments of emerging technologies; ways the Department can identify and elevate cybersecurity solutions and protect privacy across transportation systems and infrastructure; and integrated approaches to promote greater cross-modal integration of emerging technologies, in
FTA Seeking Public Comment on Proposed Directive to Address Assaults on Transit Workers

- On December 20, 2023, the Federal Transit Administration (FTA) issued a proposed General Directive to protect transit workers from further assault. Between 2008 and 2021, the National Transit Database documented 241 reportable assault events on average against transit workers per year.

- The General Directive specifically proposes that transit agencies, subject to the Public Transportation Agency Safety Plans (PTASP), must conduct a safety risk assessment related to assaults on the public transportation system(s) they operate. It also proposes that each transit agency be required to identify safety risk mitigations/strategies necessary to improve transit worker safety, as well as provide FTA with information on how they assess, mitigate, and monitor said safety risks. Public comment is available on this proposed General Directive until February 20th.

Round-Up of Open Grant Opportunities

- All Stations Accessibility Program. $343 million available. All applications due by January 30.
- ATTAIN Program. $120 million available. All applications due by February 2.
- Innovative Coordinated Access and Mobility Pilot Program. $4.7 million available. All applications due by February 13.
- RAISE. $1.5 billion available. All applications due by February 28.
January 12, 2024

TO: Board of Directors, Peninsula Corridor Joint Powers Board (Caltrain)

FM: Matt Robinson and Michael Pimentel, Shaw Yoder Antwih Schmelzer & Lange
    Mike Robson, Edelstein Gilbert Robson & Smith LLC

RE: STATE LEGISLATIVE UPDATE – February 2024

General Update
The Legislature returned to Sacramento on January 3 to convene the second year of the two-year 2023-24 Legislative Session. Immediately upon their return, the Legislature’s policy committees began to hear and act on bills introduced in the first year of the two-year session that did not move out of their first house (these bills are commonly referred to as “two-year bills”). Per the adopted 2024 Legislative Calendar, two-year bills still in their first policy committee are required to be acted on by January 22 to remain active, and all two-year bills must pass their first house by January 31. For more information about key legislative and budget deadlines, see the adopted 2024 Legislative Calendar, which is available here.

Governor Newsom Releases Proposed FY 2024-25 Budget
On January 10, Governor Newsom released his proposed Fiscal Year (FY) 2024-25 budget, based on the latest economic forecasts available to the Governor and his Department of Finance. Responding to a $37.9 billion budget deficit, the $291.5 billion budget proposes to implement a series of funding delays and shifts (between fund sources) to maintain the state’s commitments to addressing its top priorities. Specific to public transportation, the Governor’s proposed budget preserves the $5.1 billion for transit operations and capital projects included in the Budget Act of 2023-24 but delays the appropriation of some of this critical funding to address the state’s budget problem.

Specifically, the Governor’s proposed budget:

- Holds harmless the $2 billion appropriated to the population-based Transit and Intercity Rail Capital Program in FY 2023-24.
- Holds harmless the $1.1 billion appropriated to the Zero-Emission Transit Capital Program between FY 2023-24 and FY 2027-28.
- Extends the appropriation timeline for the $2 billion that the state committed to appropriate to the population-based TIRCP in FY 2024-25 by instead appropriating $1 billion in FY 2024-25 and the remaining $1 billion in FY 2025-26.

The maintenance of these funds is supported by a shift of $261 million in General Fund expenditures to the Greenhouse Gas Reduction Fund.
Additionally, the Governor’s proposed budget delays the appropriation of a portion of funding for TIRCP Cycle 6 (i.e. funding committed in FY 2022-23 that was awarded at the beginning of calendar year 2023 for new and existing transit projects) by applying an analysis of the cashflow needs of award recipients. The Governor’s proposed budget also modifies the $10 billion commitment to zero-emission vehicles and infrastructure made in the Budget Acts of 2021-22 and 2022-23. Chiefly, the Governor’s proposed budget includes $38.1 million in cuts to various zero-emission vehicle programs, $475.3 million in fund shifts from the General Fund to Greenhouse Gas Reduction Fund for various zero-emission vehicle programs, and delays $600 million in Greenhouse Gas Reduction Fund expenditures in various zero-emission vehicle programs.

**Assembly Speaker Rivas Announces Committee Rosters**

Last month, we reported that, on November 21, Assembly Speaker Robert Rivas (D-Salinas) announced his much-anticipated changes to policy and fiscal committee chairs in the Assembly. On the heels of that announcement, on December 27, 2023, the Speaker further announced the full rosters for the Assembly’s various policy and fiscal committees. You can find those rosters [here](#).

**California State Senate Announces Timeline for Leadership Transition**

On December 4, 2023, the California State Senate announced that incoming Senate President pro Tempore Mike McGuire (D-Healdsburg) will take the gavel from current Senate President pro Tempore Toni Atkins (D-San Diego) on February 5, 2024. Following his inauguration as Senate President pro Tempore, Senator McGuire will name his new Senate leadership team and likely appoint new chairs to various Senate committees.

**Bills of Interest**

**SB 915 (Cortese) Autonomous Vehicle Deployment**

This bill would prohibit an autonomous vehicle service, approved to conduct commercial passenger service or engage in commercial activity using driverless vehicles (i.e. robotaxis) by a state agency (DMV, PUC) from commencing operation within a local jurisdiction until authorized by the local ordinance and would make this requirement retroactive. The bill would require an adopted ordinance or resolution to include, among other things, a policy for entry into the business of providing autonomous vehicle services including a permitting program, the establishment of reasonable vehicle caps and hours of service restrictions, and the establishment of an interoperability or override system accessible by first responders in case of an emergency. The bill would also authorize each city, county, or city and county to levy service charges, fees, or assessments in the amount sufficient to pay for the costs of carrying out an ordinance or resolution adopted in regard to autonomous vehicle services. The bill would also authorize a city, county, or city and county to enter into an agreement with another city, county, or city and county to form a joint powers authority or into an agreement with a transit agency for the purpose of regulating or administering autonomous vehicle services within jurisdictional boundaries.

**SB 925 (Wiener) Bay Area Transportation Regional Measure**

This bill would state the intent of the Legislature to enact subsequent legislation to authorize the Metropolitan Transportation Commission to propose a revenue measure to the voters in its jurisdiction to fund the operation, expansion, and transformation of the Bay Area’s public transportation system, as well as other transportation improvements.

