



BOARD OF DIRECTORS 2025

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EXECUTIVE DIRECTOR

AGENDA

Peninsula Corridor Joint Powers Board

Board of Directors Meeting

May 01, 2025, 9:00 am

Bacciocco Auditorium, 2nd Floor
1250 San Carlos Avenue, San Carlos, CA 94070

Members of the public may participate remotely via Zoom at <https://us06web.zoom.us/j/87581188408?pwd=OFNUYTVFdExlOXRkR2tQOENXQUhhUT09> 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 Avenue, San Carlos, CA, 94070 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.

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.

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

May 01, 2025 - 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.

1. Call to Order
2. Roll Call
3. Pledge of Allegiance / Safety Briefing
4. Consideration of requests, if any, of Directors to participate remotely due to Emergency Circumstances
5. Request to Change Order of Business
6. 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.
7. Report of the Executive Director Informational
8. Consent Calendar
Members of the Board may request that an item under the Consent Calendar be considered separately.
 - 8.a. Approval of Meeting Minutes for April 3, 2025 Motion

Approved by the Finance Committee

 - 8.b. Accept Statement of Revenues and Expenses for the Period Ending February 28, 2025 Motion
 - 8.c. Accept Annual Audit of Measure RR Tax Revenues and Expenditures for the Fiscal Year Ended June 30, 2024 Motion
 - 8.d. Award a Cooperative Purchasing Contract to Mansfield Oil Company of Gainesville, Inc. to Supply Renewable and Standard Red-Dye, Ultra-Low Sulfur Diesel Fuel and Fueling Services through September 2027 for a Total Estimated Amount of \$2,527,274* Resolution
9. Receive State and Federal Legislative Update and Consider Positions on Legislation: Assembly Bill 476 (Gonzalez) and Senate Bill 63 (Wiener) Motion

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

- | | |
|---|---------------|
| 10. Receive Fiscal Years 2026 and 2027 Preliminary Operating and Capital Budgets | Informational |
| 11. Receive Update on Project Budget, Contract Capacity, and Funding Plan Increase for Guadalupe River Bridge Replacement Project | Informational |
| 12. Receive Caltrain Non-Fare Revenue Strategy Study Initial Results | Informational |
| 13. Reports (Verbal) | |
| 13.a. Report of the Citizens Advisory Committee | Informational |
| 13.b. Report of the Chair | Informational |
| 13.c. Report of the Local Policy Maker Group (LPMG) | Informational |
| 13.d. Report of the Transbay Joint Powers Authority (TJPA) | Informational |
| 14. Correspondence | |
| 15. Board Member Requests | |
| 16. Date / Time / Location of Next Regular Meeting: Thursday, June 5, 2025 at 9:00 am.
The meeting will be accessible via Zoom and in person at Bay Area Metro Center, 375 Beale Street, 1st Floor, Yerba Buena Room, San Francisco, CA 94105. | |
| 17. 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 650.551.6108. Agendas are available on the Caltrain website at <https://www.caltrain.com>. Communications to the Board of Directors can be e-mailed to board@caltrain.com.

Free translation is available; Para traducción llama al 1.800.660.4287; 如需翻译 请电 1.800.660.4287

Date and Time of Board and Committee Meetings

JPB Board: First Thursday of the month, 9:00 am; JPB Finance Committee: Two Mondays before the Board Meeting, 2:30 pm; JPB Technology, Operations, Planning, and Safety (TOPS) Committee: Two Wednesdays before the Board meeting, 1:30 pm. JPB Advocacy and Major Projects (AMP) Committee: Two Wednesdays before the Board meeting, 3:30 pm. 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: April 2025

Executive Director Michelle Bouchard

Report prepared for May Board meeting; data current through March 2025.






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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Safety Updates – Injuries and Accidents

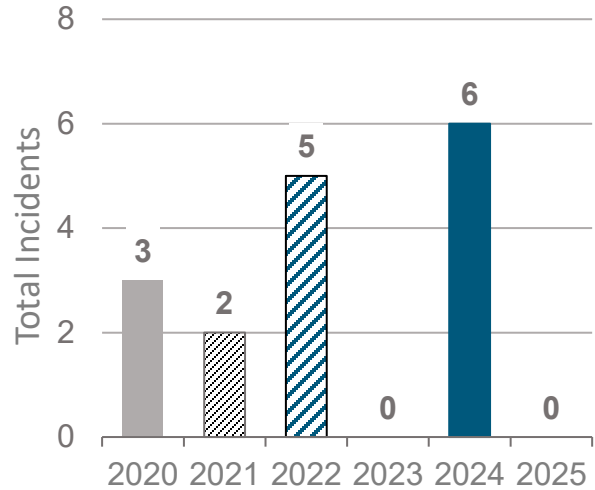
Reportable Injury Trends



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 2025 is 0.

Strains or sprains constitute the majority (54%) 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 at 5 in 2022; this was previously reported as 7. There were no reportable incidents in 2023, but there were 6 incidents in 2024, two of which were recently recognized due to cost.

Days without a Reportable Injury as of 4/1/2025

Department	Days Without Injury	Date of Last Injury
Dispatch	1,770	5/27/2020
Operations	174	10/9/2024
Maintenance of Equipment	195	9/18/2024
Maintenance of Way	412	2/14/2024
Other	1,770	5/27/2020





Safety Culture Engagement Efforts

Ongoing Safety Culture Transformation

- Safety Champions continue to help create safety messaging, encourage safety concern reporting, model safe behaviors, and obtain feedback from peers. Safety Champions are moving forward with high impact projects to advance a strong culture of Safety.
- 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 continues a “Safety Leaders of the Quarter” recognition program to acknowledge and celebrate employees who are actively contributing to a positive safety culture. A new group of Safety Leaders (the fifth cohort thus far) will be recognized in April 2025.
- Caltrain staff significantly expanded the Rail Safety section of the agency’s intranet including links to key resources such as the hazard reporting log.

Recent Engagement Activities

- Working with implementing ComplianceQuest for event reporting, hazard reporting, corrective action tracking, etc., Phase 1 user acceptance testing to start in a few weeks.
- Caltrain organization-wide Safety Culture Survey begins this week.
- Brought in-house monitoring of leased camera towers via the District’s SOC. Fifteen camera towers are deployed from San Francisco 4th/King to San Jose Almaden Road. Power Control Supervisors and CCF are given accounts to have limited control and viewing of the camera towers; access has now been secured for live viewing, and they continue to be able to request and view recorded footage. Any suspicious activities detected by SOC are communicated to CCF, who then determines escalation; the towers have been able to capture footage of various events such as thefts, trespassing on the right-of-way, and damage to a gate crossing due to a vehicle, with re-deployment scheduled for an additional location to deter trespassing/encampments.





Safety Culture Engagement Efforts (cont'd)

- Part of a working group internally and with regional transit agency partners to discuss and help plan for 2026 Superbowl and FIFA events.
- Part of working group related to unhoused persons at SFO, and how they may impact nearby transit services.
- Exploring mass notification communications tools such as ReadyOp for District use during major emergencies.
- In discussion with BART and other partner agencies for a joint, full-scale exercise next year.
- Shared Google Navigation Enhancements with Grade Crossing Working Group
- Submitting CPUC GO-88 applications to modify high risk grade crossings with solar markers and bollards. Installation at Broadway has already yielded a 100% elimination of track incursions.
- Met with technology companies to discuss GPS navigation safety enhancements for grade crossing areas. Notably, Google introduced an update that now verbally alerts map users when they approach a railroad crossing.
- Launched the internal "Why is Safety Important to Me?" campaign, encouraging employees to share a photo and story that highlights the importance of "Going Home Safely, Every Day." The campaign is featured on digital displays throughout administrative and operations offices.
- Electric train environment communication
- Planning Safety Roadshows for later this summer.

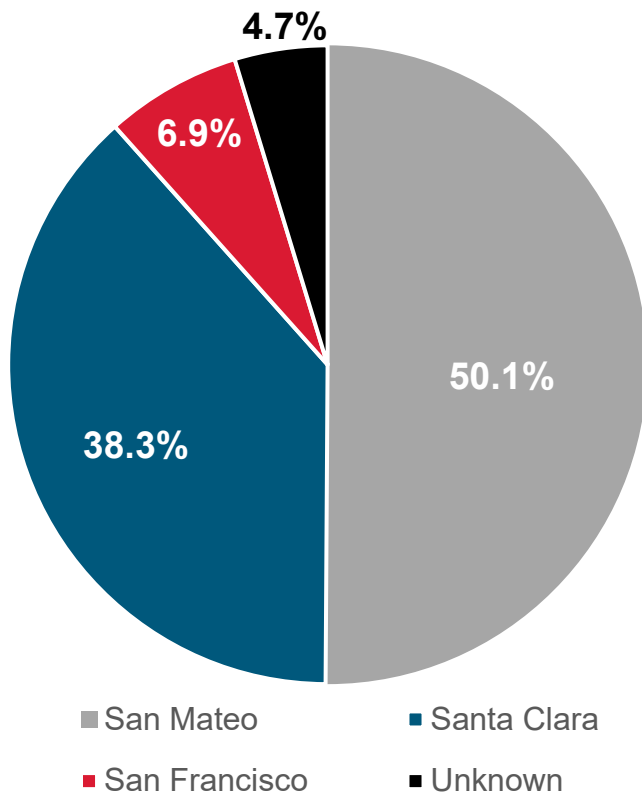




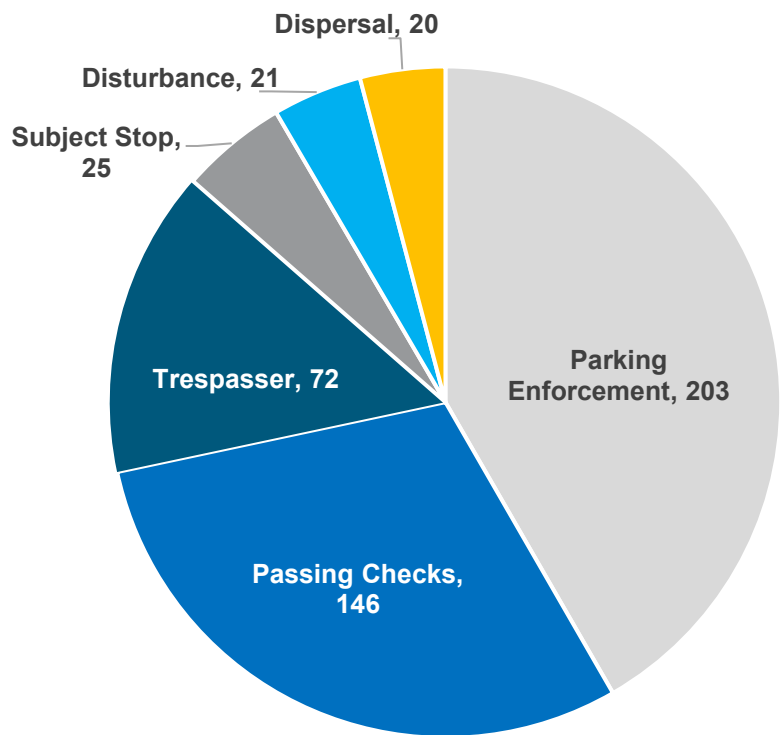
Security Update

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, rights-of-way and facilities throughout San Francisco, San Mateo, and Santa Clara counties.

Calls for Service by County March 2025



Number of Calls by Category March 2025¹



March 2025 Service Call Data

Overall Average Response Time: **21:30**

Average Response Time for **Priority 1** Calls*: **8:51**

Average Response Time for **Priority 2** Calls**: **23:56**

*Priority 1 Calls: *In Progress – Crimes Against Persons*

**Priority 2 Calls: *Just Occurred – Crimes Against Persons/In-Progress Property Crimes*

Footnote 1: Total calls for service totaled 659 in January across 16 categories. The pie chart shows the top 6 categories representing 487 calls or 74% of the total.

