

**Peninsula Corridor Joint Powers Board
Board of Directors
1250 San Carlos Avenue, San Carlos, CA 94070
Minutes of October 3, 2024**

Members Present: Margaret Abe-Koga (arrived at 9:37am), Pat Burt, Jeff Gee, Ray Mueller, Shamann Walton, Monique Zmuda, Steve Heminger (Vice Chair, arrived at 9:03am), Devora “Dev” Davis (Chair)

Members Present via Teleconference: Rico E. Medina

Staff Present: J. Baker, M. Bouchard, C. Fromson, J. Harrison, M. Lee, L. Lumina-Hsu, D. Ryan, P. Shrestha, M. Tseng

1. Call to Order/Pledge of Allegiance/Safety Moment – Chair Davis called the meeting to order at 9:00 am, led the Pledge of Allegiance, and delivered the safety briefing.

2. Roll Call

Acting District Secretary Margaret Tseng called the roll and confirmed a Board quorum was present.

Chair Davis proposed and the Board agreed to reorder the regular session agenda items in the following order:

- 8. General Counsel Report – Report Out from Above Closed Session
- 10. Report of the Executive Director
- 11. Peninsula Corridor Electrification Project (PCEP) Monthly Progress Report
- 15. Update Regarding Implementation of JPB Governance MOU
- 14. Consideration of Cooperative Agreement with Diridon Partner Agencies to Establish Interim Project Organization Structure
- 13. Receive State and Federal Legislative Update
- 16. Reports
- 12. Consent Calendar
- 9. Public Comment for Items Not on the Agenda

Chair Davis announced public comment would be reduced to one minute due to time constraints.

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

- 4. General Counsel Report – Closed Session: Conference with Real Property Negotiator (Gov. Code § 54956.8)**
 - 4.a. Property: 375 Beale Street, San Francisco, CA
 - 4.b. Property: 166 N. Rollins Road, Millbrae, CA
 - 4.c. Property: 153 Townsend Street, San Francisco, CA
 - 4.d. Property: 305 Main Street, Redwood City, CA
- 5. Closed Session: Conference with Legal Counsel – Existing Litigation (§ 54956.9(d)(1)) [Peninsula Corridor Joint Powers Board vs. Mungia Castillo, Santa Clara County Superior Court, Case No. 24CH012890]**
- 6. Closed Session: Conference with Legal Counsel – Anticipated Litigation (§ 54956.9(d)(4)) [Initiation of Litigation, Number of Potential Cases: 1]**
- 7. Closed Session: Public Employee Performance Evaluation General Counsel (Gov. Code § 54957(b)(1))**

Director Mueller left the meeting at 10:15 am

- 8. General Counsel Report – Report Out from Above Closed Session**

James Harrison, Legal Counsel, reported that there were no reportable actions.
- 9. Public Comment for Items Not on the Agenda**

Santiago Quijano commented on fare calculations.

Rob Newsom, Deputy Mayor for the City of San Mateo, stated the City of San Mateo received many comments from city residences living around the transit corridor regarding horn blasts including around elevated stations.

Aleta Dupree, Team Folds, commented on train schedule and fare payment system.

Chris Flokowski commented on the Bayshore Station webpage.
- 10. Report of the Executive Director**

Michelle Bouchard, Executive Director, provided a report which included the following:

 - Traction power working as designed with no significant issues. Vandalism during first week of launch led to significant delays
 - Electrification Weekend Launch Party
 - Rail Safety Month - additional public service announcements, educational campaigns, and blitz with transit police
 - Train horn noises on some equipment were discovered louder than legal limits and being corrected

Public comment

Aleta Dupree, Team Folds, commented on electrification party event.

Jeff Carter commented on electrification project completion and party event execution.

Director Walton left the meeting at 11:07 am

11. Peninsula Corridor Electrification Project (PCEP) Monthly Progress Report

Pranaya Shrestha, CalMOD Chief Officer, and Casey Fromson, Chief of Staff, provided the presentation that included the following:

- Focusing on project close out including financial closure and punch list close out
- Fifteen train sets in service and next train set for delivery end of November

Public comment

Aleta Dupree, Team Folds, commented on electrification project completion.

Chris Flokowski commented on ridership expansion and out-of-service station elevators.

12. Consent Calendar

12.a. Meeting Minutes of September 5, 2024

12.b. Approval of the 2025 JPB Caltrain Board Meeting Calendar

12.c. Accept Statement of Revenues and Expenses for the Period Ending August 31, 2024

12.d. Approve Amendment 2 to Contract with Bell Burnett & Associates to Provide Additional Scope and Capacity for Financial Strategy Planning Consulting Services*
Approved by Resolution 24-56

12.e. Amend and Increase the Fiscal Year 2025 Caltrain Capital Budget by \$13,921,399 from \$132,702,653 to \$146,624,052 *Approved by Resolution 24-57*

12.f. Award of Contracts for On-Call General Commercial Real Estate Brokerage Services*
Approved by Resolution 24-58

12.g. Authorize an Amendment to the Contract with moovel North America, LLC for the Caltrain Mobile Ticketing Solution to Extend the Term by One Year and Increase the Contract Capacity by \$574,245 to \$2,255,851* *Approved by Resolution 24-59*

12.h. Receive Update on Diridon Station Design Alternatives

Motion/Second: Medina/Abe-Koga

Ayes: Abe-Koga, Burt, Gee, Medina, Zmuda, Heminger, Davis

Noes: None

Absent: Mueller, Walton

13. Receive State and Federal Legislative Update

Casey Fromson, Chief of Staff, Jason Baker, Director of Government and Community Affairs, and Devon Ryan, Government Affairs Officer, provided the presentation that included the following:

- Current deficit of \$77 million per year
- Major issues impacting deficit include fare revenue; discontinued member agency contributions to Caltrain; and increased energy costs
- MTC (Metropolitan Transportation Commission) Regional Measure Executive Committee plan to approve framework for transportation measure on October 21
- Current scenarios to fund transit agencies overview addressing Caltrain funding and the farebox shortfall; funding mechanism via sales tax, parcel tax, or payroll tax; and the Caltrain deficit coverage based on the two scenarios:
 - Scenario One Revised involves four counties of Alameda, Contra Costa, San Francisco, and San Mateo, with opt-ins for five counties, using a sales tax with Caltrain allocation, and expected Santa Clara County contribution
 - New hybrid Scenario Two involves nine counties for \$1.5 billion using sales tax and payroll tax with Caltrain allocation \$72 million in years 1-8 and \$52 million in years 9-15
- Caltrain only measure discussion of sales tax, parcel tax, mixture of taxes, or sales tax and county member contributions in the three counties would need authorization legislation for any mechanism

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

- Timeline for measure development and agency and counties support
- Consolidation could be in a separate legislation

Public comment

Jeff Carter commented on transit funding and partner agency funding.

Katherine Dumont, Menlo Park resident, spoke in support of regional funding measure.

Aidan Jones, San Francisco resident, spoke in support of regional funding measure.

14. Consideration of Cooperative Agreement with Diridon Partner Agencies to Establish Interim Project Organization Structure* **

Marian Lee, Diridon Project Director, provided the presentation that included the following:

- Two design alternatives were developed and will come to the Board at a later date
- Environmental Review to begin Summer 2025
- Agreement covers pre-environmental and environmental phases of the project and interim to be replaced by a long-term governance
- Challenges for multiagency team until long-term governance organization is established includes turning the mega regional transit project from feasibility to delivery

- Suggested integrated project team comprised of partner agencies for the Diridon Project Steering Committee, Executive Working Group, Director Working Group, and Technical Working Group

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

- Shared memo from Chair Davis, Director Abe-Koga, and Director Burt to propose designating Caltrain as the lead agency; add dispute resolution; grant steering committee authority over project matters including hiring project manager who will report to Caltrain
- Structure of Steering Committee and accountability and project prioritization for the partner agencies

Motion/Second: Abe-Koga/Burt

Ayes: Abe-Koga, Burt, Gee, Medina, Zmuda, Heminger, Davis

Noes: None

Absent: Mueller, Walton

Public comment

Vaughn Wolffe commented on Board Directors public office terms and the timeline for project completion.

Board Members expressed their appreciation to Chair Davis and the Santa Clara partners for their support.

15. Update Regarding Implementation of JPB Governance MOU

James Harrison, General Counsel, provided the presentation that included the following:

- Memorandum of Understanding (MOU) Completed Items including MTC payment of \$19,600,000; County and City of San Francisco payment of \$6,080,000; and Santa Clara County Valley Transit Authority payment of \$9,120,000 to SamTrans
- On-Going items include:
 - Three of five MOU positions hired and two in the process of recruitment expected to be filled by end of the year
 - SamTrans transfer of Tenancy-In-Common (TIC) interest application filed and expect transfer to be complete by end of year
 - Shared Services Agreement negotiation and execution expected by end of year
 - CalPERS (California Public Employees' Retirement System) application and contract eligibility determination expected by end of November and if successful, expected contract by end of 2025
 - Real Property Ownership Agreement (RPOA) and Joints Power Agreement (JPA) Negotiations continue to resolve inconsistencies and clarify ambiguities

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

- Current Active and Retired Rail Employee benefits continue as SamTrans employees while CalPERS contract is in progress until approved by the Board
- Previous MOU governance agency discussion and role of the various agencies

Public comment

Aleta Dupree, Team Folds, commented on SamTrans managing agency status and CalPERS pension funding.

16. Reports

16.a. Report of the Citizens Advisory Committee - Brian Shaw, Chair, provided the report, which included the following:

- Update fare promotion suggested revising 3-day pass to allow usage within 7-day period
- Asset protection and vandalism
- APC (automatic passenger counter) clarification and data analysis
- Safety improvements, crowd control, train delivery, and train inspection upon delivery

16.b. Report of the Chair - Chair Davis reported December being her last JPB Board meeting due to her term expiring

16.b.i. Appointment of Nominating Committee for 2025 Officers - Will be discussed with Executive Director and General Counsel

16.c. Report of the Local Policy Maker Group (LPMG) - Chair Burt had nothing to report as meeting was cancelled.

16.d. Report of the Transbay Joint Powers Authority (TJPA) - Chair Gee reported extended lease amendments, procurement packages, October meeting cancelled for lack of items, and TJPA will produce monthly reports in January for packets.

17. Correspondence – Available online.

18. Board Member Requests – Chair Davis requested staff review the train horn policy on elevated tracks, check the website for local only station for accuracy, and check the Bayshore Station elevators are in working order.

John Hogan, Chief Operating Officer, explained the Bayshore elevators are working as of October 3, 2024, staff will check on the horns policy on the elevated tracks, and half of the trains have their horns lowered in decibel.

19. Date/Time of Next Regular Meeting: Thursday, November 7, 2024 at 9:00 am.

20. Adjourn – The meeting adjourned at 12:17 pm.