**AB 817 (Pacheco) Brown Act – Teleconferencing for Advisory Bodies**

This bill provides a narrow exemption under the Brown Act for non-decision-making legislative bodies to participate in meetings via teleconferencing outside of a declared state of emergency without posting
the physical location of members or requiring a quorum to be present at a meeting location. *We recommend the Caltrain Board SUPPORT this bill.*
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<td><strong>AB 6</strong> Friedman D</td>
<td>This is a two-year bill.</td>
<td>Existing law requires certain transportation planning agencies to prepare and adopt regional transportation plans directed at achieving a coordinated and balanced regional transportation system. Existing law requires that each regional transportation plan also include a sustainable communities strategy prepared by each metropolitan planning organization in order to, among other things, achieve certain targets established by the State Air Resources Board for the reduction of greenhouse gas emissions from automobiles and light trucks in the region for 2020 and 2035, respectively. This bill would require the state board, after January 1, 2024, and not later than September 30, 2026, to establish additional targets for 2035 and 2045, respectively, as specified. This bill contains other existing laws.</td>
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<td><strong>AB 7</strong> Friedman D</td>
<td>This is a two-year bill.</td>
<td>Existing law establishes within state government the Transportation Agency, which consists of the Department of the California Highway Patrol, the California Transportation Commission, the Department of Motor Vehicles, the Department of Transportation, the High-Speed Rail Authority, and the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun. The agency is under the supervision of the Secretary of Transportation, who has the power of general supervision over each department within the agency. The secretary, among other duties, is charged with developing and reporting to the Governor on legislative, budgetary, and administrative programs to accomplish coordinated planning and policy formulation in matters of public interest, including transportation projects. On and after January 1, 2025, and to the extent applicable, feasible, and cost effective, this bill would require the agency, the Department of Transportation, and the California Transportation Commission to incorporate specified goals into program funding guidelines and processes. This bill contains other existing laws.</td>
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<td><strong>AB 9</strong> Muratsuchi D</td>
<td>This is a two-year bill.</td>
<td>The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. Under the act, the state board is required to approve a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020 and to ensure that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by no later than December 31, 2030. The act authorizes the state board to include the use of market-based compliance mechanisms in regulating greenhouse gas emissions. The act requires the state board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions and to update the scoping plan at least once every 5 years. This bill would require the state board to initiate a regulatory process to evaluate potential updates to the market-based compliance mechanism, and would require regulatory changes to take effect no later than January 1, 2025. The bill would require the evaluation to focus on specified items, including whether the supply of emission allowances and carbon offsets are consistent with a linear trajectory toward the statewide greenhouse gas emissions reduction goal established in the state board’s most recent scoping plan, rules for banking allowances to use for future compliance, and recommendations made by the Independent Emissions Market Advisory Committee and the state board’s environmental justice advisory committee. The bill would require the state board, beginning January 1, 2028, and subsequently on a triennial basis, as specified, and in consultation with the Independent Emissions Market Advisory Committee and the environmental justice advisory committee, to conduct an evaluation of the market-based compliance mechanism, as provided. The bill would require the chairperson of the state board to appear before the Joint Legislative Committee on Climate Change Policies to present the results of an evaluation and specified proposed revisions to the regulations implementing the market-based compliance mechanism. The bill would authorize, following the chairperson’s appearance before the Joint Legislative Committee on Climate Change Policies, the state board to revise the regulations implementing the market-based compliance mechanism so that the mechanism can more effectively meet the goals of the act and objectives specified in the most recent scoping plan. This bill contains other existing laws.</td>
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<td><strong>AB 16</strong> Dixon R</td>
<td>This bill is in the Assembly Transportation Committee.</td>
<td>The Motor Vehicle Fuel Tax Law, administered by the California Department of Tax and Fee Administration, imposes a tax upon each gallon of motor vehicle fuel removed from a refinery or terminal rack in this state, entered into this state, or sold in this state, at a specified rate per gallon. Existing law requires the department to adjust the tax on July 1 each year by a percentage amount equal to the increase in the California Consumer Price Index, as calculated by the Department of Finance. This bill would authorize the Governor to suspend an adjustment to the motor vehicle fuel tax, as described above, scheduled on or after July 1, 2025, upon making a determination that increasing the rate would impose an undue burden on low-income and middle-class families. The bill would require the Governor to notify the Legislature of an intent to suspend the rate adjustment on or before January 10 of that year and would require the Department of Finance to submit to the Legislature a proposal by January 10 that would maintain the same level of funding for transportation purposes as would have been generated had the scheduled adjustment not been suspended. This bill contains other related provisions and other existing laws. Watch</td>
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<td><strong>AB 53</strong> Fong, Vince R</td>
<td>This bill is in the Assembly Transportation Committee.</td>
<td>Existing law, the Motor Vehicle Fuel Tax Law, imposes a tax upon each gallon of motor vehicle fuel removed from a refinery or terminal rack in this state, entered into this state, or sold in this state, at a specified rate per gallon. Existing unfair competition laws establish a statutory cause of action for unfair competition, including any unlawful, unfair, or fraudulent business act or practice and unfair, deceptive, untrue, or misleading advertising and acts prohibited by false advertisement laws. This bill would suspend the imposition of the tax on motor vehicle fuels for one year. The bill would require that all savings realized based on the suspension of the motor vehicle fuels tax by a person other than an end consumer, as defined, be passed on to the end consumer, and would make the violation of this requirement an unfair business practice, in violation of unfair competition laws, as provided. The bill would require a seller of motor vehicle fuels to provide a receipt to a purchaser that indicates the amount of tax that would have otherwise applied to the transaction. This bill contains other related provisions and other existing laws. Watch</td>
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<td><strong>AB 69</strong></td>
<td>This is a two-year bill.</td>
<td>The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020 and to ensure that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by 2030, and to adopt rules and regulations in an open public process to achieve the maximum, technologically feasible, and cost-effective greenhouse gas emissions reductions. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund. Existing law authorizes moneys in the fund to be allocated, as specified, for an investment in a traffic signal synchronization component that is part of a sustainable infrastructure project if the component is designed and implemented to achieve cost-effective reductions in greenhouse gas emissions and includes specific emissions reduction targets and metrics to evaluate the project’s effect. This bill would additionally authorize moneys in the fund to be allocated for an investment in a traffic signal synchronization component that is part of a roadway improvement project requiring multiple signals, including, but not limited to, multimodal redevelopment projects, rail trail projects, urban renewal projects, or a project near transit facilities, if the component is designed and implemented to achieve cost-effective reductions in greenhouse gas emissions and includes specific emissions reduction targets and metrics to evaluate the project’s effect. This bill contains other existing laws.</td>
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| <strong>R</strong> | | |
| Transportation: traffic signal synchronization: roadway improvement projects. | | |</p>
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<td><strong>AB 610</strong> Holden D</td>
<td>This is a two-year bill.</td>
<td>Existing law declares that the fostering, continuance, and development of public transportation systems are a matter of state concern. Existing law authorizes the Department of Transportation to administer various programs and allocates moneys for various public transportation purposes. Upon the appropriation of moneys by the Legislature, this bill would create the Youth Transit Pass Pilot Program, administered by the department, for purposes of awarding grants to transit agencies for the costs of creating, designing, developing, advertising, distributing, and implementing free youth transit passes to persons attending certain educational institutions, providing free transit service to holders of those passes, and administering and participating in the program, as specified. The bill would authorize a transit agency to submit a grant application in partnership with one or more educational institutions and would also authorize grant funds to be used to maintain, subsidize, or expand an existing fare-free program, as provided. The bill would authorize a transit agency with an existing fare-free program that enables a person 18 years of age or younger to use a transit agency's bus and rail services without paying any additional fare or charge to submit an application without an educational institution partner, as provided. The bill would require the department to submit a report to specified committees of the Legislature on or before January 1, 2027, on, among other things, the outcomes of the program and the funding conditions associated with offering free youth transit passes, the status of transit pass programs statewide, and whether these provisions led to reductions in the emissions of greenhouse gases and vehicle miles traveled, as provided. The bill would repeal its provisions as of January 1, 2028. This bill contains other existing laws.</td>
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<td><strong>AB 756</strong> Papan D</td>
<td>This is a two-year bill.</td>
<td>Existing law vests the Department of Transportation with full possession and control of all state highways. This bill would require the department, in consultation with the State Water Resources Control Board, the Department of Toxic Substances Control, and the Department of Fish and Wildlife, to develop a programmatic environmental review process to prevent 6PPD and 6PPD-quinone from entering salmon and steelhead trout bearing surface waters of the state. The bill would require the department’s 6PPD and 6PPD-quinone programmatic environmental review process to include, among other specified components, a pilot project at a particular highway crossing over the San Mateo Creek to study the effectiveness and cost effectiveness of installing and maintaining bioretention and biofiltration comparatively along department rights-of-way to eliminate the discharge of 6PPD and 6PPD-quinone into surface waters of the state, as specified. The bill would require, no later than December 31, 2026, the Director of Transportation to submit a report to the Legislature describing the department’s strategy to eliminate the discharge of 6PPD and 6PPD-quinone by the department to all salmon and steelhead trout bearing surface waters of the state. This bill contains other related provisions.</td>
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<td><strong>AB 761</strong></td>
<td>Friedman D</td>
<td>Existing law establishes enhanced infrastructure financing districts to finance public capital facilities or other specified projects of communitywide significance. Existing law provides for the membership of the governing body of the district, referred to as the public financing authority. Existing law authorizes the legislative body of a city or a county to designate a proposed enhanced infrastructure financing district by adopting a resolution of intention to establish the proposed district which, among other things, is required to state that an enhanced infrastructure financing district is proposed and describe the boundaries of the proposed district. Existing law requires the public financing authority to direct the preparation of and adopt an infrastructure financing plan consistent with the general plan and any relevant specific plan, and consisting of, among other things, a financing section. Existing law requires that the financing section include a plan for financing the public facilities, a limit on the total number of dollars of taxes that may be allocated to the district pursuant to the plan, and a date, either not more than 45 years from the date on which the issuance of the bonds is approved for the plan on which the district will cease to exist, by which time all tax allocation to the district will end, or, where the district is divided into project areas, a date on which the infrastructure financing plan will cease to be in effect and all tax allocations to the district will end and a date on which the district’s authority to repay indebtedness with incremental tax revenues will end, as specified. This bill, for plans proposed on or after January 1, 2024, would specify that for the purpose of development and construction of passenger rail projects in the County of Los Angeles where at least 75% of the revenue from the district is used for debt service on a federal Transportation Infrastructure Finance and Innovation Act loan, the date on which the district will cease to exist shall not be more than 75 years from the date of the issuance of bonds or approval of a loan, as specified. This bill would make legislative findings and declarations as to the necessity of a special statute for specified districts enacted primarily for the purpose of development and construction of zero-emission mass transit projects.</td>
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Local finance: enhanced infrastructure financing districts.

This bill is in the Senate Rules Committee.
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<tr>
<td><strong>AB 817</strong></td>
<td>This bill is in the Assembly Local Government Committee.</td>
<td>Existing law, the Ralph M. Brown Act, requires, with specified exceptions, each legislative body of a local agency to provide notice of the time and place for its regular meetings and an agenda containing a brief general description of each item of business to be transacted. The act also requires that all meetings of a legislative body be open and public, and that all persons be permitted to attend unless a closed session is authorized. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. Existing law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency’s jurisdiction and other requirements are met, including restrictions on remote participation by a member of the legislative body. This bill would authorize a subsidiary body, as defined, to use alternative teleconferencing provisions similar to the emergency provisions indefinitely and without regard to a state of emergency. In order to use teleconferencing pursuant to this act, the bill would require the legislative body that established the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first time and every 12 months thereafter. This bill contains other existing laws.</td>
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**Position**