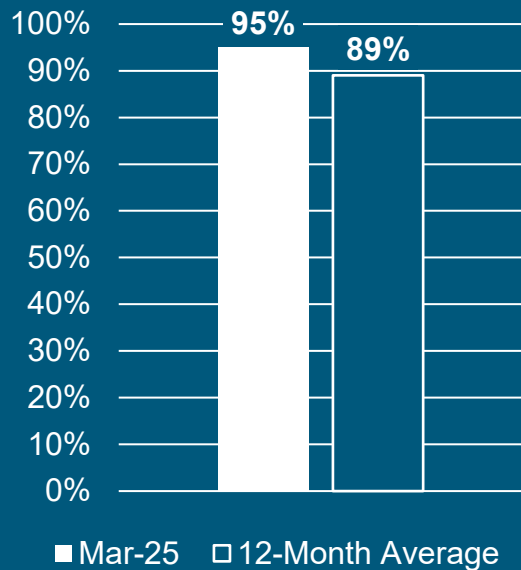




Performance at a Glance

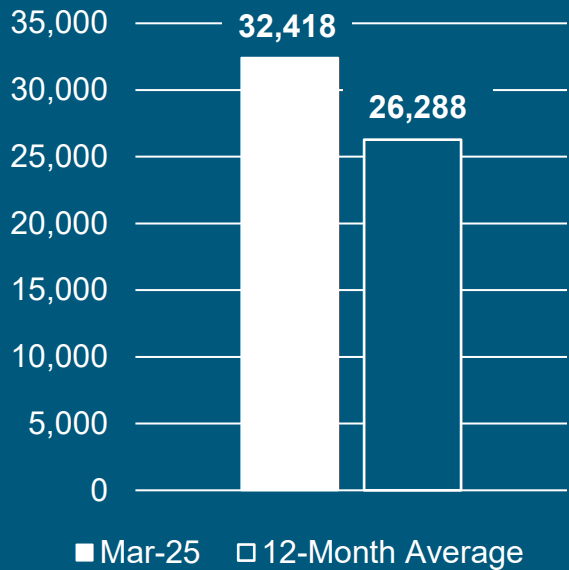
On-Time Performance

Percentage of trains arriving within six minutes of the scheduled time



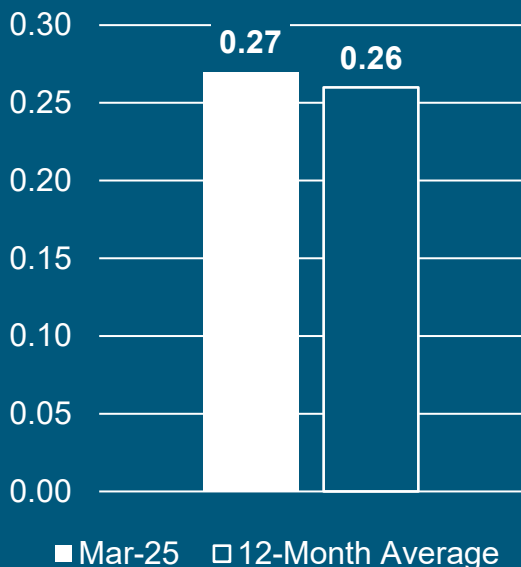
Average Daily Ridership

Average estimated weekday ridership



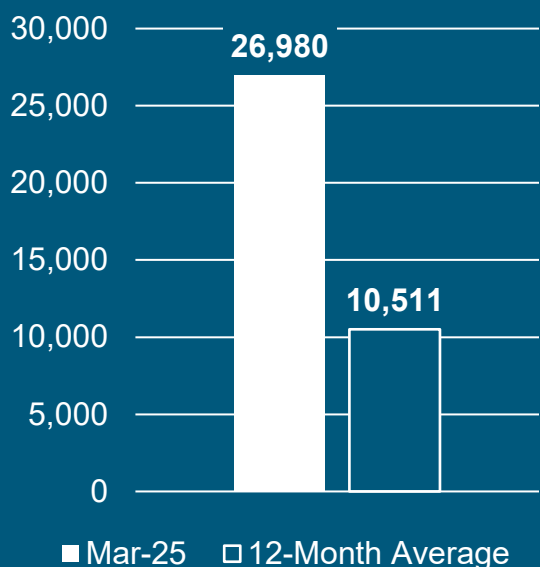
Farebox Recovery Ratio

Ratio of fare revenue to operating costs



Mean Distance Between Failures

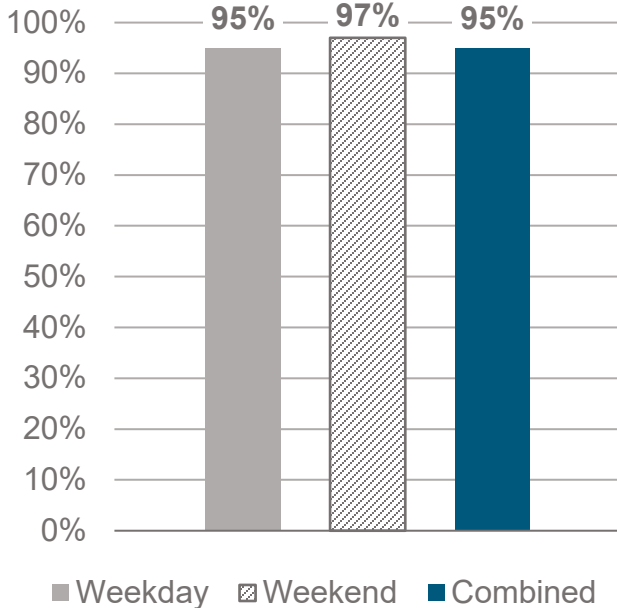
Average miles travelled by locomotives before maintenance/repair is required





On-Time Performance

Performance This Month (Mar-25)

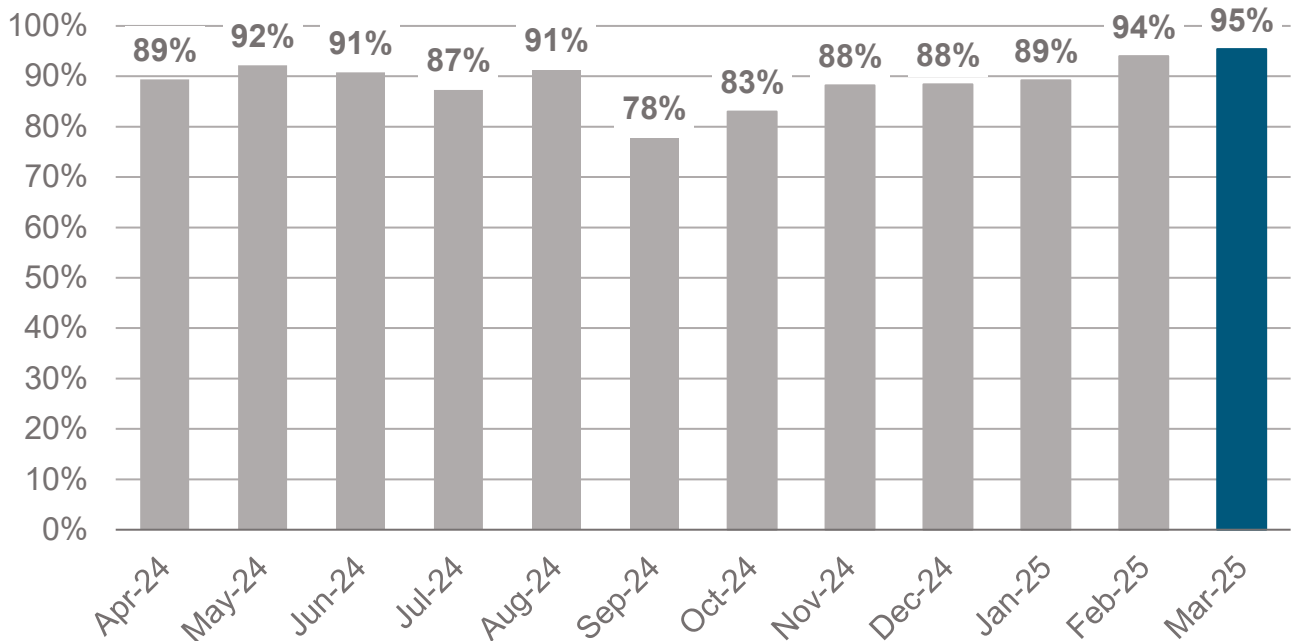


Trains are considered on-time if they arrive within six minutes of the scheduled arrival time at end-line locations (i.e. San Francisco, San Jose Diridon, Tamien, and Gilroy).

The on-time performance (OTP) goal for Caltrain is 95%. Combined OTP for the month of March was 95.4%; the most recent time the JPB achieved the goal is November 2021 at 96.4%, primarily due to JPB Capital Projects.

Note that weekend OTP includes holidays.

Monthly On-Time Performance in the Past Year





Delays and Cancellations

Jan-25

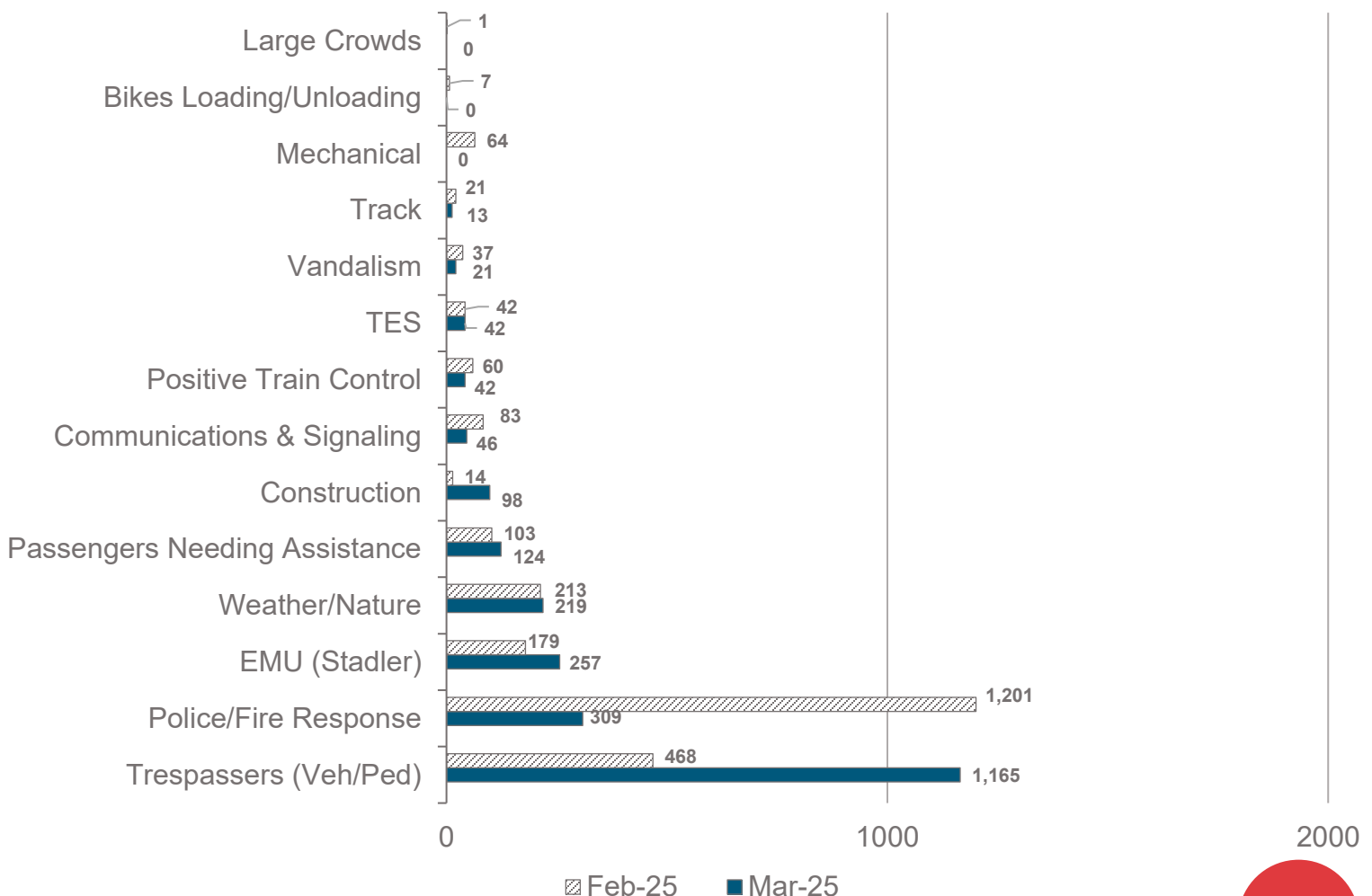
Feb-25

Mar-25

Number of Late Trains	327	164	138
Average Minutes Late for Late Trains	13	17	19
Number of Cancelled Trains	6	18	8

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.

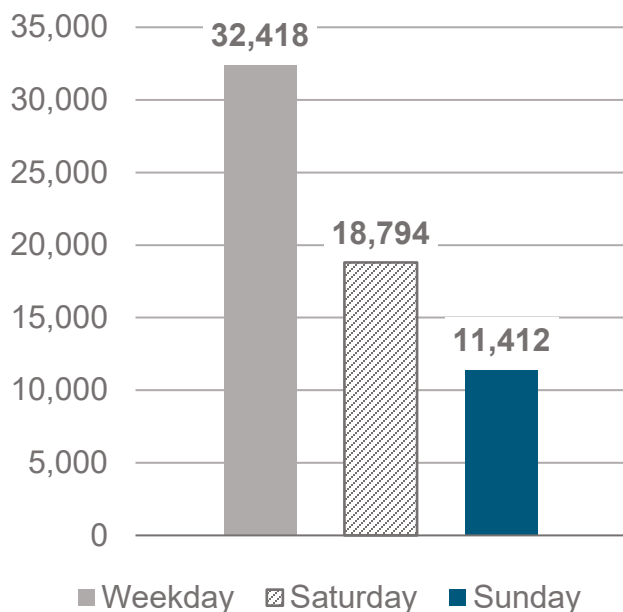
Reasons for Train Delays, by Minutes of Delay