Recommended Support.
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| **AB 914** Friedman  
Electrical infrastructure: California Environmental Quality Act: review time period. | This is a two-year bill. | The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA requires each state agency to establish, by resolution or order, time limits for completing the environmental review of a project where the state agency is the lead agency for the project, as specified. This bill, until January 1, 2031, would require a state agency, acting as the lead agency, to complete its environmental review for an electrical infrastructure project and to approve or deny the project within 2 years of the submission and acceptance of a complete application for the issuance of a lease, permit, license, certificate, or other entitlement for use for electrical infrastructure to the state agency. If the state agency fails to meet this deadline, the bill would require the state agency to submit to the Legislature a report setting forth the reasons that the review could not be completed within the time period and identifying potential impacts to the electrical system that could result from the delay. This bill contains other existing laws. |
| **AB 1374** Alvarez  
Greenhouse Gas Reduction Fund: investment plan. | This is a two-year bill. | The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the fund. Existing law requires the investment plan to allocate, among other things, a minimum of 25% of the available moneys in the fund to projects located within, and benefiting individuals living in, disadvantaged communities and an additional minimum of 5% to projects that benefit low-income households or to projects located within, and benefiting individuals living in, low-income communities located anywhere in the state. This bill would increase those amounts from 25% to 50% and from 5% to 15%. |
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<td><strong>SB 5</strong></td>
<td>Failed in the Senate Governance and Finance committee. Reconsideration granted.</td>
<td>Existing law, the Motor Vehicle Fuel Tax Law, administered by the California Department of Tax and Fee Administration, imposes a tax upon each gallon of motor vehicle fuel removed from a refinery or terminal rack in this state, entered into this state, or sold in this state, at a specified rate per gallon. Existing law requires the department to annually adjust the tax imposed by increasing the rates based on the California Consumer Price Index, as specified. This bill would limit the above-described annual adjustment to a maximum of 2% for rate adjustments made on or after July 1, 2023. This bill contains other related provisions.</td>
</tr>
<tr>
<td><strong>SB 12</strong></td>
<td>This is a two-year bill.</td>
<td>The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. Under the act, the state board is required to approve a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020 and to ensure that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by no later than December 31, 2030. Under the act, a violation of a rule, regulation, order, emission limitation, emission reduction measure, or other measure adopted by the state board under the act is a crime. This bill instead would require the state board to ensure that statewide greenhouse gas emissions are reduced to at least 55% below the 1990 level by no later than December 31, 2030. By expanding the scope of a crime, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</td>
</tr>
<tr>
<td><strong>SB 32</strong></td>
<td>This bill failed in the Senate Environmental Quality Committee. Reconsideration granted.</td>
<td>The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The act requires the state board to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emissions reductions to ensure that the statewide greenhouse gas emissions are reduced to at least 40% below the statewide greenhouse gas emissions limit, as defined, no later than December 31, 2030. Pursuant to the act, the state board has adopted the Low Carbon Fuel Standard regulations. The act authorizes the state board to include in its regulation of those emissions the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund. This bill would suspend the Low Carbon Fuel Standard regulations for one year. The bill would also exempt suppliers of transportation fuels from regulations for the use of market-based compliance mechanisms for one year. This bill contains other related provisions and other existing laws.</td>
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<td><strong>SB 84</strong> Gonzalez D</td>
<td>Air quality programs: funding.</td>
<td>This bill was ordered to the inactive file. Existing law creates the Enhanced Fleet Modernization Program to provide compensation for the retirement and replacement of passenger vehicles and light-duty and medium-duty trucks that are high polluters. Existing law requires the Bureau of Automotive Repair to administer the program and the State Air Resources Board to adopt the guidelines for the program. Existing law requires the guidelines to ensure vehicle replacement, or a mobility option be an option for all motor vehicle owners and may be in addition to compensation for vehicles retired. Existing law creates the Enhanced Fleet Modernization Subaccount in the High Polluter Repair or Removal Account and makes available, upon appropriation, all moneys in the account to establish, implement, and administer the program. This bill would require the guidelines to ensure each replacement vehicle in the program be either a plug-in hybrid or zero-emission vehicle unless the state board makes a specified determination in consultation with the State Energy Resources Conservation and Development Commission, as specified. This bill contains other related provisions and other existing laws.</td>
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<tr>
<td><strong>SB 397</strong> Wahab D</td>
<td>San Francisco Bay area: public transportation.</td>
<td>This bill is dead. Existing law creates the Metropolitan Transportation Commission as a local area planning agency for the 9-county San Francisco Bay area with comprehensive regional transportation planning and other related responsibilities. Existing law creates various transit districts located in the San Francisco Bay area, with specified powers and duties relating to providing public transit services. Existing law establishes the Transportation Agency, consisting of various state agencies under the supervision of an executive officer known as the Secretary of Transportation, who is required to develop and report to the Governor on legislative, budgetary, and administrative programs to accomplish comprehensive, long-range, and coordinated planning and policy formulation in the matters of public interest related to the agency. This bill would require the Transportation Agency to develop a plan to consolidate all transit agencies, as defined, that are located within the geographic jurisdiction of the Metropolitan Transportation Commission.</td>
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<tr>
<td><strong>SB 532</strong></td>
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<td>This bill is dead.</td>
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<td><strong>Wiener D</strong></td>
<td></td>
<td>Existing law creates the Metropolitan Transportation Commission (MTC) as a regional agency in the 9-county San Francisco Bay area with comprehensive regional transportation planning and other related responsibilities. Existing law creates the Bay Area Toll Authority (BATA) as a separate entity governed by the same governing board as MTC and makes BATA responsible for the administration of toll revenues from the state-owned toll bridges in the San Francisco Bay area. Existing law requires the Department of Transportation to collect tolls on these state-owned toll bridges. Existing law requires those toll revenues to be deposited in the Bay Area Toll Account and requires BATA to control and maintain that account, as specified. This bill would, until December 31, 2028, require BATA to increase the toll rate for vehicles for crossing the state-owned toll bridges in the San Francisco Bay area by $1.50, as adjusted for inflation. The bill would require the revenues collected from this toll to be deposited in the Bay Area Toll Account, would continuously appropriate moneys from this toll increase and other specified tolls, and would require moneys from this toll to be transferred to MTC for allocation to transit operators that provide service within the San Francisco Bay area and that are experiencing a financial shortfall, as specified. The bill would direct MTC to require each transit operator eligible to receive an allocation from the account to, on an annual basis, submit a 5-year projection of its operating needs, as specified. This bill contains other related provisions and other existing laws.</td>
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<tr>
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<tr>
<td><strong>SB 537</strong></td>
<td>This bill is in the inactive file.</td>
<td>Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. Existing law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency’s jurisdiction and other requirements are met, including restrictions on remote participation by a member of the legislative body. These circumstances include if a member shows “just cause,” including for a childcare or caregiving need of a relative that requires the member to participate remotely. This bill would expand the circumstances of “just cause” to apply to the situation in which an immunocompromised child, parent, grandparent, or other specified relative requires the member to participate remotely. The bill would authorize the legislative body of a multijurisdictional, cross-county agency, as specified, to use alternate teleconferencing provisions if the eligible legislative body has adopted an authorizing resolution, as specified. The bill would also require the legislative body to provide a record of attendance of the members of the legislative body, the number of community members in attendance in the teleconference meeting, and the number of public comments on its internet website within 10 days after a teleconference meeting, as specified. The bill would require at least a quorum of members of the legislative body to participate from one or more physical locations that are open to the public and within the boundaries of the territory over which the local agency exercises jurisdiction. The bill would require a member who receives compensation for their service, as specified, on the legislative body to participate from a physical location that is open to the public. The bill would require the legislative body to identify in the agenda each member who plans to participate remotely and to include the address of the publicly accessible building from which each member will participate via teleconference. The bill would prohibit a member from participating remotely pursuant to these provisions unless the remote location is the member’s office or another location in a publicly accessible building and is more than 40 miles from the in-person location of the meeting. The bill would repeal these alternative teleconferencing provisions on January 1, 2026. This bill contains other related provisions and other existing laws.</td>
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<tr>
<td>Becker D</td>
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Open meetings: multijurisdictional, cross-county agencies: teleconferences.
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<tr>
<td><strong>SB 904</strong></td>
<td>This bill is in the Senate Rules Committee. May be acted upon on or after February 4th.</td>
<td>Existing law creates, within the Counties of Sonoma and Marin, the Sonoma-Marin Area Rail Transit District with specified duties and powers relative to the provision of a passenger and freight rail system within the territory of the district. Under existing law, the district is governed by a 12-member board of directors appointed by various local governmental entities. Existing law authorizes the board to submit to the voters of the district a measure proposing a retail transaction and use tax ordinance. This bill would also authorize those special taxes to be imposed by a qualified voter initiative. The bill would require the board of supervisors of the Counties of Sonoma and Marin to call a special election on a tax measure proposed by the district’s board of directors or a qualified voter initiative in their respective counties, as specified. To the extent that the bill would impose additional duties on a county election official, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</td>
</tr>
<tr>
<td><strong>SB 925</strong></td>
<td>This bill is in the Senate Rules Committee.</td>
<td>Existing law creates the Metropolitan Transportation Commission as a local area planning agency for the 9-county San Francisco Bay area with comprehensive regional transportation planning and other related responsibilities. Existing law creates various transit districts located in the San Francisco Bay area, with specified powers and duties relating to providing public transit services. This bill would state the intent of the Legislature to enact subsequent legislation to authorize the Metropolitan Transportation Commission to propose a revenue measure to the voters in its jurisdiction to fund the operation, expansion, and transformation of the San Francisco Bay area’s public transportation system, as well as other transportation improvements.</td>
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Resolution No. 2024

Peninsula Corridor Joint Powers Board
State of California

*   *   *

Honoring African American History Month

Whereas, the first event was celebrated during a week in February 1926, encompassing the birthdays of Abraham Lincoln and Frederick Douglass, two key figures in the history of African Americans, and in 1976 the week-long celebration was extended to the entire month of February; and

Whereas, African Americans helped develop our nation in countless ways, those recognized, unrecognized, and unrecorded; and

Whereas, Caltrain believes every person has the freedom to feel valued and respected, and condemns racism in rhetoric or action; and

Whereas, Caltrain has created its first African American Employee Resource Group that aims to advance a diverse and inclusive work environment with a particular focus on African American current and future employees; and

Whereas, a recent survey showed that 37% of African American riders take Caltrain five or more days/week; and

Whereas, Caltrain recognizes the long history of inequity and racism in transit that has excluded, targeted or oppressed people due to their color and race; and

Whereas, since the inception of Caltrain in the early 1990s, the rail agency has been a long-time supporter and sponsor of the annual MLK Jr. Celebration Train, which pays tribute to...
the 54-mile 1965 Selma to Montgomery March, and delivers celebrants to the traditional march in San Francisco that marks the holiday; and

Whereas, Caltrain commits to continuing its membership with the Government Alliance on Race and Equity to advance racial equity through mindful governance practices, review neutral policies and its impacts; and

Whereas, the Board remains committed to the mission of promoting equity and protecting public health and will continue to advance the cause of diversity, access, equity and inclusion in its policies, programs and practices; and

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board does hereby recognize February as National African American History Month and celebrate the immense contributions of African Americans in the United States.

Regularly passed and adopted this 1st day of February, 2024 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

Caltrain

ATTEST:

JPB Secretary
Peninsula Corridor Joint Powers Board
Staff Report

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Pranaya Shrestha, Chief Officer
Subject: Receive Monthly Progress Report on Peninsula Corridor Electrification Project (PCEP)

Purpose and Recommended Action

Staff recommends the Board receive the Peninsula Corridor Electrification Project (PCEP) Monthly Progress Report (MPR).

This report is provided for informational purposes only.

Discussion

The MPR is intended to provide funding partners, stakeholders, and the public a PCEP overview and an overall update on project progress. This document provides information on the scope, cost, funding, schedule, and project implementation.

Budget Impact

There is no impact on the budget.

Prepared By: Pranaya Shrestha Chief Officer, Caltrain Modernization Program 720.757.9191
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1.0 EXECUTIVE SUMMARY

1.1 Introduction

The Peninsula Corridor Electrification Project (PCEP) will upgrade 51 miles of diesel service to electrified service from San Francisco to San Jose (Tamien Station). The PCEP scope of work includes design and construction of an overhead contact system, traction power facilities, modification of the existing signaling and grade crossing protection system to make it compatible with the electrified railroad, substation improvements at Pacific Gas and Electric (PG&E) substations, and modifications at existing tunnels and Caltrain’s maintenance facility. It also includes the design, manufacturing, assembly, testing, and delivery of the Electric Multiple Units (EMUs).

Caltrain completed a thorough assessment of all aspects of the program including cost, schedule, risks, and organization after the global settlement in 2021. Caltrain re-baselined the program budget and schedule in December of 2021. Caltrain finished a schedule reforecast in March 2023 and is committed to deliver PCEP and achieve revenue service in September of 2024.

1.2 Program Cost and Budget

On December 6, 2021, the JPB adopted a new PCEP program budget of $2,442,690,697. On January 31, 2023, Caltrain received a $367 million funding award from California’s Transit and Intercity Rail Capital Program’s (TIRCP) Cycle 6 Existing Project Reserve, representing the remaining funding needed to complete the project. The project is now fully funded in the amount of $2,442,690,697. As of December 2023, the project is on budget:

- The current project total cost at completion (EAC) is the same as the Board adopted budget of $2.44 billion.
- As of December 2023, a total of $15.4M has been drawn down from the Shared Risk Pool of $50 million to-date. In December 2023, $352,140.00 was drawn from the Shared Risk Pool.
- As of December 2023, a total of $32.1M has been drawn from the project contingency of $40 million. In December 2023, $0 was drawn from project contingency.
- As of December 2023, no new awards have been made from the Project incentive pool of $18.5 million.
- As of December 2023, $4M was issued from the milestone incentive pool of $15 million. The team has concluded evaluation of signal cutover milestone incentives and awarded $4M in December to the design-build contractor.

1.3 Program Progress and Schedule

As of December 31, 2023, the overall project completion is 90.30%. The current program schedule is projecting a PCEP substantial completion date of April 2024 and Revenue Service by September 2024. Staff is implementing a 2023 path to completion with 31 weekend area focused bus bridges to maximize track access to allow system integration testing, signal cutovers, and proactive OCS construction productivity mitigations for the remaining PCEP work.

1.4 Change Management Board (CMB)
In December 2023, the following items were brought to the CMB for approval:

- Hatch LTK Contract Capacity Increase and time extension
- IRL 313 – Theft Replacement

1.5 This Month’s Accomplishments

The project team has completed the following notable activities for the month of December 2023:

- Awarded 2SC Signal and Crossing cutovers milestone incentive for early completion of 2SC.
- Completed all mainline OCS regulation work.
- Completed path to completion schedule effort and established remaining quantity tracker for OCS regulation and testing.
- Continued to connect LV permanent power and coordinate remaining low voltage power drop applications with PG&E and utilizing generators to support project testing.
- Continued asphalt cover implementation, anti-theft cable procurement for impedance bonds to mitigate theft impact.
- Commence bus bridge planning effort for Live Runs planned for 2024.
- Held Monthly CMB meeting for program status and change order approval.
- Held FTA Quarterly Progress Meeting in December 2023.
- Continued safety special task force working group, including TASI, Rail Operations and PCEP to address communications, process, and procedure improvements.
- Continued providing PCEP progress updates to funding partners, leadership, elected officials, citizens, and business community.
- Continued support TIRCP audit performed by the State.
- Since October 2nd, 2023, TASI has been performing isolation and protection service for the Milestone 1 limits.
- Finalized short circuit test sequence and test dates with PG&E support.
- Continued with project close out efforts and tracked all punch list items in a centralized database.
- Complete Programmatic Agreement (PA) amendment and finalize burial agreement and treatment plan.
- Received Temporary Use Permit (TUP) for Milestone 1 limits (Diridon to San Antonio) and Drill Track, Caltrain completed three EMU burn in acceptance Test on mainline.
- Commenced Caltrain broadband equipment on board installation prototype, and remaining EMU delivery schedule was revised to incorporate broadband equipment installation work.
- Continued Rail Activation Effort and held RAC risk workshop.
- Complete EMU revenue service maintenance program, EMU storage plan, diesel fleet exit plan, and fleet management plan.
- There are a total of 6 EMU trainsets on Caltrain property.
- Completed Guadalupe OCS wire Installation, regulation and testing will be completed early 2024.
1.6 **Upcoming work**  
For the next six months, the PCEP team has set additional goals as described below:

- Complete all OCS Regulations for SF Station.
- Complete Segments 1 and 2 Sectionalization Testing.
- Complete double traction Testing with two EMUs.
- Complete power pull aways testing.
- Perform the remaining 5 short circuit testing with support from PG&E.
- Complete Guadalupe OCS test and perform live run south of Diridon.
- Continue to coordinate with Broadband Project, work with vehicle manufacturer and monitor EMU production schedule that includes broadband equipment installation.
- Continue bi-weekly project completion road map meeting with Design-Build Contractor Executives to address path to substantial completion.
- Continue operations planning, ambassador, and rail service planning minor issues efforts for Segment 1 and 2 live runs.
- Continue to coordinate with PG&E on low voltage power drop applications, and distribution line de-energization work.
- Perform all joint punch list walks for all remaining work.
- Hold Monthly CMB meeting for program status and change order approval.
- Continue EMU acceptance testing (burn in).
- Two more EMUs will be delivered in February 2024 and the remaining will be delivered in 2nd and 3rd quarter of 2024 to support September Revenue Service.
- Complete end to end full corridor live runs prior to substantial completion.
- Finalize Substantial Completion and Final Acceptance Check List and issue revised project close out contract specification.

The PCEP Project is currently on budget and on time for achieving Revenue Service in September of 2024.

1.7 **Critical Items**  
As of December 2023, PCEP has energized traction power substations, completed All Segment signal cutover, fulfilled the $410M funding gap, and has adequate RWIC to support field construction. The top critical items and related actions are highlighted below.
### Table 1-1. Critical Issues and Actions

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<th>Critical Issues</th>
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| **Overhead Contact System (OCS) installation delay due to low productivity**  
Note: The project OCS work was on hold from March 10, 2022, to March 28, 2022, during the safety stand down.  
Segment 2 OCS was damaged during high wind and heavy rainstorms in late December 2022 and early January 2023 |  
• Additional BBII OCS crew training for regulation and variance in the OCS design / installation due to re-design & accommodations to resolve foundation Differing Site Conditions (DSC) issues – Completed.  
• Hiring additional BBII OCS staff members to prevent schedule slippage and help in future installation planning – Completed.  
• Hold OCS construction scheduling recovery workshop for remaining OCS installation and testing – Completed.  
• Increase OCS crews and OCS wiring equipment to increase productivity – Completed.  
• More track access including weekend area closures for remaining Segments 1 and 2 OCS construction and testing. Weekend bus bridge construction started on February 11, 2023.  
• OCS storm repair work for Segment 2 is planned for September 2023 due to rainstorm and long lead time for materials. Completed  
• Bring on more regulating crews in May 2023. Mass will start regulating work in the first week of June 2023 – Completed.  
• Procure more equipment parts and ensure all equipment is performing well for construction – Completed.  
• Bring on equipment fitters and warehouse material manager on site – Completed.  
• Segment 2 damaged wire due to winter storms were repaired – Completed.  
• Continue to address OCS quality issues through joint walks and field verification – on-going |
| **Complete TPS Short Circuit Tests**  
• TPS 2 short circuit test delays drill track and Segment 4 mainline energization. TPS 2 Short circuit test was performed in May 2023 with some follow up actions.  
• TPS 1 Short Circuit Test is scheduled in February of 2024. |  
• Perform comprehensive root cause analysis and develop corrective action plan – Completed.  
• Implement configuration change control process including design drawing, shop drawings, as-built version control to ensure all parties are using the same set of drawings for TPS2 testing – On-going.  
• Perform technical working groups including all vendors and EOR – On-going.  
• Weekly management team briefing on corrective action status – On-going.  
• Perform independent assessment of the TPS – Completed.  
• Develop SSWP for all work performed at TPS for Caltrain review and approval – On-going.  
• Perform field verification and pre-testing before short circuit re-test – Completed.  
• Perform load bank testing prior to short circuit re-test. – Completed.  
• Developed remaining short circuit tests required for system completion – completed.  
• Perform Short circuit tests - February 2024 |
| **Theft of impedance bond or grounding cables may delay segment live run testing because the system (or portions of the system) cannot be energized without impedance bonds** |  
• Monitor hot spot areas in segments 1, 3 and 4. Perform just in time replacement right before the testing.  
• Report Theft incidents with Transit PD  
• Enhance security with cameras and other monitoring systems.  
• Work with Communications on high voltage safety messages  
• Distribute high voltage safety fliers to the homeless encampments. |
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<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Implement asphalt cover for impedance bonds that have been repeatedly stolen. – on-going</td>
<td></td>
</tr>
<tr>
<td>• Purchase anti-theft cable – on-going.</td>
<td></td>
</tr>
</tbody>
</table>
2.0 SAFETY

There was 1 reportable injury in December 2023, bringing the total reportable injuries to 9 for the year. The Reportable Injury Rate (RIR) for 2023 YTD is currently 1.88. Overall, since the project’s construction started in 2017, the RIR is at 1.95, which remains below the national average of 2.5.

![Figure 2-1. Project Reportable Injury Rate (RIR) by Year](image)

**Completed Work**
Safety staff continues to coordinate with contractors to identify opportunities to improve safety performance. Organizational-wide safety briefings are being performed to ensure staff understand the application of post incident mitigation measures including rules and procedural changes designed to enhance safety. Project Safety continues to reinforce jobsite safety practices throughout the Caltrain alignment, investigate incidents, and identify mitigation measures to prevent re-occurrences. Safety project coordination meetings continue to be conducted monthly to promote a clear understanding of project safety requirements. In addition, Caltrain Safety continues weekly calls with the lead safety staff from Caltrain, PCEP, BBII, and TASI to discuss safety performance and ongoing initiatives. Caltrain initiated the 10'/10’ rule: 10’ from track and 10’ from overhead wires.

**Upcoming Work**
The Fire/Life Safety Committee continues to work with emergency responders along the Caltrain corridor on emergency preparedness in advance of energization. The safety team has updated the OCS and EMU emergency responder safety familiarization presentations to include voiceover features for use by the Fire Departments. The presentation will also be shared with other emergency responder jurisdictions through the project Fire/Life Safety Committee.

OCS and EMU First Responder was completed in October. In all 92 classes were given to emergency responders with a total number of 815 attendees.
Police Departments along the corridor are also currently being scheduled by the Transit Police to receive this training also.

In addition to the 815 emergency responders trained there were 242 third party and Tenant railroad employees trained for a total of 1057.

A “Live” emergency preparedness drill was held on December 10th at the Bayshore Station. Members of North County Fire, South SF Fire and San Francisco Fire Departments all participated in the drill and EMU familiarization.
3.0 IMS PROGRAM SCHEDULE

3.1 Introduction

The Integrated Master Schedule (IMS) Program Summary Schedule depicted in Figure 3-1 Master Program Summary Schedule shows the schedule status of the major PCEP projects. The current schedule dates for this program schedule were based on BBII’s October 2023 Progress Schedule (which was formally submitted on 12/19/2023) as well as the Stadler October 2023 EMU Progress Schedule. The Revenue Service Date (RSD) is anticipated to remain as September 26, 2024, depending on if the final four Trainsets can be complete Burn-In within two months of delivery in July 2024. If the completion of fourteen Trainsets can be completed prior to September 2024, then the Full Funding Grant Agreement (FFGA) Revenue Completion Date (RCD) would still remain on December 31, 2024.

![Figure 3-1. Master Program Summary Schedule](image-url)
3.2 Critical Path Analysis

The current critical path changed this month to the completion of Category A & B Punchlist (TPS1 to SWS), followed by OCS Sectionalization Testing in Segments 1 and 2. Afterwards, the completion of Sectionalization documentation, the Segment 1 and 2 Live Run Testing commences and leads to followed by the 0-day Project Schedule Contingency (with 9-days of Total Float), Substantial Completion, and Final Acceptance. The Longest Path plot (shown below) represents the as submitted critical path for the BBII Draft October 2023 Update schedule.