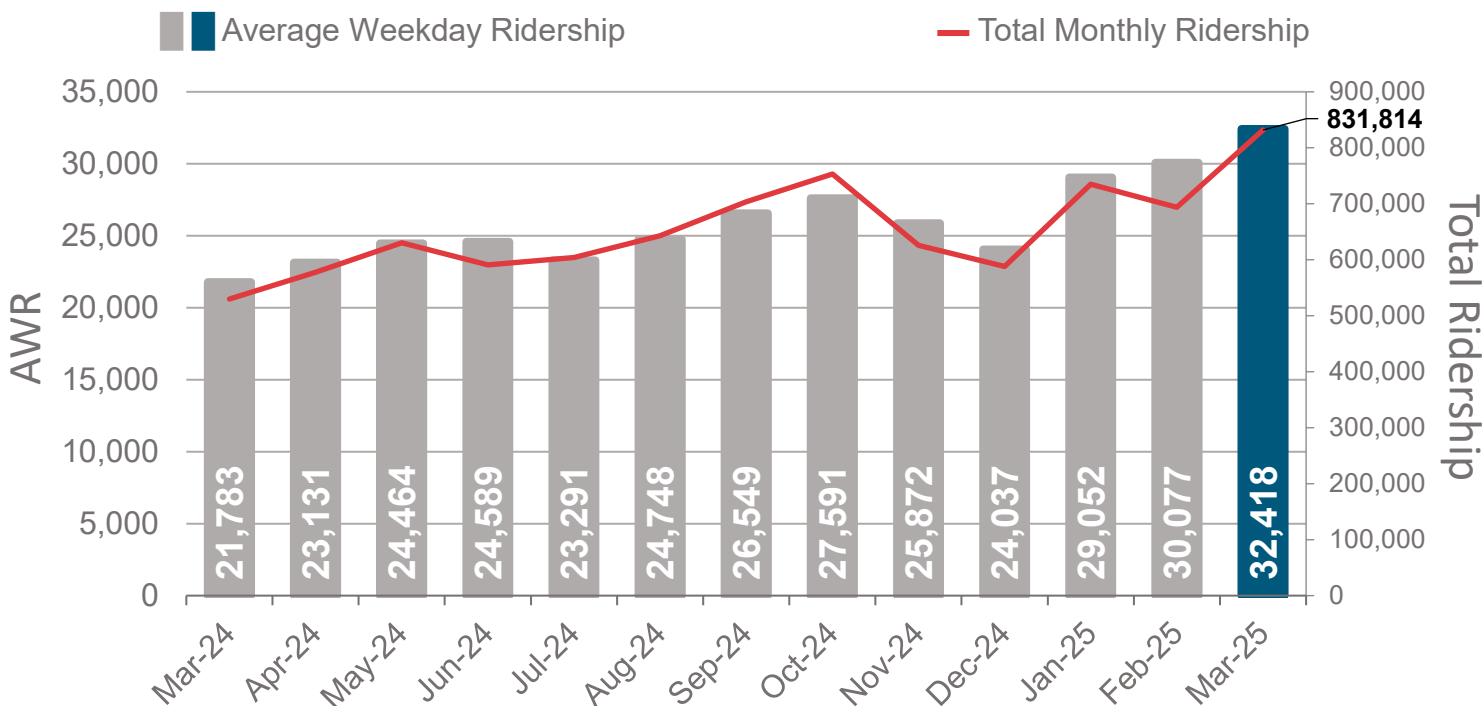
Ridership and Revenue

Average Daily Ridership (Mar-25)



Average weekday ridership (AWR) increased by approximately 49 percent compared to March of last year as riders continue to return to the Caltrain system for increased work and leisure travel.

Ridership in the Past Year



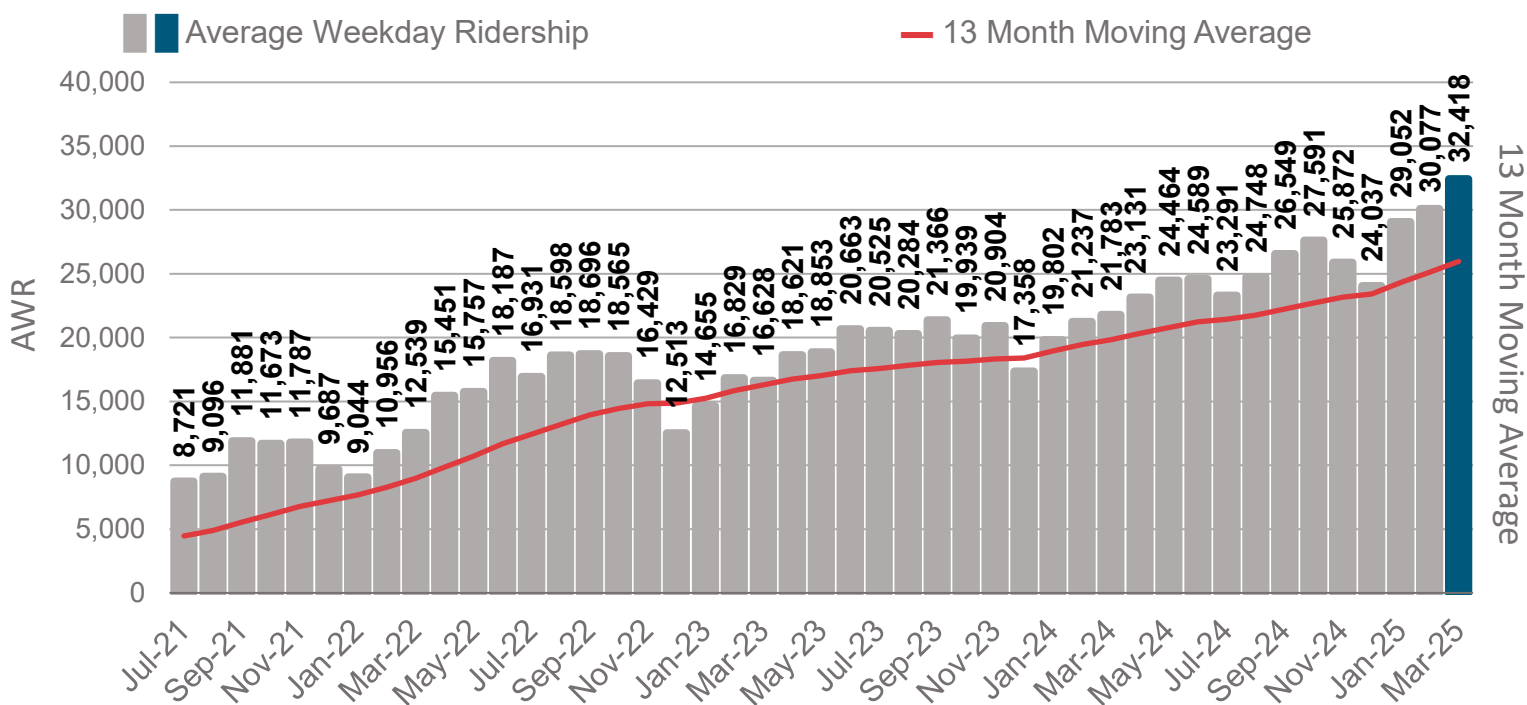
Since November 2023, Caltrain's ridership estimation model relies solely on fare media sales data.





Ridership and Revenue

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



**Year Over Year AWR Increase
(March 2024 vs. March 2025) : 49%**





Ridership and Revenue

Special Service Ridership Report

San Francisco Station

- Total event-day ridership at San Francisco Station in March was 18,491, a 202% increase compared to 2024 (6,123) and a 19.9% increase from 2019 (15,426).
 - In March 2025, there were 12 events (2 Giants preseason games, 7 Warriors, 2 NCAA West Regional nights, and Giants FanFest) compared to 6 in 2024 and 2 in 2019.

San Jose Diridon Station

- Total event-day ridership at San Jose Diridon Station in March was 3,325, a 359.9% increase compared to 2024 (723) and a 4.1% increase from 2019 (3,195).
 - In March 2025, there were 8 events (8 Sharks games) compared to 6 in 2024 and 11 in 2019.

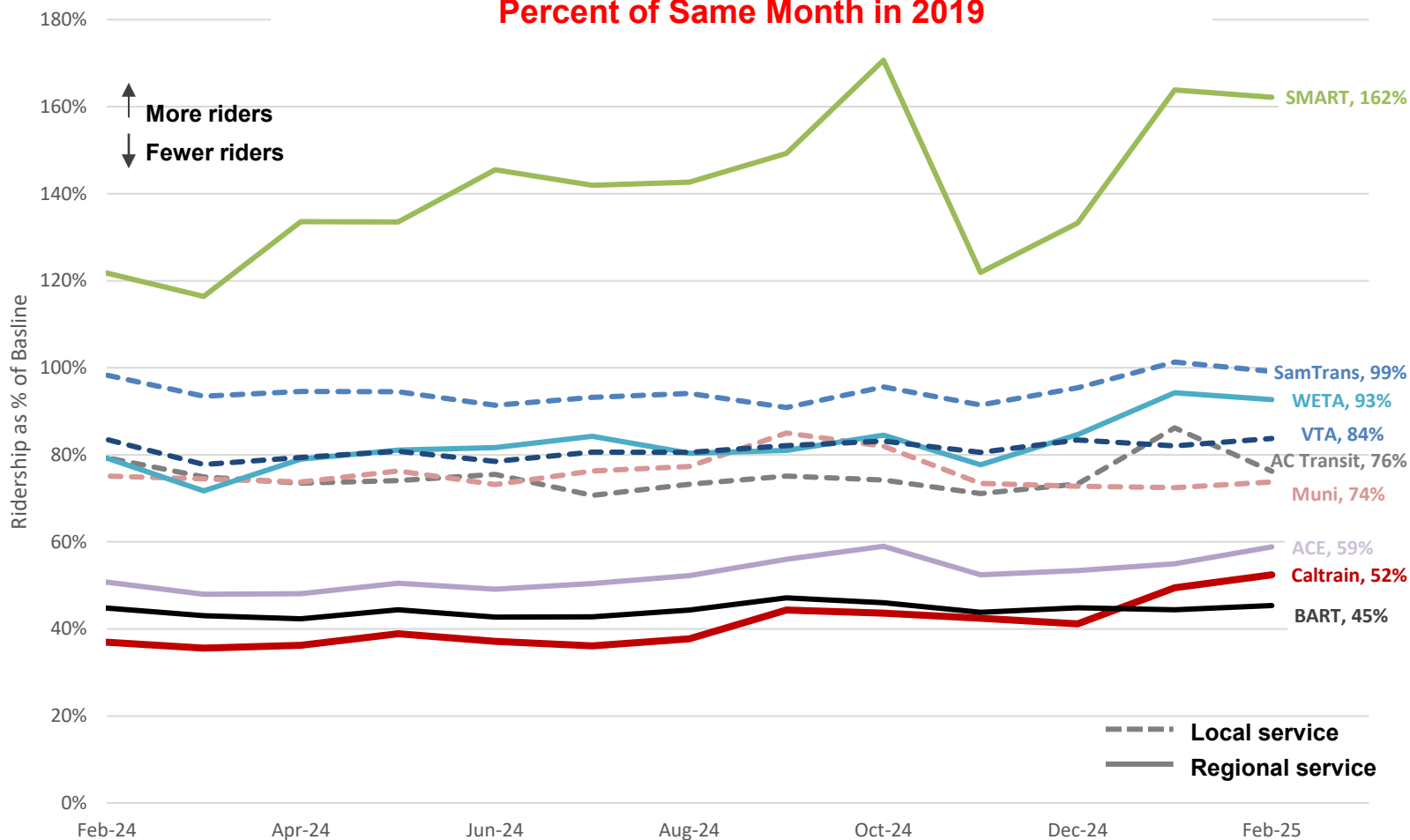




Public Transit Ridership Recovery in the Bay Area

The below chart estimates pandemic ridership recovery by comparing each month's total ridership to that of the same pre-pandemic month in 2019.

Total Monthly Ridership as a Share of Pre-Pandemic Levels Percent of Same Month in 2019



- Notes:
- As of August 2024, ridership recovery percentages for each agency are calculated in comparison to the same month from 2019.
 - 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.

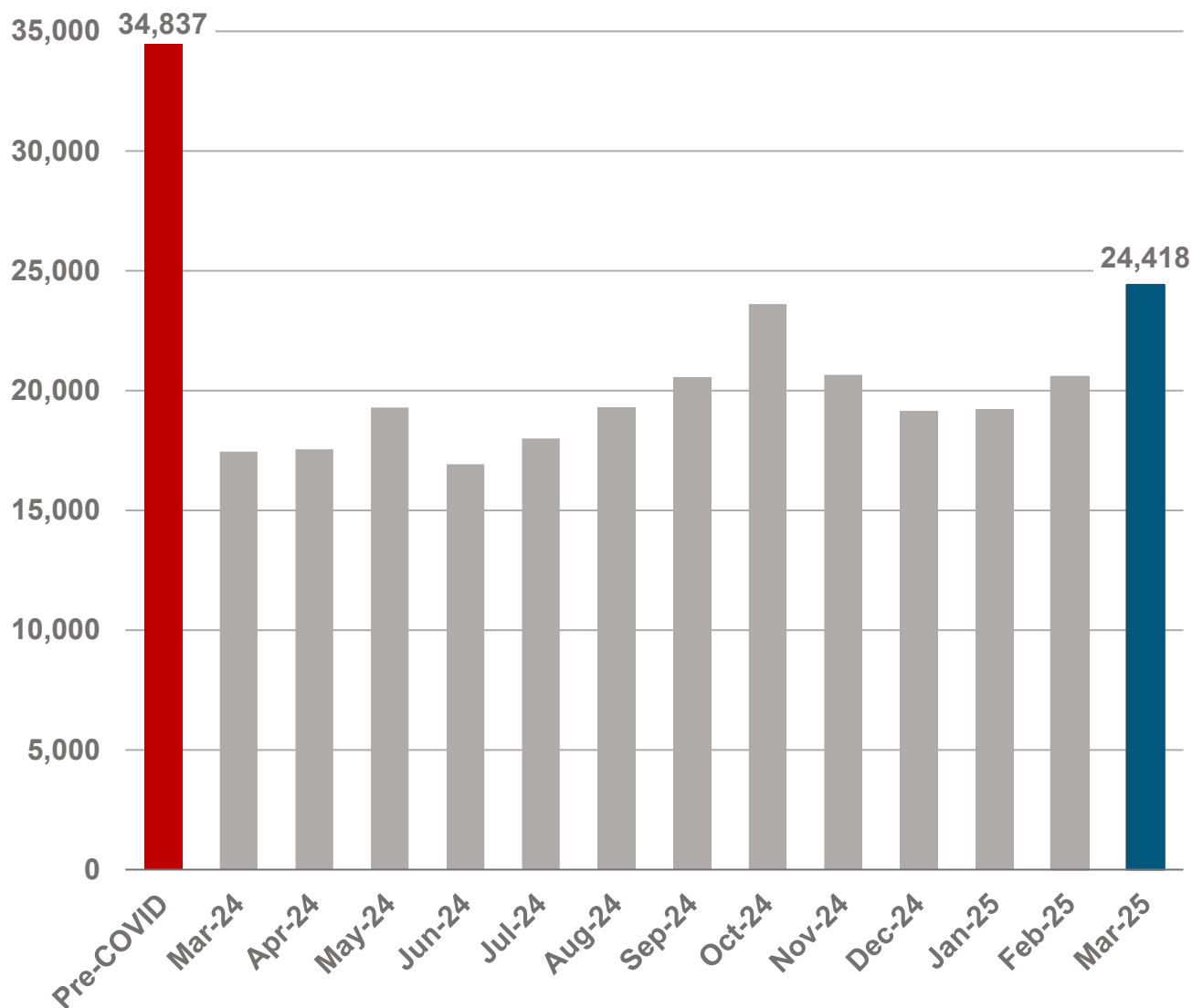
Total Monthly Ridership Estimates (in thousands)