![Critical Path Schedule](Figure 3-2. Critical Path Schedule)
### 3.3 Schedule Contract Milestone Analysis

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Milestones</th>
<th>Reforecast Dates (Dec 2022)</th>
<th>Current Dates (Oct 2023)</th>
<th>Milestone Finish Date Variance</th>
<th>Total Float</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>BBII</td>
<td>Segment 4 Completion (Final Short Circuit Test Report Delivered to JPB)</td>
<td>2/5/2023</td>
<td>5/31/2023</td>
<td>-115</td>
<td></td>
<td>Completed</td>
</tr>
<tr>
<td>BBII</td>
<td>System Integration Testing Start (Segment 4)</td>
<td>4/10/2023</td>
<td>6/5/2023</td>
<td>-56</td>
<td></td>
<td>Completed</td>
</tr>
<tr>
<td>BBII</td>
<td>Signal Cutovers and Systems Completion</td>
<td>8/20/2023</td>
<td>8/20/2023</td>
<td>0</td>
<td></td>
<td>Completed</td>
</tr>
<tr>
<td>BBII</td>
<td>Traction Power Substation #1 Energization</td>
<td>9/12/2023</td>
<td>8/26/2023</td>
<td>17</td>
<td></td>
<td>Completed</td>
</tr>
<tr>
<td>BBII</td>
<td>Completion of Milestone 1 (Segments 3 and 4)</td>
<td>5/28/2023</td>
<td>9/15/2023</td>
<td>-110</td>
<td></td>
<td>Completed</td>
</tr>
<tr>
<td>BBII</td>
<td>OCS Construction Completion</td>
<td>10/2/2023</td>
<td>1/19/2024</td>
<td>-109</td>
<td>23</td>
<td>This date does not include Guadalupe Bridge work.</td>
</tr>
<tr>
<td>BBII</td>
<td>OCS Construction Completion (Guadalupe Bridge)</td>
<td>10/25/2023</td>
<td>12/18/2023</td>
<td>-54</td>
<td>2</td>
<td>This milestone included the delivery date of Guadalupe Bridge back to BBII on 10/21/2023.</td>
</tr>
<tr>
<td>BBII</td>
<td>System Integration Testing Completion</td>
<td>11/18/2023</td>
<td>3/16/2024</td>
<td>-119</td>
<td>0</td>
<td>The Final SIT seems to have been pushed by the creation of the Project Completion Schedule which now includes all remaining scope of work to achieve Substantial Completion.</td>
</tr>
<tr>
<td>BBII</td>
<td>Scheduled Substantial Completion</td>
<td>4/1/2024</td>
<td>4/1/2024</td>
<td>0</td>
<td>0</td>
<td>Project Contingency has been reduced to 9-days of Total Float.</td>
</tr>
<tr>
<td>Stadler</td>
<td>14th Trainset Arrival at JPB Site</td>
<td>10/12/2023</td>
<td>7/30/2024</td>
<td>-292</td>
<td>-10</td>
<td>Stadler is no longer committing to deliver the 14th Trainset by end of March 2024. Implementation of Broadband has caused impacts to the final four (4) Trainsets.</td>
</tr>
<tr>
<td>BBII</td>
<td>Scheduled Final Acceptance</td>
<td>7/30/2024</td>
<td>7/30/2024</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>JPB</td>
<td>Revenue Service Date (RSD)</td>
<td>9/26/2024</td>
<td>9/26/2024</td>
<td>0</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>JPB</td>
<td>FFGA Revenue Completion Date (RCD)</td>
<td>12/31/2024</td>
<td>12/31/2024</td>
<td>0</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

**Figure 3-3. Contract Milestone Analysis**
4.0 COST AND BUDGET

4.1 Introduction

This section presents an update on program cost and budget. On December 6th, 2021, the JPB adopted a new Program budget of $2.44 billion. Table 4-1 depicts a summary level of program budget, costs, and estimate at completion based on the latest update of the Electrification and EMU projects as of December 31, 2023.

4.2 Program Budget and Cost

Table 4-1. Budget Summary by Project

<table>
<thead>
<tr>
<th>Description of Work</th>
<th>Current Budget (A)¹</th>
<th>Cost This Month (B)²</th>
<th>Cost To Date (C)³</th>
<th>Estimate To Complete (D)</th>
<th>Estimate At Completion (E) = (C) + (D)</th>
<th>Variance at Completion (F) = (A) – (E)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrification</td>
<td>$1,754,673,622</td>
<td>$10,970,914</td>
<td>$1,687,839,426</td>
<td>$66,562,247</td>
<td>$1,754,401,673</td>
<td>$271,949</td>
</tr>
<tr>
<td>EMU</td>
<td>$688,017,075</td>
<td>$5,850,440</td>
<td>$559,715,209</td>
<td>$128,573,814</td>
<td>$688,289,024</td>
<td>($271,949)</td>
</tr>
<tr>
<td>PCEP TOTAL</td>
<td>$2,442,690,697</td>
<td>$16,821,354</td>
<td>$2,247,554,636</td>
<td>$195,136,061</td>
<td>$2,442,690,697</td>
<td>$0</td>
</tr>
</tbody>
</table>

¹ Column A "Current Budget" includes re-baseline and executed change orders and awarded contracts.
² Column B "Cost This Month" represents the cost of work performed this month.
³ Column C "Cost to Date" includes actuals (amount paid) and accruals (amount of work performed) to date.
⁴ Column F "Variance at Completion" includes forecasted transfer of contingency from EMU to Electrification project.

Table 4-2 depicts program budget, costs, and estimate at completion summarized by major elements of work. This budget table provides additional detail for the program and is broken down by major contracts for Electrification and EMU, minor contracts, real estate, utilities, project management oversight and other indirect support costs.

Table 4-2. Budget Summary by Major Elements

<table>
<thead>
<tr>
<th>Description of Work</th>
<th>Re-Baseline Budget</th>
<th>Current Budget</th>
<th>Cost This Month</th>
<th>Cost To Date</th>
<th>Estimate To Complete</th>
<th>Estimate At Completion</th>
<th>Variance at Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrification</td>
<td>$1,097,149,881</td>
<td>$1,094,958,881</td>
<td>$5,228,468</td>
<td>$1,024,348,284</td>
<td>$68,980,596</td>
<td>$1,093,328,881</td>
<td></td>
</tr>
<tr>
<td>EMU Procurement</td>
<td>$556,072,601</td>
<td>$564,986,271</td>
<td>$4,620,386</td>
<td>$462,211,880</td>
<td>$102,774,391</td>
<td>$564,986,271</td>
<td></td>
</tr>
<tr>
<td>Minor Construction Contracts (Tunnel, CEMOF, SCADA, Non-BBI OCS)</td>
<td>$67,055,072</td>
<td>$68,091,194</td>
<td>0</td>
<td>$64,972,201</td>
<td>$2,353,867</td>
<td>$67,326,067</td>
<td></td>
</tr>
<tr>
<td>Real Estate Acquisition &amp; Support</td>
<td>$34,914,177</td>
<td>$34,914,177</td>
<td>$292,003</td>
<td>$24,883,289</td>
<td>$10,030,889</td>
<td>$34,914,177</td>
<td></td>
</tr>
<tr>
<td>PG&amp;E, Utilities</td>
<td>$132,088,994</td>
<td>$132,088,994</td>
<td>$6,388</td>
<td>$207,547,623</td>
<td>$74,561,629</td>
<td>$132,925,994</td>
<td></td>
</tr>
<tr>
<td>Management Oversight &amp; Support</td>
<td>$312,699,697</td>
<td>$315,007,767</td>
<td>$2,983,304</td>
<td>$293,127,153</td>
<td>$21,880,614</td>
<td>$315,007,767</td>
<td></td>
</tr>
<tr>
<td>TASI Support</td>
<td>$114,488,767</td>
<td>$136,528,469</td>
<td>$2,698,913</td>
<td>$115,864,211</td>
<td>$25,013,112</td>
<td>$140,877,323</td>
<td></td>
</tr>
<tr>
<td>Finance Charges</td>
<td>$9,898,638</td>
<td>$9,898,638</td>
<td>$373,315</td>
<td>$11,009,861</td>
<td>$458,669</td>
<td>$11,468,530</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>$6,581,851</td>
<td>$6,581,851</td>
<td>0</td>
<td>$6,291,001</td>
<td>$290,850</td>
<td>$6,581,851</td>
<td></td>
</tr>
<tr>
<td>Other Required Projects &amp; Services</td>
<td>$9,084,176</td>
<td>$10,484,176</td>
<td>$21,341</td>
<td>$6,014,442</td>
<td>$4,669,734</td>
<td>$10,684,176</td>
<td></td>
</tr>
<tr>
<td>Environmental Mitigation</td>
<td>$14,438,866</td>
<td>$13,038,866</td>
<td>$2,882</td>
<td>$1,307,851</td>
<td>9,961,123</td>
<td>$11,268,974</td>
<td></td>
</tr>
<tr>
<td>Contingency</td>
<td>$40,000,089</td>
<td>$7,893,525</td>
<td>0</td>
<td>0</td>
<td>5,102,797</td>
<td>5,102,797</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$2,442,690,697</td>
<td>$2,442,690,697</td>
<td>$16,821,354</td>
<td>$2,247,554,636</td>
<td>$195,136,061</td>
<td>$2,442,690,697</td>
<td></td>
</tr>
</tbody>
</table>

4.3 Program Shared Risk Pool and Contingency

Caltrain and Balfour Beatty Infrastructure, Inc. (BBII) continue implementing new mechanisms to ensure a collaborative approach to Project delivery. The management
team meets every week to review the issues log focusing on risk mitigation and issues resolution.

As part of global settlement, a shared risk pool of $50 million was established to manage risks and mitigation proactively and collaboratively with the design-build contractor. Table 4-3 shows the current shared risk drawdown for the current month and to-date as well as the remaining balance of the shared Risk Pool by Risk Category. Any shared risk items (27 Risk IDs listed below in Table 4-3) that are above $250,000 require Change Management Board (CMB) approval.