Transit Operator	24-Feb	24-Mar	24-Apr	24-May	24-Jun	24-Jul	24-Aug	24-Sep	24-Oct	24-Nov	24-Dec	25-Jan	25-Feb
Muni	12,831	14,042	13,851	14,601	13,279	13,811	14,521	14,579	15,401	13,043	12,978	13,668	12,608
BART	4,338	4,617	4,677	4,918	4,562	4,659	4,963	5,085	5,349	4,373	4,289	4,597	4,394
AC Transit	3,303	3,484	3,490	3,492	3,071	3,092	3,498	3,678	3,923	3,229	3,118	3,788	3,173
VTA	2,238	2,397	2,419	2,545	2,238	2,345	2,519	2,595	2,871	2,427	2,379	2,413	2,245
SamTrans	816	906	891	957	795	813	948	962	1,068	881	865	929	823
Caltrain	489	530	578	630	591	604	643	703	753	625	588	735	694
WETA	160	155	172	217	224	247	276	267	237	263	184	181	205
SMART	62	68	80	85	81	89	93	94	98	79	78	94	83
ACE	58	60	63	71	55	62	70	70	84	60	54	70	67



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.

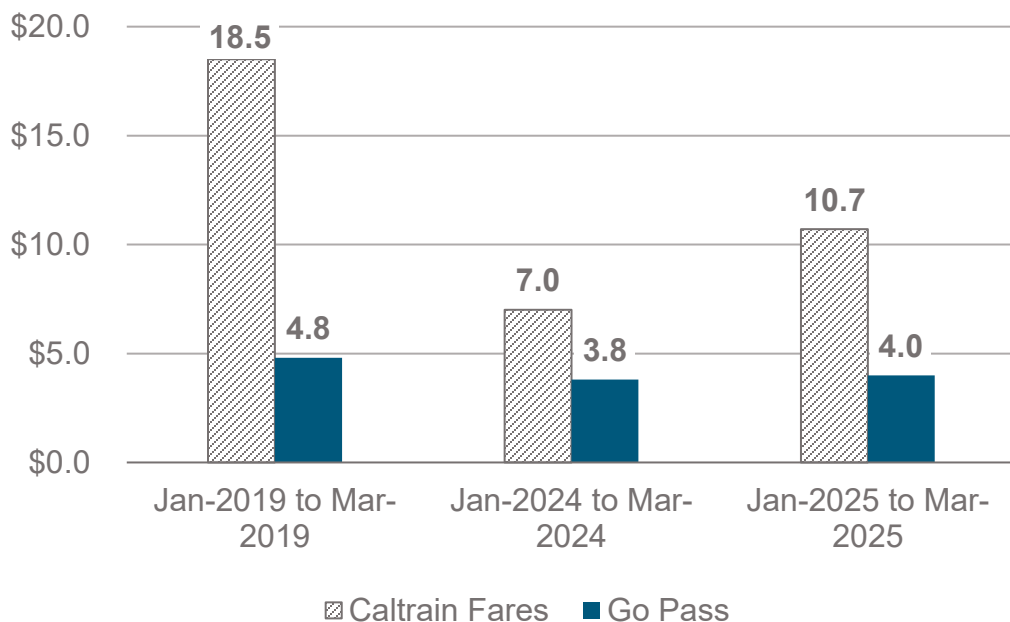
Pre-COVID data is provided for comparison purposes and represents average monthly transfers during the one-year period from March 2019 to February 2020.





Ridership and Revenue

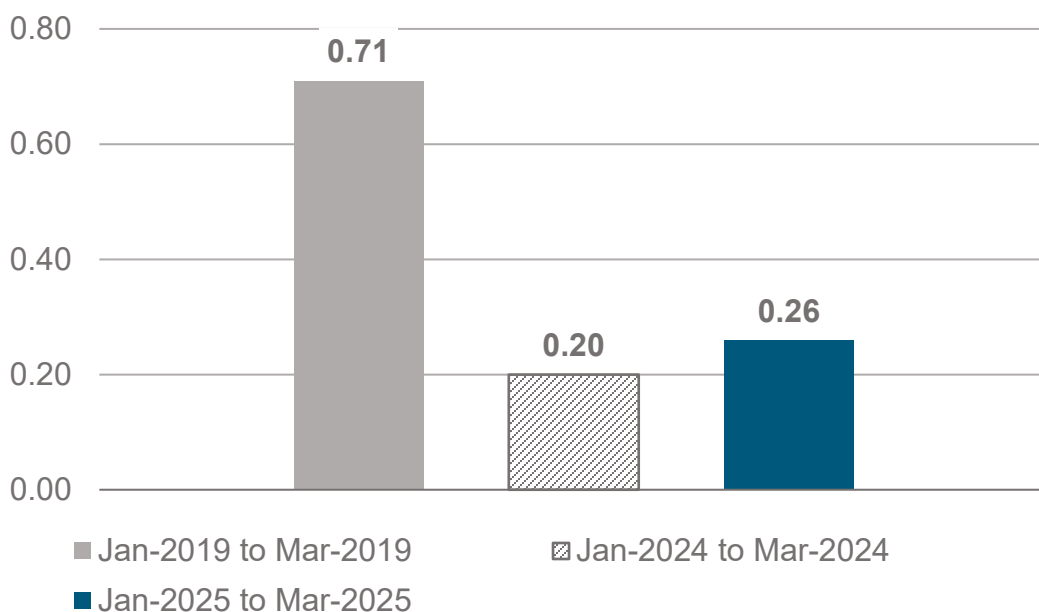
Total Fare Revenues (\$M) - Past 3 Months Comparison



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 (3-Month Rolling Average)



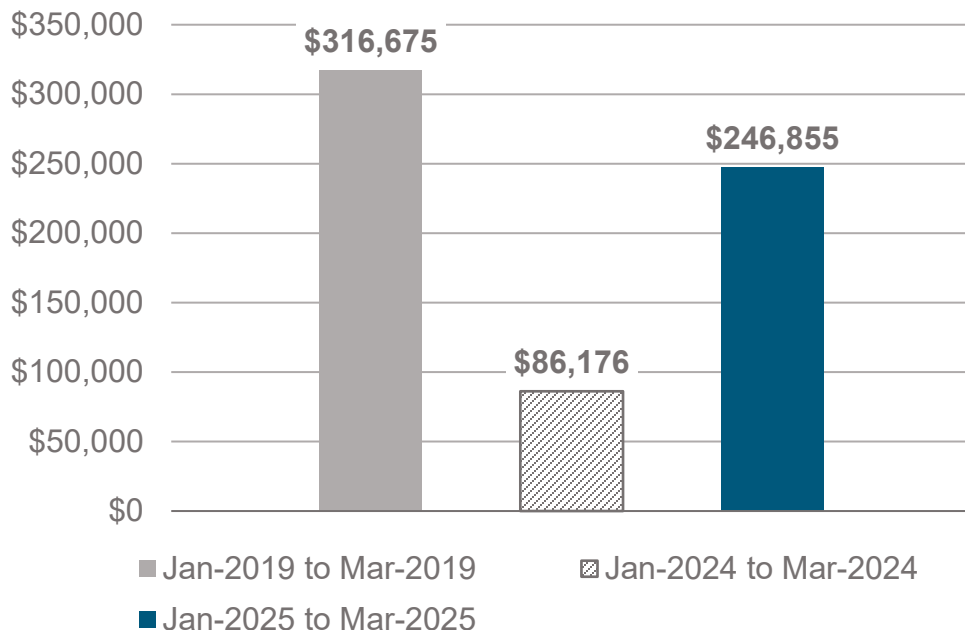
Farebox Recovery Ratio represents how much of the cost of providing service is covered by customer fares. A higher ratio indicates that a greater share of costs are covered by riders.





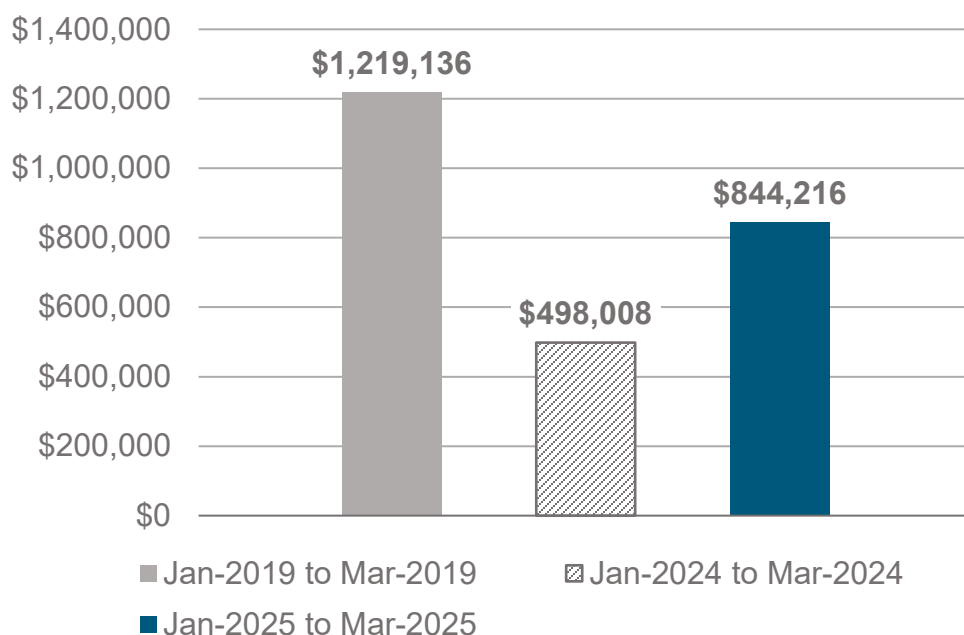
Ridership and Revenue

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)



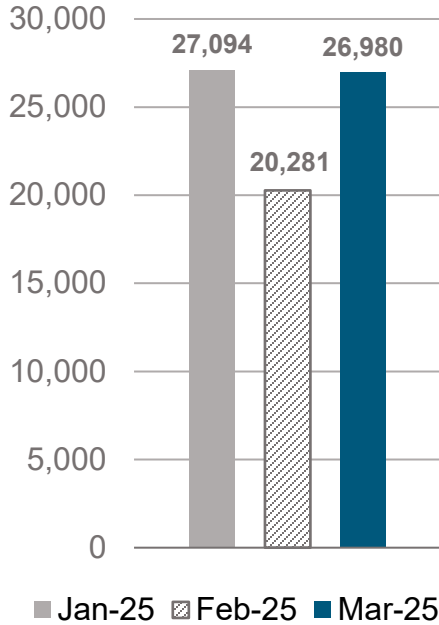
Parking Revenue is generated by purchases of daily and monthly parking permits for parking at Caltrain-owned lots.



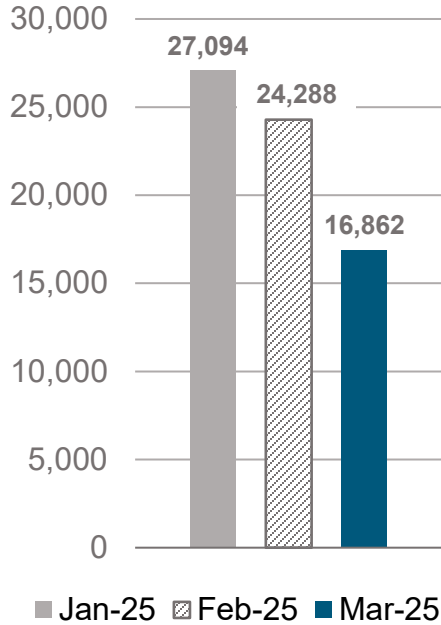


Maintenance Performance (EMU Fleet)

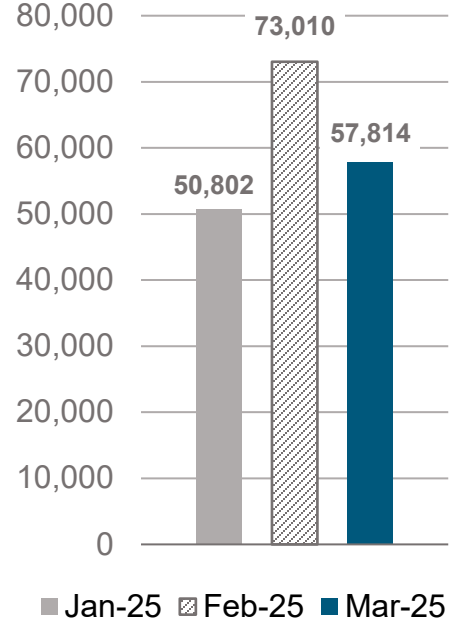
Mean Distance Between Failure (EMU Locomotives)



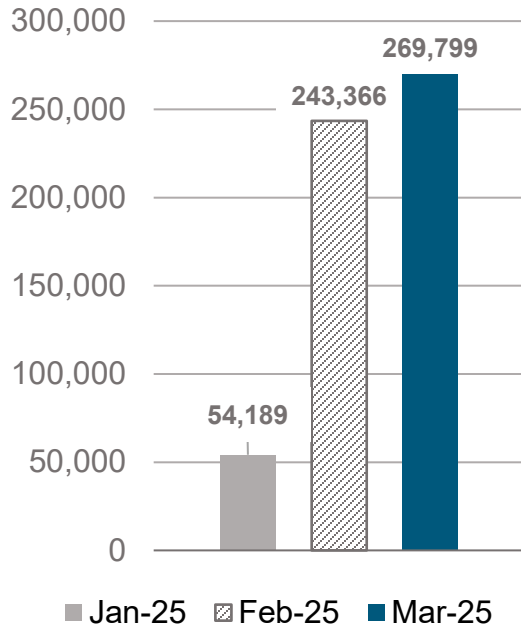
Mean Distance Between Failure (EMU Cab Cars)



Mean Distance Between Failure (EMU Coach Cars)



Mean Distance Between Failure (EMU Bike Cars)



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

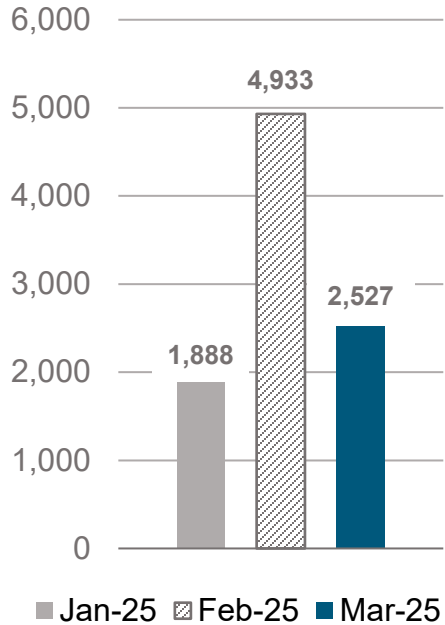
The graphs on this page represent MBDF for all EMU (electric) passenger locomotives and cars in Caltrain's fleet. Diesel fleet data is on the previous page.



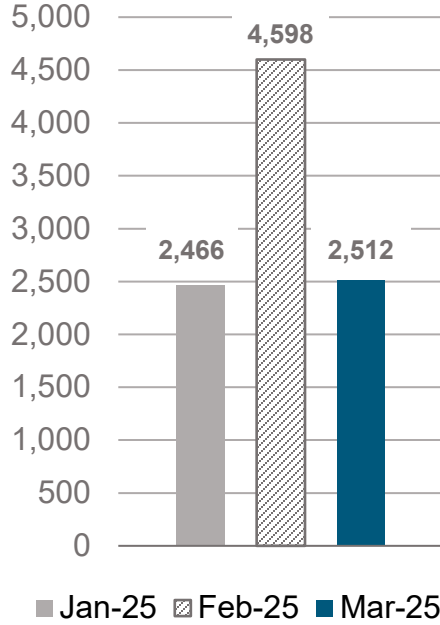


Maintenance Performance (Diesel Fleet)

Mean Distance Between Failure (Locomotives)



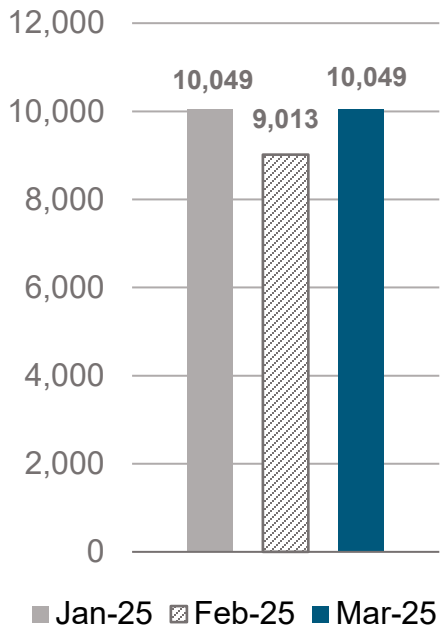
Mean Distance Between Failure (Cab Cars)



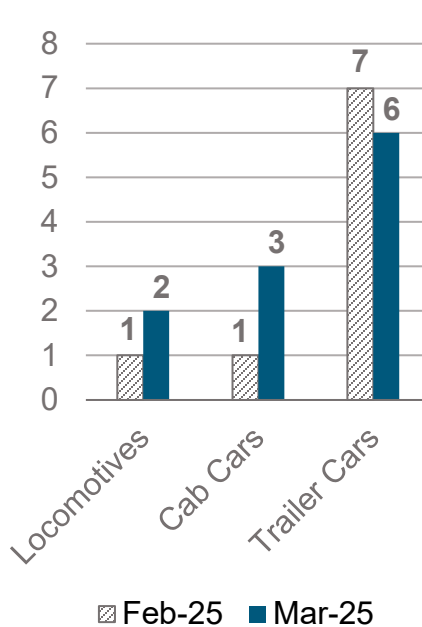
Mean Distance Between Failure (MBDF) is a measure of fleet reliability that represents the average distance traveled by revenue vehicles before maintenance or repair is required. A higher value indicates an improvement in reliability. Data is measured in miles.

The graph to the left represents MDBF for all diesel passenger locomotives in Caltrain’s fleet. EMU data is on the previous page.

Mean Distance Between Failure (Trailer Cars)



Equipment in Maintenance/Repair



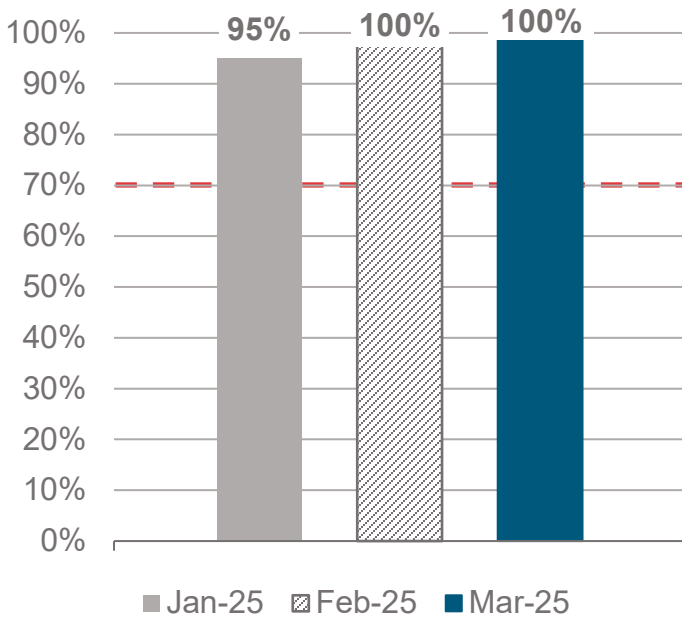
Equipment in Maintenance/Repair represents the number of diesel locomotives and passenger cars that are out of service on an average day each month due to routine and preventative maintenance or other repairs. EMU data is on the previous page.





Maintenance Performance

Equipment Availability (EMUs)

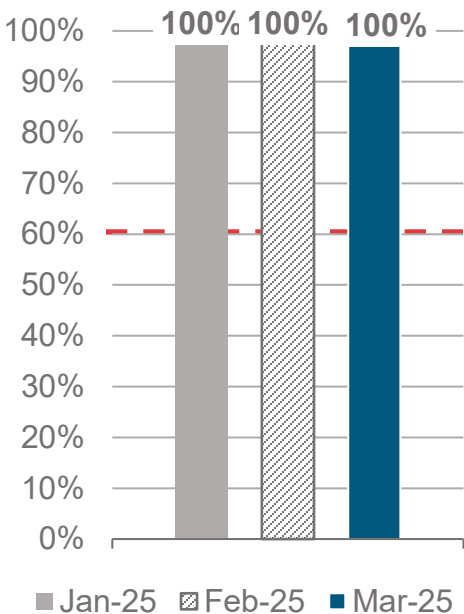


Equipment Availability is the number of trainsets, locomotives, or cars available for service on an average day each month as a percentage of the daily equipment required to run base service.

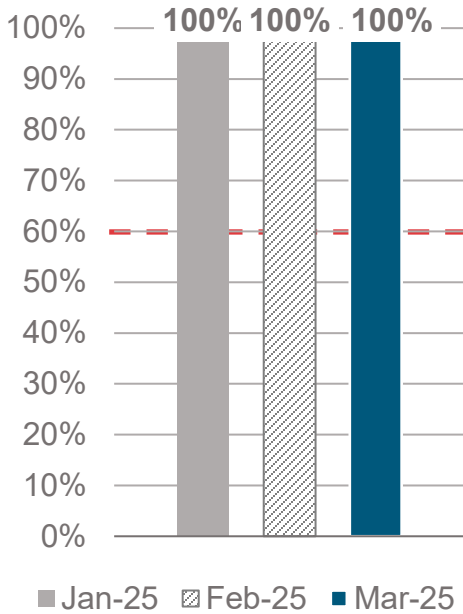
The graph to the left represents EMUs whereas the graphs below represent diesel equipment data, displaying Caltrain’s mixed revenue fleet. Fourteen (14) EMUs are needed to operate the new weekday electric service.

Post-electrification, Caltrain retains 41 Bombardier passenger cars and 9 diesel locomotives to operate South County service and maintain fleet resiliency.

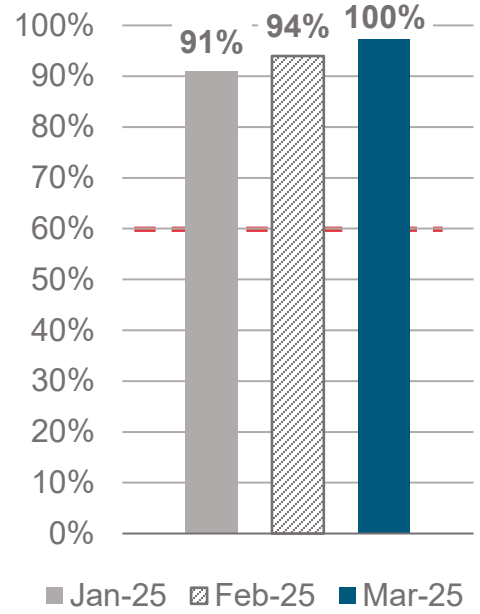
Equipment Availability (Diesel Locomotives)



Equipment Availability (Cab Cars)



Equipment Availability (Trailer Cars)



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 Wins 2025 Sustainability Award for New High-Performance Electric Trains

Caltrain received Sustainable San Mateo County's (SSMC) 2025 Sustainability Award at the 26th Annual Sustainability Awards on April 3, 2025, for its historic transition from diesel trains and infrastructure components to a greener, faster, more frequent electric transportation network along the San Francisco Peninsula.

The honor was awarded to Caltrain for its exemplary commitment to delivering environmental, economic and social equity benefits. Additionally, SSMC commended Caltrain for fostering and utilizing partnerships and public engagement efforts to reimagine the region's transportation system.

Electrification is advancing ambitious regional and state sustainability goals by lowering greenhouse gas emissions, improving air quality and relieving traffic congestion. The transition from diesel to electric trains has significantly reduced greenhouse gas emissions, comparable to taking tens of thousands of cars off the road annually. Additionally, it has created jobs in 36 states, fueling economic growth and innovation both within the local communities and nationwide. The collaborative effort to manufacture the electric trains and infrastructure underscores a commitment to sustainability and job creation.

"At Caltrain, sustainability is a core value underlying our work across the Peninsula," said Caltrain Executive Director Michelle Bouchard. "We are honored to be recognized by Sustainable San Mateo County for our electrification project's impact on furthering the region's key environmental, economic and equity goals. Electrified service has reinvented our system for generations to come, and we are confident it will continue to serve as a model for other railroad systems across the nation."

"For the first time in 160 years, this rail corridor is running on 100% zero emission power," said Caltrain Board Chair Steve Heminger. "This monumental achievement will change millions of lives for the better and is a legacy that all three counties Caltrain serves can be proud of."





Service and Program Updates

Caltrain Delivers Fans to Bay FC Home Opener and USWNT at PayPal Park

Soccer fans took Caltrain and caught the action at PayPal Park as Bay FC took on Racing Louisville FC on Saturday, March 22. A couple of weeks later, the United States Women's National Team hosted Brazil at PayPal Park on Tuesday, April 8, at 7:30pm. Fans took Caltrain to catch the action and root for their favorite teams. PayPal Park is served by Caltrain's Santa Clara station along with routes from partner agencies.