Table 4-3. Shared Risk Pool Status as of December 2023

<table>
<thead>
<tr>
<th>Risk ID</th>
<th>Risk Description</th>
<th>Risk Amount</th>
<th>Current Month</th>
<th>Executed to Date</th>
<th>Remaining Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Permanent Power Availability</td>
<td>$268,572</td>
<td>$0</td>
<td>$178,365</td>
<td>$90,207</td>
</tr>
<tr>
<td>2</td>
<td>Different Site Condition for OCS Foundation</td>
<td>$3,500,000</td>
<td>$50,443</td>
<td>$1,303,451</td>
<td>$2,196,106</td>
</tr>
<tr>
<td>3</td>
<td>Different Site Condition for Duct bank</td>
<td>$2,800,000</td>
<td>$0</td>
<td>$435,798</td>
<td>$2,364,202</td>
</tr>
<tr>
<td>4</td>
<td>Condition of existing Fiber backbone infrastructure</td>
<td>$3,150,000</td>
<td>$142,966</td>
<td>$545,221</td>
<td>$2,604,779</td>
</tr>
<tr>
<td>5</td>
<td>Availability of TASI Resource</td>
<td>$5,777,820</td>
<td>$0</td>
<td>$0</td>
<td>$5,777,820</td>
</tr>
<tr>
<td>6</td>
<td>Signal Cutover access and work window</td>
<td>$5,607,150</td>
<td>$0</td>
<td>$0</td>
<td>$5,607,150</td>
</tr>
<tr>
<td>7</td>
<td>Condition of existing signal system</td>
<td>$538,572</td>
<td>$0</td>
<td>$0</td>
<td>$538,572</td>
</tr>
<tr>
<td>8</td>
<td>EMI Nonconformance by EMU Vendor</td>
<td>$1,120,000</td>
<td>$797,582</td>
<td>$3,178,705</td>
<td>-$2,058,705</td>
</tr>
<tr>
<td>9</td>
<td>Reed Street Cutover</td>
<td>$90,000</td>
<td>$0</td>
<td>$111,765</td>
<td>-$21,765</td>
</tr>
<tr>
<td>10</td>
<td>Availability of low voltage power for cutover testing</td>
<td>$1,200,000</td>
<td>$797,582</td>
<td>$3,178,705</td>
<td>-$2,058,705</td>
</tr>
<tr>
<td>11</td>
<td>Third party Permits</td>
<td>$150,000</td>
<td>$0</td>
<td>$0</td>
<td>$150,000</td>
</tr>
<tr>
<td>12</td>
<td>SCADA integration for the entire alignment</td>
<td>$159,524</td>
<td>$0</td>
<td>$0</td>
<td>$159,524</td>
</tr>
<tr>
<td>13</td>
<td>Tunnel OCS Compatibility</td>
<td>$167,500</td>
<td>-$5,000</td>
<td>$152,418</td>
<td>$15,083</td>
</tr>
<tr>
<td>14</td>
<td>Supply chain issue due to COVID 19</td>
<td>$300,000</td>
<td>$0</td>
<td>$13,184</td>
<td>$736,817</td>
</tr>
<tr>
<td>15</td>
<td>End to end Systems integration commissioning</td>
<td>$2,100,000</td>
<td>$0</td>
<td>$2,100,000</td>
<td>$2,100,000</td>
</tr>
<tr>
<td>16</td>
<td>Existing Caltrain Operating systems interface and integration</td>
<td>$1,400,000</td>
<td>$0</td>
<td>$71,920</td>
<td>$1,328,080</td>
</tr>
<tr>
<td>17</td>
<td>Third party Approval</td>
<td>$150,000</td>
<td>$0</td>
<td>$353,277</td>
<td>-$203,277</td>
</tr>
<tr>
<td>18</td>
<td>Impact from Caltrain other capital or third-party projects</td>
<td>$2,166,683</td>
<td>$113,563</td>
<td>$1,933,131</td>
<td>$233,552</td>
</tr>
<tr>
<td>19</td>
<td>Track access delay for BBII Construction</td>
<td>$1,800,000</td>
<td>$52,107</td>
<td>$1,126,699</td>
<td>$673,302</td>
</tr>
<tr>
<td>20</td>
<td>Additional light Maintenance and Protection Needs</td>
<td>$280,000</td>
<td>$0</td>
<td>$180,505</td>
<td>$99,495</td>
</tr>
<tr>
<td>21</td>
<td>Crossing Protection</td>
<td>$220,000</td>
<td>$0</td>
<td>$102,334</td>
<td>$117,666</td>
</tr>
<tr>
<td>22</td>
<td>Power facilities</td>
<td>$500,000</td>
<td>$71,717</td>
<td>$917,293</td>
<td>-$417,293</td>
</tr>
<tr>
<td>23</td>
<td>NCR's</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>24</td>
<td>Potholing</td>
<td>$1,700,000</td>
<td>$0</td>
<td>$107,547</td>
<td>$1,592,453</td>
</tr>
<tr>
<td>25</td>
<td>Pre-Revenue Service Operational Testing</td>
<td>$250,000</td>
<td>$0</td>
<td>$0</td>
<td>$250,000</td>
</tr>
<tr>
<td>26</td>
<td>TRO Contingency</td>
<td>$3,000,000</td>
<td>$0</td>
<td>$0</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>27</td>
<td>Contingency</td>
<td>$12,000,000</td>
<td>$106,624</td>
<td>$4,152,233</td>
<td>$7,847,767</td>
</tr>
<tr>
<td>NA</td>
<td>Unidentified</td>
<td>$54,179</td>
<td>$0</td>
<td>$0</td>
<td>$54,179</td>
</tr>
</tbody>
</table>

| BBII Risk Pool Total | $50,000,000 | $352,140 | $15,400,377 | $34,599,623 |

In addition to the established Risk Pool with BBII, the Re-Baseline Budget includes a program contingency of $40 million to cover non-BBII potential changes and unknowns. Table 4-4 provides a detailed status of approved transfers from contingency due to executed Contract Change Orders and approved Budget Transfers.
Table 4-4. Program Contingency Drawdown Balance

<table>
<thead>
<tr>
<th>Change Order ID</th>
<th>Description</th>
<th>Contingency</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PCEP Contingency Budget</td>
<td>$40,000,088</td>
</tr>
<tr>
<td>STA-056-CCO-038</td>
<td>Allowance for Electric Power Cost at TTCI</td>
<td>($132,365)</td>
</tr>
<tr>
<td>STA-056-CCO-041</td>
<td>Manual Phase Break</td>
<td>($43,520)</td>
</tr>
<tr>
<td>STA-056-CCO-042</td>
<td>Stadler Project Time Extension</td>
<td>($8,021,124)</td>
</tr>
<tr>
<td>ARINC-061-CCO-005</td>
<td>Traction Power Facility SCADA Database Changes</td>
<td>($1,036,122)</td>
</tr>
<tr>
<td>PROV-070-CCO-056</td>
<td>Proven Tunnels Final Settlement</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>PROV-071-CCO-069</td>
<td>Proven CEMOF Final Settlement</td>
<td>($1,000,000)</td>
</tr>
<tr>
<td>BT-027D</td>
<td>Legal Support FY23 - PG&amp;E Counsel</td>
<td>($200,000)</td>
</tr>
<tr>
<td>BT-029D</td>
<td>GFI Electrification FY23-24 Additional Staff</td>
<td>($2,108,070)</td>
</tr>
<tr>
<td>STA-056-CCO-053</td>
<td>Stadler – Passenger Convenience Outlets</td>
<td>($716,661)</td>
</tr>
<tr>
<td>BT-035C</td>
<td>TASI Support – Electrification (2023-2024) rev1</td>
<td>($22,039,703)</td>
</tr>
<tr>
<td>BBII 053-BT-CNPA</td>
<td>Non-PCEP Actuals-BBII Hist. Change Inc. PCEP Re-Baseline</td>
<td>$2,191,000</td>
</tr>
</tbody>
</table>

Remaining Contingency: $7,893,524

<table>
<thead>
<tr>
<th></th>
<th>Drawn Contingency</th>
<th>Remaining Contingency</th>
</tr>
</thead>
<tbody>
<tr>
<td>PG&amp;E-042-BT-5</td>
<td>PG&amp;E – Supplemental Agreement 4 – EAC Update Value</td>
<td>$4,766,000</td>
</tr>
<tr>
<td>PROV-070-CLOSE</td>
<td>Proven Tunnels – Close out of Final Actuals</td>
<td>$184,910</td>
</tr>
<tr>
<td>PROV-071-CLOSE</td>
<td>Proven CEMOF – Close out of Final Actuals</td>
<td>$580,217</td>
</tr>
<tr>
<td>BT-057</td>
<td>TASI – TASI EMU Maintenance &amp; Material (Pre-Revenue)</td>
<td>($4,348,854)</td>
</tr>
<tr>
<td>PG&amp;E-042-BT-0006</td>
<td>PG&amp;E Equiv. One-Time Payment (EOTP) - First Reimbursement.</td>
<td>($5,157,068)</td>
</tr>
<tr>
<td>PG&amp;E-042 BT-0006</td>
<td>PG&amp;E Equiv. One Time Payment (EOTP) - Final Reimbursement</td>
<td>($445,932)</td>
</tr>
<tr>
<td>BBII-053-CCO-255-EAC</td>
<td>Global Project Time Resolution (TRO)-Substantial Completion-Jan-24</td>
<td>$1,630,000</td>
</tr>
</tbody>
</table>

Forecasted Remaining Contingency: $5,102,797

Note: EAC Contingency reflects forecast contingency.

The total Program Contingency as of the December 2021 Re-Baseline Budget totaled $90M including Allocated and Unallocated Contingency, and BBII Risk Pool. Table 4-5 summarizes the current remaining and forecasted contingency balance as of the monthly update.

Table 4-5. Overall Program Contingency

<table>
<thead>
<tr>
<th></th>
<th>Total E = (A+D)</th>
<th>BBII Risk Pool (A)</th>
<th>Allocated (B)</th>
<th>Unallocated (C)</th>
<th>Subtotal D = (B+C)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCEP Contingency</td>
<td>$90,000,088</td>
<td>$50,000,000</td>
<td>$24,115,581</td>
<td>$15,884,507</td>
<td>$40,000,088</td>
</tr>
<tr>
<td>Drawn Contingency</td>
<td>($47,506,941)</td>
<td>($15,400,377)</td>
<td>($21,953,405)</td>
<td>($10,153,159)</td>
<td>($32,106,564)</td>
</tr>
<tr>
<td>Remaining Contingency</td>
<td>$42,493,147</td>
<td>$34,599,623</td>
<td>$2,162,176</td>
<td>$5,731,348</td>
<td>$7,893,524</td>
</tr>
<tr>
<td>Pending Changes</td>
<td>($2,939,275)</td>
<td>($148,547)</td>
<td>$0</td>
<td>($2,790,727)</td>
<td>($2,790,727)</td>
</tr>
<tr>
<td>Forecasted Remaining Contingency</td>
<td>$39,553,872</td>
<td>$34,451,076</td>
<td>$2,162,176</td>
<td>$2,940,621</td>
<td>$5,102,797</td>
</tr>
</tbody>
</table>

4.4 Electrification Design Builder Contract Incentives

The Global Settlement with BBII also includes incentives based on Milestone completions...
and remaining contract incentives. Table 4-6 provides a status of Design-Build Contractor incentives Budgeted, Awarded, and remaining Balance.