March Madness Rolls into San Francisco

Chase Center hosted two Sweet 16 games on Thursday, March 27, at 4:39pm and 7:09pm. NCAA tournament fans took Caltrain to see Maryland vs. Florida for the first game and Arkansas vs. Texas Tech for the second game. The winners of each game, Florida and Texas Tech, respectively, went on to the Elite Eight game on Saturday, March 29.

Caltrain Runs Service to Giants Home Opener April 4

Caltrain stood ready to take San Francisco Giants fans to their home opener at Oracle park against the Seattle Mariners on Friday, April 4, with pregame festivities at 12:45pm and the first pitch at 1:35pm. Caltrain's half-hourly services makes it easy for Peninsula residents to catch home games all season long, offering up to four trains per hour during peak periods.





Communications and Marketing Update

Press Releases & Earned Media

Press Releases:

- Caltrain and the San Francisco Giants Gear Up for the Final FanFest
- Caltrain Implements Safety Improvements at Crossings Utilizing AI Technology, With More Safety Installations to Come in 2025
- May the Rails Rise to Meet You as You Take Caltrain to the St. Patrick’s Day Parade
- Caltrain Delivers Fans to Bay FC Home Opener at PayPal Park
- Catch San Francisco Giants Spring Ball with Caltrain
- March Madness Rolls into San Francisco and Caltrain is your Ride for the Tournament

Earned Media:

- [As deadline looms, Sen. Scott Wiener introduces bill to fund Bay Area transit](#) - KRON
- [No, you can’t compare Brightline and the California High Speed Rail](#) - Medium
- [How to Ride Caltrain](#) - WikiHow
- [Tren Lima a Chosica a un paso de Perú: ¿Cuándo llegarían los vagones desde EE.UU y por qué trasladarlos costará casi 8 millones de dólares?](#) - El Comercio
- [Save Lives and Ensure Safety of Our Children at Palo Alto Rail Crossings](#) - Change.org
- [As California Transitions Trains From Diesel, Questions Emerge About Use Of Hydrogen Fuel](#) - SFGate
- [Dividend cut: Are Stadler Rail's forecasts coming true?](#) - Cash

Caltrain E-Newsletter Metrics:

MARCH 2025	
Subscribers	15,282
Open Rate	24.4%
Click Rate	4.3%





Communications and Marketing Update

Digital Communications Activities

Caltrain Digital Marketing Messaging

Electrification: Caltrain implemented safety improvements at crossings utilizing AI Technology

Events: Women's History Month, FanFest, Giants Exhibition games and Transit Employee Appreciation Day

Digital Communications: Planning continues on three upcoming Go Caltrain campaign initiatives:

- **Destination Downtown (Go Indulge. Go Caltrain.):** a social media campaign targeting current and new riders by showcasing the downtowns in local cities along the corridor, beginning with San Mateo.
- **Go Explore. Go Caltrain. Summer campaign:** focusing on fun community-building events and places to go riding the train. Booked: Violinist Yuri Kye, SFK; Free Tai Chi at BUR with Amin Wu; ice cream, giveaways, event promotion and more.
- **Concert Promotions:** Kendrick Lamar Car and Coldplay Palo Alto promotions in planning for May concerts.

Other Messaging Highlights:

- **Throne Bathroom Pilot Program** at Sunnyvale and Redwood City stations. The Communications department created a humorous video promoting the program that generated more than 11,000 views on Instagram and Facebook.
- **Climate Survey** - A public survey seeking passenger feedback on experiences with climate-related impacts to Caltrain service (Bo Baney).





Communications and Marketing Update

Social Metrics: (Year to Year)

An impression is anytime our content (post, webpage, IG photo) is seen in a user’s feed or browser. Engagement is any action taken, such as a click, like, retweet or comment.

MARCH 2025	MARCH 2024
Impressions: 430,551	Impressions: 1,569,950
Engagements: 22,457	Engagements: 87,810
Post Link Clicks: 3,740	Post Link Clicks: 9,123

**Please note this does not include any web metrics*

Marketing Activities

- Engaged in paid marketing activities on social media boosting Giants Opening Day; tabled outreach and gave away branded Caltrain clear stadium bags.
- Comprehensive development of the “Go Faster. Go Caltrain” marketing plan underway. DMV, billboard, and digital AdTaxi ads are in the final staff proofing phase. They utilize the brand look and feel developed during the launch of the new EMUs, and will continue to promote Caltrain as a faster, more frequent, first-class service for visitors and residents.
- Co-branding agreements with BayFC and the Giants were completed; these promotional images will be the first of their kind to rotate onboard the Passenger Information System.
- An agreement was reached with NBC/Telemundo for Caltrain to sponsor the “Electrifying Play of the Game” during Giants broadcasts.
- A date has been tentatively set for the Giants’ mascot Lou Seal to ride Caltrain for a promotional photoshoot the first week of May.
- A slate of activation marketing tactics are being finalized for the summer, including promotional activities around SF Pride, DJs at the San Francisco Station, giveaways and more.





Capital Projects Update

Project: Guadalupe River Bridge Replacement

Project Description		Status Summary			
		Safety	Schedule	Budget	Funding
JPB has extended the MT-2 railroad bridge and will replace the MT-1 railroad bridge over the Guadalupe River in San Jose. The project is located north of Willow Street and east of State Route (SR) 87 between Tamien and San Jose Diridon stations.		●	●	●	●
Project Phase: 6 – Construction/Implementation					
Project Costs (in thousands of dollars)					Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals		
Totals	63,699	41,963	40,659		TBD
Percentages	100.00%	65.9%	63.8%		
Project Highlights – Recent and Upcoming Work					
<p>March: JPB staff continues to work to finalize offsite mitigation plans and continue to coordinate with environmental permitting agencies to advance the permit amendment process.</p> <p>April: Staff will continue to work with environmental permitting agencies to advance the permit amendment process and will work with the construction contractor to prepare to begin construction in 2025.</p> <p>Schedule - To align the project's construction approach and environmental permits, prior environmental permits must be amended. The resulting construction approach, allowable work hours, timelines for amended permits, and resulting project schedule are the subject of ongoing discussions with environmental permitting authorities. Staff is developing the project rebaseline schedule based on permit agencies application review status and will provide an updated schedule to the Board in June 2025.</p> <p>Budget & Funding – Staff is finalizing Project rebaseline budget and funding plan assuming 2025 dry season construction, the rebaseline project budget and funding plan will require JPB board approval in June 2025.</p>					

Note: The Capital Projects information is current as of March 31, 2025, and is subject to change prior to the May 2025 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red





Capital Projects Update

Project: Broadband Wireless Communications

Project Description	Status Summary			
	Safety	Schedule	Budget	Funding
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.	●	●	●	●

Project Phase: 6 – Construction/Implementation

Project Costs (in thousands of dollars)				Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals	
Totals	30,441	26,938	25,999	06/30/25
Percentages	100.00%	88.5%	85.4%	

Project Highlights – Recent and Upcoming Work

March: Nomad Digital performed a site survey for the 2 additional radio antennas needed to improve the coverage in the San Mateo area. Nomad is developing the design for the installation of the 2 additional required radio antennas.

April: Install the 2 additional radio antennas and rerun the Acceptance Test.

Schedule - The schedule is delayed due to the discovery of 2 locations with weak radio coverage that will require 2 new radio antenna installation in the San Mateo area. We will expedite the design, review and construction to install the 2 new antennas to achieve final acceptance as soon as possible.

Note: The Capital Projects information is current as of March 31, 2025, and is subject to change prior to the May 2025 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red





Capital Projects Update

Project: Churchill Avenue Grade Crossing

Project Description	Status Summary			
	Safety	Schedule	Budget	Funding
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.	●	●	●	●
Project Phase: 6 – Construction/Implementation				
Project Costs (in thousands of dollars)				Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals	
Totals	2,520	1,686	1,430	6/30/2025
Percentages	100.00%	66.9%	56.7%	
Project Highlights – Recent and Upcoming Work				
<p>March: The city of Palo Alto got their advance signal preemption controller working. The city is now performing bench testing and burn-in for the controller. The cutover and testing is scheduled for May 2-4.</p> <p>April: Cutover and test the advance signal preemption.</p>				

Note: The Capital Projects information is current as of March 31, 2025, and is subject to change prior to the May 2025 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red





Capital Projects Update

Project: San Mateo Grade Crossing Improvements

Project Description		Status Summary			
		Safety	Schedule	Budget	Funding
<p>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.</p>		●	●	●	●
<p>Project Phase: 6 – Construction/Implementation</p>					
Project Costs (in thousands of dollars)					Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals		
Totals	5,472	4,979	4,632		5/29/2025
Percentages	100.00%	91.0%	84.7%		
<p>Project Highlights – Recent and Upcoming Work</p> <p>March: TASI cutover the new signal house at 5th Ave and got the new exit gates and pedestrian gates working. TASI set the new signal house at 4th Ave. TASI trenched and installed new conduits for the new signal house.</p> <p>March: TASI to cutover the new signal house at 4th Ave.</p>					

Note: The Capital Projects information is current as of March 31, 2025, and is subject to change prior to the May 2025 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red





Capital Projects Update

Project: Next Generation Visual Messaging Sign (VMS)

Project Description	Status Summary			
	Safety	Schedule	Budget	Funding
Full replacement of existing obsolete VMS at 22 selected stations between San Francisco and Tamien. The current VMS signs are no longer supported by the manufacturer and the predictive arrival and departure system (PADS) is becoming obsolete. Research will be done to determine whether it's best to replace the signs that will work with the current predictive arrival and departure system (PADS) or replace signs for the next generation passenger information system.	●	●	●	●
Project Phase: 7 – Startup/ Turnover				
Project Costs (in thousands of dollars)				Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals	
Totals	6,800	6,332	6,210	04/24/2025
Percentages	100.00%	93.1%	91.3%	
Project Highlights – Recent and Upcoming Work				
<p>March: Continued to complete the closeout package and transfer the project to operation.</p> <p>April: Seek management committee approval for Gate 7 – Start-up/Turnover and Gate 8 – Closeout. Complete the project closeout.</p>				

Note: The Capital Projects information is current as of March 31, 2025, and is subject to change prior to the May 2025 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red





Capital Projects Update

Project: San Francisquito Creek Bank Stabilization

Project Description	Status Summary			
	Safety	Schedule	Budget	Funding
Stabilize and protect the northern bank of the San Francisquito Creek to prevent erosion from undermining the northern abutment of Caltrain's existing San Francisquito Creek Bridge, the northern foundations of the Alma Street Bicycle Bridge owned by the City of Palo Alto, and an existing drainage outfall owned by the City of Menlo Park.	●	●	●	●

Project Phase: 6 – Construction/Implementation

Project Costs (in thousands of dollars)				Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals	
Totals	8,988	2,660	2,010	02/13/2026
Percentages	100.00%	29.6%	22.4%	

Project Highlights – Recent and Upcoming Work

March: Temporary Shoring: Working group met biweekly to refine design; initiated planning for additional field investigations. Soil Contamination Testing: Report indicated non-hazardous materials for soil management plan and cost estimating. RWQCB In-Kind Mitigation Proposal: Submitted in March; feedback pending. NMFS Coordination: Due to staffing shortage, NMFS recommended updating the Biological Assessment to support a condensed Biological Opinion (BO) to meet project schedule. Risk Analysis: Conducted risk workshop to identify key project risks with input from project team.

April: Temporary Shoring: Working group continues to meet biweekly to finalize shoring design and mitigate construction risks. Field Investigations: Conduct bridge foundation exploration; plan in-stream geotechnical investigation in upcoming dry season to support shoring design. Environmental Permits: Work with RWQCB on approval of proposed in-kind mitigation. Update biological assessments to support NMFS development of a condensed BO. Continue coordination with other agencies to ensure timely approvals. Phytophthora Planning: Develop a project-specific protocol based on applicable BMPs. Cost Estimation: Continue development of a detailed project cost estimate.

Schedule: The permanent stabilization project will be postponed until the 2026 dry season, as the approvals for all three required permits are not expected until May 2025 at the earliest. Project will go to Management Committee to request rebaseline once total project cost estimate is developed.

Note: The Capital Projects information is current as of March 31, 2025, and is subject to change prior to the May 2025 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red





Capital Projects Update

Project: San Mateo Replacement Parking Track

Project Description	Status Summary			
	Safety	Schedule	Budget	Funding
<p>The project involves the design and construction of an approximately 1,000-ft long parking track off MT-2 in the Caltrain ROW in the City of San Mateo, between 9th and 14th Avenues, to replace the old one in the Bay Meadows area that was removed to make way for the 25th Ave. Grade Separation Project. The project will also involve the construction of an access road from 9th Ave to 14th Avenue, a 12-foot tall concrete screen wall with creeping fig vegetation along Railroad Ave. and associated landscaping, irrigation and new water service.</p> <p>Electrification is not part of the base funding plan. Supplemental funding will be needed to electrify the replacement parking track.</p>	●	●	●	●

Project Phase: 6 – Construction/Implementation

Project Costs (in thousands of dollars)

	Current Budget	Committed to Date	Expended + Accruals	Estimated Completion
Totals	10,128	9,353	9,082	
Percentages	100.00%	92.3%	89.7%	

Project Highlights – Recent and Upcoming Work

March: Construction closeout continues.

April: Construction closeout and turnover will continue. An MOU for maintenance between JPB and the City will be prepared and reviewed with the City.

Note: The Capital Projects information is current as of March 31, 2025, and is subject to change prior to the May 2025 Board meeting.