<table>
<thead>
<tr>
<th>Incentives</th>
<th>Budgeted</th>
<th>Awarded</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contract Incentive:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality</td>
<td>$1,250,000</td>
<td>$1,000,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>Safety</td>
<td>$2,500,000</td>
<td>$1,000,000</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Community Outreach</td>
<td>$2,500,000</td>
<td>$2,000,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>DBE</td>
<td>$900,000</td>
<td>$0</td>
<td>$900,000</td>
</tr>
<tr>
<td><strong>Total Contract Incentive</strong></td>
<td>$7,150,000</td>
<td>$4,000,000</td>
<td>$3,150,000</td>
</tr>
<tr>
<td><strong>Milestone Incentive:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Early Signal and Crossing Cutover</td>
<td>$4,000,000</td>
<td>$4,000,000</td>
<td>$0</td>
</tr>
<tr>
<td>Early Project Substantial Completion (NTE)</td>
<td>$8,000,000</td>
<td>$0</td>
<td>$8,000,000</td>
</tr>
<tr>
<td>Early Revenue Service</td>
<td>$3,000,000</td>
<td>$0</td>
<td>$3,000,000</td>
</tr>
<tr>
<td><strong>Total Milestone Incentive</strong></td>
<td>$15,000,000</td>
<td>$4,000,000</td>
<td>$11,000,000</td>
</tr>
</tbody>
</table>

4.5 **Program Cash Flow and Funding**

The remaining program expenditures are cash flowed in Figure 4-1. With the award of the full funding, the program does not expect any cash flow issues due to funding.
4.6 Issues

Table 4-7. Cost and Funding Issues Identified, and Actions Taken for December 2023

<table>
<thead>
<tr>
<th>Issues</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Late receiving of PG&amp;E $99 million reimbursement</td>
<td>PG&amp;E reimbursement protocol has been established, CPUC has approved final rate, the first PG&amp;E reimbursement is scheduled by March 15, 2024.</td>
</tr>
</tbody>
</table>
5.0 CHANGE MANAGEMENT

5.1 Introduction

The change management process establishes a formal administrative work process associated with the initiation, documentation, coordination, review, approval, and implementation of changes during the design, construction, or manufacturing of PCEP. The change management process accounts for the impacts of the changes and ensures prudent use of contingency.

5.2 Change Orders/Shared Risk Pool

5.2.1 Executed Shared Risk/CCO

The following Shared Risk items were executed in December 2023:

- New Utility Crossing Oyster Point was executed on 12/13/2023 for $50,443.
- Additional MRS Signal Training was executed on 12/18/2023 for $5,243.
- Track Access Delays for October 2023 was executed on 12/27/2023 for $52,107.
- Anti-theft Asphalt over Impedance Bonds was executed on 12/27/2023 for $51,381.
- Fiber Optic Strike Repairs was executed on 12/27/2023 for 142,967.

5.2.2 CMB Approved Items

- Hatch LTK Contract Capacity

5.2.3 Upcoming Change Orders/Shared Risk Items

- Isolation and Protection for Railroad
- Debris Pile Removal at FDN 46.1-19
- Tap Settings Change (to 26.5kv)
- Pole Recoloring at 4th & King Station
- 4th & King Flagpole Removal
- Testing for Step & Touch Potential at TPFs
- Test Train Passing CEMOF Isolation Limits
- Segment 3 Low Voltage (Generators)
- PS-2 Paving and Striping
5.3 Issues

Table 5-1. Change Management Issues Identified and Actions Taken for December 2023

<table>
<thead>
<tr>
<th>Issues</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment 4 Maintenance Option in the existing BBII Contract was never</td>
<td>• Define EMU testing and burn in work schedule - Completed.</td>
</tr>
<tr>
<td>exercised. Maintenance of OCS/TPS for Segment 4 will be needed post</td>
<td>• BBII provides isolation and protection once Segment 4 is powered up – completed</td>
</tr>
<tr>
<td>Segment 4 substantial completion once Caltrain is using it for EMU</td>
<td>• Prepare Request for Proposal for OCS/TPS SOW – Completed by Rail Operations</td>
</tr>
<tr>
<td>testing under 25kV.</td>
<td>• Maintenance Service for public procurement strategy has changed to implementing amendment to railroad operator and maintainer TASI for OCS/TPS maintenance work.</td>
</tr>
<tr>
<td></td>
<td>• Develop evaluation criteria for TASI Maintenance Service proposals - Completed.</td>
</tr>
<tr>
<td></td>
<td>• Recommend for award and obtain JPB board approval.</td>
</tr>
</tbody>
</table>
Peninsula Corridor Joint Powers Board
Staff Report

To: Board of Directors
Through: Michelle Bouchard, Executive Director
From: Alex Burnett, Bell Burnett & Associates
Subject: Receive Update on Caltrain's Strategic Financial Plan and Fiscal Cliff Projections

Purpose and Recommended Action

This report provides an informational update on the Strategic Financial Plan (SFP) that was first presented to the Board of Directors on April 6, 2023.

Discussion

In November 2022, Caltrain began the process of developing a Strategic Financial Plan in response to the ongoing impacts of the COVID-19 pandemic on Caltrain’s finances. The objective of the SFP was to forecast Caltrain’s operating position over the next ten years while sustaining a competitive and attractive level of service; maintaining a commitment to equity; building ridership by holding fares steady; and completing electrification.

A special Board workshop was conducted in April 2023 to present the SFP, which concluded that Caltrain is facing a significant 10-year cumulative operating deficit. In the near term, Caltrain can effectively manage its operating costs and use its financial resources to delay the fiscal cliff by two years until Fiscal Year (FY) 2026. However, Caltrain still needs significant additional funding to support both operations and its capital investments moving forward. Key take-aways from the initial SFP effort included:

• Successfully funding operations in FY24 and FY25
• Maintaining current service levels with no fare increases in FY24 and FY25
• Recognizing future costs of O&M of electric service, including cost of electricity, create significant long-term financial pressure

Since that time, staff has continued to monitor revenue and cost assumptions. The objective of this update is to continue to refine the SFP, including the latest long-term revenue and cost projections as we learn more, additional data is obtained, and PCEP approaches in service date of September 2024. Key changes include updated:
• Ridership projections
• Revenue and farebox forecasts
• PCEP operating costs

Key take-aways from the update to the SFP include:
• Ridership growth remains slow and growth strategies are critical
• Revenues are lagging, including Go Pass
• Operating shortfall as soon as FY26
• Without a significant increase in ridership and/or Measure RR revenues, dedicated additional long-term funding is needed

Budget Impact
This informational item has no impact on the budget.

Prepared By: Graham Rogers  Business Operations Project Manager  650-551-6169
Peninsula Corridor Joint Powers Board  
Staff Report

To:      Board of Directors  
Through: Michelle Bouchard, Executive Director  
From:   Dahlia Chazan; Deputy Chief, Caltrain Planning  
Subject: Adopt Caltrain Energy Policy

Purpose and Recommended Action

Staff proposes that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB or Caltrain) adopt the Caltrain Energy Policy (“Energy Policy”).

Discussion

Caltrain is at the beginning of the process of managing its energy demand and sourcing, but financial modeling demonstrates that once electrified, electric power will be among Caltrain’s highest costs for the foreseeable future. Caltrain is meeting this challenge via three related efforts:

1. Strategic Financial Plan (SFP): In 2022, Caltrain hired the consulting firm Bell Burnett & Associates (BB&A) to help it navigate an array of financial challenges, such as long-term ridership decline, an increasing operating deficit, and cost drivers including increased electric cost. The Strategic Financial Plan is intended to quantify and assess these challenges, and to address near-term risk while exploring opportunities to increase revenue.

2. Energy Procurement Strategy (EPS): BB&A is preparing an Energy Procurement Strategy. The EPS is significant as electric power is poised to dramatically increase costs upon Caltrain’s electrification and completion of PCEP. The EPS will make recommendations for Caltrain’s energy procurement, including the vendors it will procure from terms of procurement. It will be guided and governed by the Caltrain Energy Policy. Adopting the Energy Policy will not impact the timing of implementation of the SFP or EPS.

3. Caltrain Energy Policy: The Energy Policy sets Caltrain’s organizational objectives and values to direct staff work on energy matters. Energy policy decisions often require tradeoffs, and the Energy Policy offers a framework Caltrain staff can utilize to evaluate these tradeoffs. The full Energy Policy is attached as an appendix. The Energy Policy’s objectives are as follows:
1. Balance sustainability with financial imperatives
2. Improve Caltrain’s environmental sustainability
3. Minimize operational and maintenance impacts
4. Enhance system resilience
5. Support the regional economy
6. Organizational Accountability

**Budget Impact**

Adopting the Energy Policy does not have a direct impact on the budget. The Energy Policy provides a framework for evaluating Caltrain’s future energy procurement and other energy investment decisions, which are expected to have a material impact on Caltrain’s budget, and as noted above, electric power will be among Caltrain’s greatest costs and sources of financial risk.

**Finance Committee Consideration**

The Finance Committee considered the draft Energy Policy at its January 22, 2024, meeting. Directors requested that staff revise the Policy to address the use of carbon-free energy as a secondary goal to the goal of obtaining 100 percent renewable energy, with each goal being considered in the context of financial feasibility, and to require Caltrain to coordinate with our energy partners with respect to regulatory and legislative matters. Directors also requested that significant energy procurements be brought to the Board for its approval and that staff regularly review the Policy to ensure that it remains responsive to energy market conditions and to report to the Board. The Finance Committee recommended Board approval of the Policy, subject to the incorporation of the modifications described above. Staff’s proposed revisions to the Policy are reflected in track-changes in the attached draft of the Policy.

Prepared By: Amelia Timbers
Environmental and Sustainability (650) 508-7713
Planning Manager
Caltrain Energy Policy

Definitions

- **California Air Resources Board (CARB):** the California Air Resources Board is a California state agency whose “mission is to promote and protect public health, welfare, and ecological resources through effective reduction of air pollutants while recognizing and considering effects on the economy.” As of 2024 CARB administers the Low Carbon Fuel Standard program.

- **Carbon-Free:** energy resources that do not emit carbon when used to produce electric power (“Carbon-Free”). As of 2024 Carbon-Free resources are not classified as renewable for regulatory compliance purposes by the California Energy Commission Renewables Portfolio Standard (RPS) Eligibility Commission Guidebook. Examples of Carbon-Free resources include nuclear and large hydroelectric.

- **Carbon intensity:** carbon dioxide. Carbon intensity refers to the quantity of life cycle greenhouse gas (GHG) emissions per a kilowatt-hour of electricity consumed. Describes unit of fuel energy. Carbon intensity describes the relative harm to the atmosphere of a given energy resource or activity and is expressed in grams of carbon dioxide equivalent per megajoule (gCO2e/MJ).

- **Fossil fuel(s):** a natural fuel composed of hydrocarbons, formed in the geological past from the remains of living organisms. Fossil fuels include substances such as oil, coal, and natural gas. The combustion of fossil fuels creates atmospheric carbon that has been proven to cause global warming and consequently global climate change.

- **Greenhouse gas (GHG):** gases that trap atmospheric heat. These include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and fluorinated gases.

- **Low Carbon Fuel Standard Program (LCFS):** a program by the State of California, which compensates agencies participants for substituting fossil fuels with lower carbon fuels. The value of LCFS tax credits is tied to the carbon intensity of the energy resource.

- **Renewable Energy:** electricity that comes from a source that is not depleted when consumed, often referred to as “Green Energy.” Caltrain will reference the definition for Renewable Energy as found in the California Energy Commission Renewables Portfolio Standard Eligibility Commission Guidebook.

Not all Renewable Energy or Green Energy is GHG free. There can be differences in definitions of “Renewable Energy” or “Green Energy” from an energy market.

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perspective, versus a regulatory perspective. In California, the term "eligible renewable" refers to energy sources that qualify under the state’s Renewable Energy Portfolio Standard (RPS). Qualifying Renewable Energy resources include solar photovoltaic, wind, biomass, and small hydropower as "renewable". Nuclear power and, and others that are GHG free. It does not include “Carbon Free” resources such as nuclear or large hydroelectric sources are not eligible renewable sources in California.

- **Distributed energy resources (DER):** energy sources that are modular and generate electricity physically near where the user consumes it, away from a centralized power plant. In California, this typically refers to solar photovoltaic and energy storage / batteries.

- **Renewable Energy Portfolio Standard (RPS):** is a regulation that requires electric power utilities to procure increasing levels of Renewable Energy.

- **Sustainability:** avoidance of the depletion of natural resources in order to maintain an ecological balance.

**BACKGROUND & PURPOSE**

Owned and operated by the Peninsula Corridor Joint Powers Board, Caltrain’s rail service significantly reduces Bay Area fossil fuel dependence by providing an alternative to reliance on carbon intense, inefficient single occupancy vehicle travel. In California, transportation accounts for nearly half of the state’s GHG emissions. Maximizing ridership on public transportation, including Caltrain’s commuter rail service, is a vital method of reducing GHG emissions from on-road transportation.

The Peninsula Corridor Electrification Project will transition Caltrain from a rail system fueled by diesel to one primarily powered by electricity. The financial and sustainability impacts of decisions Caltrain makes about energy will increase in proportion with its electricity consumption. Electrification presents Caltrain with new risks and opportunities that the agency has not previously addressed, such as substantially greater participation in California’s dynamic, rapidly evolving electric power market and policy environment. It also presents Caltrain with significant price and cost exposure given the amount of electricity that Caltrain will need to purchase to provide electric service.

The Energy Policy it is intended to equip Caltrain staff and Board with guideposts to navigate existing and emerging questions related to fuel and energy procurement, technology acquisition, and project development, among others. The Energy Policy describes organizational values regarding energy, which encompasses issues of cost, savings, revenue opportunities, sustainability, regulation, carbon intensity, and the trade-offs among these factors. The policy lays a foundation for the development of energy-related standard operating procedures.

**Objectives**
1. **Balance sustainability with financial imperatives.**
   - Minimize cost and price volatility in electricity purchases while seeking to procure 100% renewable energy—the lowest carbon content energy that is financially feasible, in the following order of preference:
     i. 100% Renewable Energy
     ii. 100% Carbon-Free Energy
     iii. The least carbon intensive energy resources that are not carbon or greenhouse gas free
   - Seek to capture energy from regenerative breaking and pursue compensation for energy from regenerative breaking.
   - Strive to maximize revenue from the Low Carbon Fuel Standard (LCFS) program, which will be committed to funding Caltrain’s ongoing operations to the extent regulations allows.
   - Consider implementing or partnering with others to implement distributed energy resource (DER) projects within the Caltrain right-of-way that are financially viable and compatible with the Rail Corridor Use Policy.
   - Participate in applicable energy programs and opportunities that generate revenues, cost-savings, and/or returns.
   - Monitor, and where relevant, engage in regulatory processes at agencies that regulate energy and energy markets and whose decisions may significantly affect Caltrain’s operations and financial interests once electrified.

2. **Improve Caltrain’s environmental sustainability.**
   - Seek to reduce the use of fossil fuel and fossil fuel infrastructure throughout the organization.
   - Increase the proportion of renewable energy content in Caltrain’s energy procurements.
     i. In the event 100% Renewable Energy is not financially feasible to procure, Caltrain will procure energy resources as described in Objective 1.

3. **Minimize operational and maintenance impacts.**
   - Prioritize maintaining continuity of rail operations and consider operational impacts and maintenance costs as part of a lifecycle cost analysis for energy-related projects.

4. **Enhance system resilience.**
   - Caltrain will explore options to increase the resilience of its electric power supply and infrastructure by researching energy storage opportunities, microgrids, or other relevant technologies and programs to deliver its critical transportation services.
   - Caltrain will work with its utility partners to ensure that there is sufficient grid capacity and energy resources to supply the energy needed for Caltrain’s electrified service.
5. **Support the regional economy.**
   - Consider the economic impact of energy procurement practices and projects and seek to positively benefit the regional economy.

6. **Create organizational accountability**
   - Caltrain staff will review the Energy Policy on an annual basis to ensure it remains relevant, up to date, and responsive to current energy market conditions and definitions. Caltrain staff will report their findings to the Board annually as an informational item.
   - Caltrain’s Board of Directors will review significant energy related procurements at its discretion and as per the Joint Powers Board (JPB) Procurement Policy.
Resolution No. 2024-

Board of Directors, Peninsula Corridor Joint Powers Board
State of California

*   *   *

Adopting Caltrain Energy Policy

Whereas, the Peninsula Corridor Joint Powers Board (JPB or Caltrain) is at the beginning of the process of managing its energy demand and sourcing, but financial modeling demonstrates that once electrified, electric power will be among Caltrain’s highest costs for the foreseeable future; and

Whereas, Caltrain is meeting this challenge via three, related efforts:

1. Strategic Financial Plan (SFP): In 2022, Caltrain hired the consulting firm Bell Burnett & Associates (BB&A) to help it navigate an array of financial challenges, such as long-term ridership decline, an increasing operating deficit, and cost drivers including increased electric cost. The Strategic Financial Plan is intended to quantify and assess these challenges, and to address near-term risk while exploring opportunities to increase revenue.

2. Energy Procurement Strategy (EPS): BB&A is preparing an Energy Procurement Strategy. The EPS is significant as electric power is poised to dramatically increase costs upon Caltrain’s electrification and completion of PCEP. The EPS will make recommendations for Caltrain’s energy procurement, including the vendors it will procure from and terms of procurement. It will be guided and governed by the Caltrain Energy Policy.

3. Caltrain Energy Policy: The Energy Policy sets Caltrain’s organizational objectives and values to direct staff work on energy matters. Energy policy decisions often require
tradeoffs, and the Energy Policy offers a framework Caltrain staff can utilize to evaluate these tradeoffs. The full Energy Policy is attached as an appendix; and

Whereas, The Energy Policy’s objectives are as follows:

1. Balance sustainability with financial imperatives
2. Improve Caltrain’s environmental sustainability
3. Minimize operational and maintenance impacts
4. Enhance system resilience
5. Support the regional economy; and

6. Organizational accountability

Whereas, staff recommends that Caltrain adopt the Energy Policy to express Caltrain’s organizational priorities and objectives on energy, and to facilitate decision-making related to energy matters; and

Whereas, adopting the Energy Policy will not impact the timing of implementation of the SFP or EPS; and

Whereas, the proposed Energy Policy supersedes all previous resolutions adopted by the Board of Directors of the Peninsula Corridor Joint Powers Board related to energy policies, including Resolution No. 2016-32, No. 2017-10, and No. 2018-44; and

Whereas, staff expect to update the Energy Policy periodically to ensure its continued relevance and to address changing energy market and regulatory conditions; and

Whereas, adopting the Energy Policy does not have a direct impact on the budget. However, the Energy Policy provides a framework for Caltrain’s future energy procurement and other energy investment decisions, which are expected to have a material impact on Caltrain’s
budget, and electric power will become one of Caltrain’s greatest costs and sources of financial risk.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby adopts the Caltrain Energy Policy as provided in Attachment 1; and

Be It Further Resolved that the proposed Energy Policy supersedes all previous resolutions adopted by the Board of Directors of the Peninsula Corridor Joint Powers Board related to energy policies, including Resolution No. 2016-32, No. 2017-10, and No. 2018-44.

Regularly passed and adopted this 1st day of February, 2024 by the following vote:

Ayes:

Noes:

Absent:

__________________________________________
Chair, Peninsula Corridor Joint Powers Board

Attest:

______________________________
JPB Secretary
Resolution No. 2024 -

Board of Directors, Peninsula Corridor Joint Powers Board
State of California

*   *   *

Resolution of Appreciation Jeff Gee

Whereas, Jeff Gee served with distinction as Chair of the Peninsula Joint Powers Board in 2023, presiding over many major achievements and milestones; and

Whereas, during his tenure, Caltrain has seen a substantial increase in ridership as more riders return to the system; and

Whereas, Jeff Gee pushed for the purchase of the first battery electric train in US history, which will provide a modern, electrified rail connection to Gilroy, while also helping other agencies explore the potential of battery-operated train service; and

Whereas, Jeff Gee was a strong advocate for restoring the fourth weekday Gilroy train, which now provides additional service and flexibility to South Santa Clara County residents; and

Whereas, Jeff Gee strongly supported the introduction of new fare promotions, inviting more people to explore Caltrain conveniently and affordably; and

Whereas, as a strong supporter of transit-oriented development, Jeff Gee has advocated for the Diridon Plaza Project, which will put San Jose Diridon Station at the center of a vibrant and beautiful neighborhood, simultaneously creating a new source of passengers and an exciting new travel destination; and

Whereas, Jeff Gee has been a proponent of the Downtown Extension Project (DTX), also known as the Portal, and as Chair of the Transbay Joint Powers Authority, of which Caltrain is a member, has been a leader in the effort to extend Caltrain service from 4th and King Street to the Salesforce Transit Center in San Francisco; and
Whereas, Jeff Gee demonstrated a commitment to fiscal responsibility by supporting Caltrain’s first two-year budget for Fiscal Years 2024 and 2025, keeping Caltrain’s budgets balanced in the aftermath of the pandemic and laying out a pathway for the agency’s future; and

Whereas, Jeff Gee has been instrumental in the implementation of Caltrain’s safety culture, supporting safety-focused policies that protect Caltrain employees and the public; and

Now, Therefore, Be It Resolved that the Peninsula Corridor Joint Powers Board (Caltrain) of Directors does hereby recognize and honor Jeff Gee for his hard work and dedication to this body, Caltrain and the tens of thousands of people who depend on it.

Regularly passed and adopted this 1st day of February, 2024 by the following vote:

Ayes:

Noes:

Absent:

_________________________________________
Chair, Peninsula Corridor Joint Powers Board

Attest:

_______________________________
District Secretary