Statuses: ● – Green ● – Yellow ● – Red





Capital Projects Update

Project: Mini-High Platforms

Project Description	Status Summary			
	Safety	Schedule	Budget	Funding
<p>The project scope will include installation of the precast platforms and modifications as needed to the existing infrastructure as needed to accommodate the installation. Grounding and bonding will be required at all of the stations within the areas that will be electrified.</p> <p>Project will allow for more efficient ADA access to passenger vehicles for patrons decreasing dwell time thus improving service for all passengers and reducing operating costs.</p>				

Project Phase: 6 – Construction/Implementation

Project Costs (in thousands of dollars)				Estimated Completion
	Current Budget	Committed to Date	Expended + Accruals	
Totals	7,271	5,672	5,090	01/02/26
Percentages	100.00%	78.0%	70.0%	

Project Highlights – Recent and Upcoming Work

March: Continued efforts to confirm TASI's cost proposal for the completion of Belmont and Tamien Stations. Reviewing A&R's final invoice and scheduled a meeting to negotiate the settlement. Evaluating the potential path forward for South County work, which remains dependent on successful negotiations with both TASI and A&R.

April: Confirm TASI's cost proposal to proceed with the completion of Belmont and Tamien Stations. Review and respond to A&R's final invoice and negotiate a settlement. Evaluate the path forward for South County work, which is contingent on successful negotiations with both TASI and A&R.

Schedule & Budget: The Project Estimate at Completion (EAC) and Schedule will be updated following the termination of the construction contract and the issuance of a WD for TASI to complete the remaining construction work. The Project Manager will present these updates to the Management Committee.

Note: The Capital Projects information is current as of March 31, 2025, and is subject to change prior to the May 2025 Board meeting.

Statuses: – Green – Yellow – Red



Acknowledgments

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

Caltrain Planning

Dahlia Chazan, Chief
Ted Burgwyn, Director, Rail Network and Operations Planning
Catherine David, Manager, Operations Planning
Nick Atchison, Planning Analyst III

Communications Division

Tasha Bartholomew, Manager, Media Relations
Jeremy Lipps, Manager, Digital Communications
Stephanie Torres, Social Media Specialist

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, Project Manager SOGR
Sam Sargent, Director, Strategy & Policy
Henry Flores, Director, Rail Vehicle Maintenance
Jason Dayvault, Business Operations Project Manager

Rail Design & Construction

Rob Barnard, Chief
Jonathan Tillman, Director Capital Programs Management
Robert Cheung, Project Controls Deputy Director
Rui Zhang, Project Controls Analyst

Additional Support

Mike Meader, Caltrain Safety Chief
Elizabeth Araujo, TASI
Margie Godinez, TASI
Sarah Doggett, MTC
Victoria Moe, San Mateo County Sheriff's Office



**Peninsula Corridor Joint Powers Board
Board of Directors**

1250 San Carlos Avenue, San Carlos, CA 94070

DRAFT Minutes of April 3, 2025

Members Present: Margaret Abe-Koga (arrived at 9:06), Pat Burt, David J. Canepa, David Cohen (arrived at 9:09), Shamann Walton, Monique Zmuda, Rico E. Medina (Vice Chair), Steve Heminger (Chair)

Members Absent: Jeff Gee

Staff Present: J. Baker, M. Bouchard, A. Brandt, C. Fromson, J. Harrison, L. Lumina-Hsu, M. Meader, D. Ryan, M. Tseng

1. Call to Order

Chair Heminger called the meeting to order at 9:00 am.

2. Roll Call

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

3. Pledge of Allegiance / Safety Briefing

Chair Heminger led the Pledge of Allegiance and delivered the safety briefing.

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

5. Request to Change Order of Business – There were none.

6. Closed Session: Conference with Legal Counsel – Existing Litigation (§ 54956.9(d)(1)) [Waltzer v. Cerda, et al, San Mateo County Superior Court, Case No. 22-CIV-03871]

The Board convened into closed session at 9:02 am.

The Board reconvened into regular session at 9:16 am.

7. General Counsel Report – Report Out from Above Closed Session

James Harrison, Legal Counsel, reported that there were no reportable actions.

8. Public Comment for Items Not on the Agenda – There were none.

9. Report of the Executive Director

Michelle Bouchard, Executive Director, provided the presentation that included the following:

- Achieved 95.4 percent on-time performance in March, first time hitting goal since November 2021
- Significant increase in cost for components due to tariffs; planning how to track tariff impacts for budgeting
- Fare structure changes, GoPass changes, and implementation
- Recognized Black History Month, Women’s History Month, and Transit Employee Appreciation Day
- Current train service schedule accommodates special events without extra service
- Station restroom pilot project at Sunnyvale and Redwood City stations
- Sustainability Award from Sustainable San Mateo County for Caltrain Electrification Program
- Caltrain Electrification Project team won John L. Martin Partnering Project of the Year Award

The Board Members had a robust discussion and staff provided further clarification in response to the Board comments and questions, regarding peak hour ridership recovery.

Public Comment

Jeff Carter commented train schedule, restroom pilot program, and bike car usage.

Adrian Brandt commented on restroom pilot program.

Aleta Dupree, Team Folds, commented on restroom pilot program and GoPass.

Adina Levin, Seamless Bay Area, commented on increased ridership, fare structure, GoPass, all agency Bay Pass, and payment options.

Helene commented on quiet cars.

10. Consent Calendar

10.a. Approval of Meeting Minutes for March 6, 2025

10.b. Accept Statement of Revenues and Expenses for the Period Ending January 31, 2025

**10.c. Adopt Changes to Caltrain Fare Structure and Charter Train, Bike Lockers, and Parking Fees and Receive Report on the Updated Draft GoPass Pricing Structure –
*Approved by Resolution No. 2025-14***

10.d. Authorize the Application for and Receipt of Annual Low Carbon Transit Operations Program (LCTOP) Funds for Ridership Recovery Service Enhancement –
Approved by Resolution No. 2025-15

10.e. Award a Contract to Myers & Sons Construction, LLC for Construction Manager General Contractor Pre-Construction Services for Middle Avenue Pedestrian and Bicycle Rail Undercrossing Project for \$594,415.98*– *Approved by Resolution No. 2025-16*

Motion/Second: Medina/Zmuda

Ayes: Abe-Koga, Burt, Canepa, Cohen, Walton, Zmuda, Medina, Heminger

Noes: None

Absent: Gee

Public Comment

Roland commented on lack of public opportunity to comment on the supplemental reading file.

11. Receive Update on the Trespasser Prevention Safety Plan

Mike Meader, Chief Safety Officer, provided the presentation that included the following:

- Methods to address pedestrian and vehicle trespassing
- Impact on persons as well as Caltrain property and reputation
- Peer engagement with transit agencies, mental health crisis and encampment management
- Expand education efforts including:
 - Upstream mental health training for employees
 - Mental health and resources public messaging
 - Crisis Intervention, signage, Psychiatric Emergency Response Teams (PERT), employee trauma counseling services, counselors/social workers to travel with transit police teams
- Explore engineering methods and environmental deterrents and enhancements including:
 - Means restriction, detection, and alert technologies
 - Trespasser panels and access barrier technologies
 - Transit watch apps with public crowdsourcing
 - Enhance pedestrian crossing channelization, lighting at grade/pedestrian crossings, and explore blue lighting, and audio enhancements at stations
- Increase enforcement, training, and outreach including:
 - Partnership with municipal police departments for enforcement coverage
 - Increase transit police officers
- Budget development and safety improvements evaluation
- Timeline for near-term, long-term efforts, longer term plans and costs benefits

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

- Naming of the activity/program in a respectful and serious manner
- Public crowd sourcing reporting app and potential integration with Caltrain app
- Platform protections measures, station reconstruction integration, and at-level boarding
- Copper theft trespassers
- Initiative ongoing implementation timeline

Public Comment

Jeff Carter commented on suicides, Broadway crossing, and counseling services.

Adrian Brandt commented on program naming, cost effectiveness of program methods, and grade separations.

Roland commented on crossing signals.

Aleta Dupree, Team Folds, commented on track barriers and train surfing.

12. Receive State and Federal Legislative Update and Consider Position on State Budget Request for Public Transit

Jason Baker, Director of Government and Communication Affairs, and Devon Ryan, Government Affairs Officer, provided the presentation that included the following:
Federal:

- Full year Continuing Appropriations and Extensions Act 2025 signed
- Funding elimination of community projects requests; impacts \$3.3 million for South County Wi-Fi project and other Caltrain projects
- Tariffs impact on sales tax revenue and purchasing

State:

- Cap-and-Trade Program reauthorization, protect and increase current levels of funding for public transit, and ensure dedicated high-speed rail revenue
- State budget request efforts to secure additional \$2 billion for public transit over Fiscal Year (FY) 2026 and FY27

Regional:

- Bay Area transit funding efforts by partner agencies
- Polling efforts in San Mateo and Santa Clara counties
- Senate Bill (SB) 63 (Wiener)
 - Create new district governed by Metropolitan Transportation Commission (MTC) including San Francisco , San Mateo and Santa Clara counties may opt-in
 - 10 to 15 years duration, focused on public transportation agencies
 - JPB member agencies would determine financial responsibility for Caltrain

- Accountability requirements of MTC consultant to provide financial review; operators and funding recipients action plans; and MTC to provide annual report to legislature
- SB 79 (Wiener)
 - Authorizes transit agencies to adopt residential and commercial zoning standards
 - Transit-oriented development near major transit stops allowed
- SB 30 (Cortese) diesel-powering on-track equipment; decommissioning; resale and transfer restrictions
- Assembly Bill (AB) 1372 (Papan) Caltrain energy bill which Caltrain sponsors; Caltrain eligible for compensation for energy sent back to the grid from regenerative braking

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

- Budget allocation for \$2 billion public transit funding formula across state public transit agencies and allocation specifications
- San Mateo County obligations to fund Caltrain and Bay Area Rapid Transit (BART)
- Bridge funding gap until regional funding measure to address public transit deficits
- Prospective leader for Citizens Initiative ballot measures
- Advocacy for Cap-and-Trade funding for safety and security measures

Motion/Second: Abe-Koga/Walton

Ayes: Abe-Koga, Burt, Canepa, Cohen, Walton, Zmuda, Medina, Heminger

Noes: None

Absent: Gee

Public Comment

Allison Chang commented on electrified train schedule and spoke in support of funding public transit.

Jeff Carter spoke in support of \$2 billion budget allocation to public transit and AB 1372.

Roland commented on BART funding, Measure A program for Caltrain services, and funding opportunities from Santa Clara Valley Transportation Authority (VTA).

Adina Levin, Seamless Bay Area, spoke in support of \$2 billion budget allocation to public transit, regional funding measure, and commented on Joint Powers Agreement (JPA) obligations.

Paul Wendt spoke in support of SB 63.

Katherine Dumont spoke in support of funding public transit.

13. Reports

13.a. Report of the Citizens Advisory Committee – Adrian Brandt, Chair, provided the report, which included the following:

- Broadway grade separation project
- GoPass, fare payment structure, and distance-based fares
- Sustainability program; Regenerative energy, solar panels at stations, and battery storage
- Flat spots, Customer Experience Feedback Survey, trains early departures, and Wi-Fi issues

13.b. Report of the Chair - Chair Heminger stated there was no report.

13.c. Report of the Local Policy Maker Group (LPMG) - Chair Burt reported LPMG received updates on Caltrain polling; parking program and station access plan; station activation; regional measure, city advocacy role and support of local county measures; sustainability program and increasing ridership.

13.d. Report of the Transbay Joint Powers Authority (TJPA) - The item was deferred.

Public Comment

Roland commented on the grade separation project funding.

14. Correspondence – Available online.

15. Board Member Requests – There were none.

16. Date/Time/Location of Next Regular Meeting: Thursday, May 1, 2025 at 9:00 am at via Zoom and in person at the San Mateo County Transit District, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA.

17. Adjourn – The meeting adjourned at 11:10 am.

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Board of Directors
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
For: May 2025 JPB Board of Directors Meeting
Subject: **Accept Statement of Revenues and Expenses for the Period Ending
February 28, 2025**

Finance Committee Recommendation Technology, Operations, Planning, and Safety Committee Recommendation Advocacy and Major Projects Committee Recommendation

Purpose and Recommended Action

Staff proposes that the Finance Committee accepts and enters into the record the Statement of Revenues and Expenses, and supplemental information for the period ending February 28, 2025.

Discussion

This staff report provides a brief discussion of significant items and trends in the attached Statement of Revenues and Expenses through February 28, 2025. The columns have been designed to provide an easy comparison of current year-to-date actuals to the year-to-date budget, including dollar and percentage variances.

Total Revenues:

As of February 28, 2025, total revenues were \$140.3 million compared to \$138.0 million in the adopted budget, resulting in a favorable variance of \$2.3 million (1.7 percent).

The favorable revenue variance was primarily driven by the following:

- **Caltrain Fare Revenue:** \$1.9 million favorable to budget (8.1 percent). This reflects a continued ridership recovery, reaching 49.3 percent of pre-pandemic levels in February (42.7 percent year-to-date). Year-over-year ridership is up 48.9 percent, with a year-to-date increase of 38.6 percent compared to the same period last year.
- **Other Income (Investment Earnings):** \$1.7 million favorable to budget (62.5 percent). This was driven by interest earnings on California Asset Management Program (CAMP) and increased interest income.

The favorable revenue variance was partially offset by the following:

- **LCFS/LCTOP/SRA Grants:** (\$1.0 million) unfavorable to budget (11.1 percent) with:
 - \$2.6 million unfavorable Low Carbon Fuel Standard (LCFS) credits as the team works to execute new transactions to sell credits – we anticipate recognizing

this revenue once credits are sold, however uncertainty remains with the timing of our receipt of this source and if portions may materialize in FY26;

This is offset by the following:

- \$0.9 million favorable Low Carbon Transit Offset Program (LCTOP) revenues with total annual budgeted receipts received prior to year-end; and
- \$0.7 million favorable variance in State Rail Assistance (SRA) with \$5.5 million of recognized revenue year-to-date, with year-end values expected to match budget.

Total Expenses:

As of February 28, 2025, total expenses were \$142.1 million compared to \$154.1 million in the adopted budget, resulting in a favorable variance of \$11.9 million (7.7 percent).

The favorable expense variance was primarily driven by the following:

- **Professional Services:** \$3.4 million favorable to budget (41.8 percent). This variance reflects delayed vendor invoicing and it is projected that it will become *unfavorable* by year-end.
- **Facilities and Equipment Maintenance:** \$2.4 million favorable to budget (34.6 percent). This is primarily due to delayed contractor invoices. It is expected that the favorability will continue through fiscal year end however the magnitude of favorability will decline significantly.
- **Overhead Contact System/Train Power Supply Maintenance:** \$1.9 million favorable to budget (38.4 percent). The variance is driven by the timing of invoices and efforts to optimize consulting needs for rail support. It is expected that the favorability will continue through year-end however decline in magnitude significantly.
- **Other Expenses and Services:** \$0.9 million favorable to budget (25.8 percent). Favorable variances are attributed to lower software maintenance and license costs, reduced recruitment expenses, and timing differences for bank fees associated with interest on a line of credit. It is projected that this variance will become *unfavorable* by year-end as invoices are received and processed and with increasing expenses associated with contract renewals, software licenses expenses, and banking and financial services fees.

The favorable expense variance was partially offset by the following:

- **Electric Charges for Power Traction:** (\$0.7 million) unfavorable to budget (9.9 percent). The variance reflects expenses slightly higher than the budget during this period. We expect this line item to become favorable by year-end and to align closer with our updated budget values.
- **Fuel and Lubricants:** (\$0.6 million) unfavorable to budget (20.2 percent). We reduced our budget mid-year as usage declined, however usage in the Gilroy section remains slightly higher than plan, contributing to the variance. It is expected that the unfavourability will continue through year-end.

- **Rail Operator Service:** (\$0.1 million) unfavorable to budget (0.2 percent). The unfavorable variance is due to Transit America Services, Inc. (TASI) cost differential between the expense incurred and what was accrued. We project this variance to resolve by year-end, however inventory adjustments at year-end could alter this projection.

Other Information:

JPB accounts for revenue and expense on a modified accrual basis (only material revenues and expenses are accrued) on the monthly financial statement. As such, the variance between the current year actual and the budget may show noticeable variances due to the timing of expenses.

Budget Impact

Acceptance of the month of February 2025 Statement of Revenues and Expenses has no budget impact.

Prepared By:	Li Saunders	Accountant II	3/13/2025
	Danny Susantin	Financial Reporting, Manager	3/13/2025



PENINSULA CORRIDOR JOINT POWERS BOARD
STATEMENT OF REVENUE AND EXPENSE
FISCAL YEAR 2025
AS OF FEBRUARY 2025

(In Thousands)

	YEAR-TO-DATE JULY TO FEBRUARY				ANNUAL
	BUDGET	ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET
REVENUE					
OPERATIONS:					
Caltrain Fares	\$ 23,638	\$ 25,562	\$ 1,924	8.1%	\$ 36,682
Go Pass	10,933	10,867	(66)	(0.6%)	16,400
Parking Revenue	1,373	1,867	493	35.9%	2,103
Rental Income	1,000	1,091	91	9.1%	1,500
Other Income	2,677	4,350	1,673	62.5%	4,015
TOTAL OPERATING REVENUE	39,622	43,736	4,115	10.4%	60,700
CONTRIBUTIONS:					
Operating Grants	7,961	7,392	(569)	(7.2%)	11,942
Measure RR	80,581	80,550	(31)	(0.0%)	120,610
Member Agency (VTA - Gilroy)	658	470	(188)	(28.6%)	987
LCFS, LCTOP/SRA	9,137	8,120	(1,017)	(11.1%)	14,489
TOTAL CONTRIBUTED REVENUE	98,337	96,532	(1,806)	(1.8%)	148,028
GRAND TOTAL REVENUE	\$ 137,959	\$ 140,268	\$ 2,309	1.7%	\$ 208,728

	PENINSULA CORRIDOR JOINT POWERS BOARD				
	STATEMENT OF REVENUE AND EXPENSE				
	FISCAL YEAR 2025 AS OF FEBRUARY 2025				
	(In Thousands)				
	YEAR-TO-DATE JULY TO FEBRUARY				ANNUAL
	BUDGET	ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET
EXPENSE					
DIRECT EXPENSE:					
Rail Operator Service	\$ 81,448	\$ 81,597	(149)	(0.2%)	\$ 123,316
OCS/TPS Maintenance	4,856	2,992	1,864	38.4%	8,460
Security Services	6,028	5,678	350	5.8%	9,042
Shuttle Services	53	46	7	13.4%	80
Fuel and Lubricants*	2,874	3,455	(581)	(20.2%)	3,045
Electric Charges for Power Traction	6,819	7,493	(674)	(9.9%)	12,274
Timetables and Tickets	63	51	13	19.9%	95
Insurance	7,867	7,505	362	4.6%	11,800
Claims, Payments, and Reserves	2,183	1,937	245	11.2%	3,274
Facilities and Equipment Maintenance	6,971	4,559	2,411	34.6%	10,525
Utilities	2,334	2,007	327	14.0%	3,501
Maint & Services-Bldg & Other	1,250	686	564	45.1%	1,875
TOTAL DIRECT EXPENSE	122,746	118,006	4,739	3.9%	187,287
ADMINISTRATIVE EXPENSE					
Wages and Benefits	14,027	13,704	322	2.3%	20,589
Managing Agency Admin OH Cost	2,859	2,347	513	17.9%	4,289
Board of Directors	13	13	0	3.2%	20
Professional Services	8,151	4,746	3,405	41.8%	12,314
Communications and Marketing	423	251	173	40.8%	633
Other Expenses and Services	3,354	2,489	866	25.8%	5,004
TOTAL ADMINISTRATIVE EXPENSE	28,828	23,549	5,279	18.3%	42,848
TOTAL OPERATING EXPENSE	151,574	141,556	10,018	6.6%	230,135
Governance	120	9	111	92.3%	240
Debt Service Expense	2,403	551	1,851	77.1%	7,763
GRAND TOTAL EXPENSE	\$ 154,096	\$ 142,116	\$ 11,869	7.7%	\$ 238,138
Projected Contribution to Reserve					6,812
NET SURPLUS / (DEFICIT)	\$ (16,137)	\$ (1,848)	\$ 14,289	88.5%	(36,222)
Draw from Measure RR Reserve for PCEP					36,222
ADJUSTED NET SURPLUS / (DEFICIT)	\$ (16,137)	\$ (1,848)	\$ 14,289	88.5%	-
Reserve, Beginning Balance **					26,879
Projected Contribution to Reserve					6,812
Claims, Payments, and Reserve					6,812
Reserve, Ending Balance					33,691

* Fuel and Lubricants costs were increased by a realized loss of \$59k from the fuel hedge program.

** Updated based on FY24 Audited Actuals



BOARD OF DIRECTORS 2025

STEVE HEMINGER, CHAIR
RICO E. MEDINA, VICE CHAIR
MARGARET ABE-KOGA
PAT BURT
JEFF GEE
RAY MUELLER
SHAMANN WALTON
MONIQUE ZMUDA

MICHELLE BOUCHARD
EXECUTIVE DIRECTOR

PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF FEBRUARY 28, 2025

TYPE OF SECURITY		MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (LAIF) (Unrestricted)	*	Liquid Cash	4.333%	393,164	393,164
California Asset Management Program (CAMP) (Unrestricted)		Liquid Cash	4.510%	13,756,885	13,756,885
County Pool (Unrestricted)		Liquid Cash	4.044%	607,783	607,783
Other (Unrestricted)		Liquid Cash	3.780%	120,107,766	120,107,766
Other (Restricted)	**	Liquid Cash	4.061%	137,233,175	137,233,175
				\$ 272,098,774	\$ 272,098,774

* 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.

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Board of Directors
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
For: May 2025 JPB Board of Directors Meeting
Subject: **Accept Annual Audit of Measure RR Tax Revenues and Expenditures for the Fiscal Year Ended June 30, 2024**



Finance Committee
Recommendation



Technology, Operations, Planning,
and Safety Committee
Recommendation



Advocacy and Major Projects
Committee Recommendation

Purpose and Recommended Action

The Citizens Advisory Committee (CAC) is the independent oversight committee for the Measure RR sales tax. The CAC held a public hearing on Wednesday, March 19, 2025, to receive public comments on the Annual Audit of Measure RR Revenues and Expenditures for the Fiscal Year Ended June 30, 2024 (Measure RR 2024 Audit). After the conclusion of the hearing, the CAC voted to accept the Fiscal Year (FY) 24 Measure RR Audit and to issue its report, as required by the terms of Measure RR.

Given the CAC's oversight role and its approval of the Measure RR audit, staff recommends that the Peninsula Corridor Joint Powers Board (JPB) Board of Directors (Board) accept the Measure RR 2024 Audit.

Discussion

On August 6, 2020, the JPB and its member agencies adopted and sought voter approval to implement a resolution imposing a one-eighth of one percent retail transactions and use tax to fund operating and capital expenses of the JPB's rail service (Measure RR Resolution). The voters in the City and County of San Francisco, and the Counties of San Mateo and Santa Clara approved Measure RR on November 3, 2020. The Measure RR Resolution, Resolution 2020-40 requires the JPB to have an independent auditor annually audit the receipts and expenditures of Measure RR tax proceeds, and under the express terms of Measure RR, the CAC serves as the independent oversight committee for the Measure RR sales tax.

In its capacity as the independent oversight committee, the CAC is responsible for verifying that the tax proceeds are invested in a way that is consistent with the purpose of the tax by:

1. Receiving the annual independent audit of the receipt and expenditure of tax proceeds;
2. Holding a public hearing; and

3. Issuing an annual report to provide the public with information regarding how the tax proceeds have been spent.

The CAC held a public hearing on the audit on March 19, 2025, and voted to accept the FY24 Financial Statement, which confirms that the Measure RR revenues and expenditures were handled appropriately as contemplated by the ballot language, for the fiscal year ended June 30, 2024.

Budget Impact

There is no budget impact for accepting this Measure RR 2024 Audit.

Prepared By: Annie To Director, Accounting 4/4/2025



Peninsula Corridor Joint Powers Board

Citizens Advisory Committee

Report on Measure RR Tax Revenues and Expenses

Fiscal Year 2024 (July 2023 – June 2024)

The Citizens Advisory Committee (CAC) of the Peninsula Corridor Joint Powers Board (JPB) is pleased to provide its annual report on the expenditure of tax proceeds from the Measure RR Funds. This report covers the Fiscal Year 2024, from July 1, 2023, through June 30, 2024. With regards to Measure RR, the principal duties of the CAC are to ensure that the tax proceeds have been expended for the purpose set forth in the Measure RR ballot language and to provide a report on the independent audit conducted pursuant to the ballot language and the JPB Resolution which placed Measure RR on the ballot.

The CAC comprises nine members representing the City and County of San Francisco and the Counties of San Mateo and Santa Clara. Under the CAC's charter, as amended by the JPB through Resolution No. 2022-03, the CAC serves as the independent oversight committee for the Measure RR sales tax. In its capacity as the independent oversight committee, the CAC is responsible for providing information to the taxpayers of the three counties in the following ways:

- Receive the JPB's annual audit report on receipts and expenditures of Measure RR tax proceeds.
- Hold an annual public hearing on the audit report.
- Issue an annual report of the CAC on the audit results to provide the public with information regarding how the tax proceeds are being spent.

The Board of Directors of the JPB is responsible for the prioritization and distribution of funds received pursuant to the provisions of Measure RR. The independent audit conducted by the JPB and the CAC's report are intended to provide additional accountability concerning the expenditure of these proceeds by the JPB.

The JPB's annual audit report on receipts and expenditures of Measure RR tax proceeds for the fiscal year ended June 30, 2024, was conducted by Brown Armstrong, CPAs, an independent accounting firm. This firm has several years of experience conducting independent audits of the financial statements of the JPB. In its audit, Brown Armstrong, CPAs provided what is known as an unmodified opinion (often referred to as a "clean" opinion) on the Measure RR financial statements as prepared by the JPB staff. The CAC holds a public hearing on the audit report on March 19, 2025. A copy of the audit report is attached as Appendix A.

Section 1. Measure RR Funding Priorities

In 2020, voters in the City and County of San Francisco, County of San Mateo, and County of Santa Clara approved Measure RR, which levies a one-eighth (1/8) of one percent (0.125%) retail transactions and use tax for thirty (30) years in all three areas. This tax provides the first and only dedicated funding source for Caltrain. The purpose of Measure RR is to fund the operating and capital expenses of the JPB rail service and to support the operating and capital needs required to implement the Service Vision adopted by the JPB on October 3, 2019, as part of the Caltrain Business Plan.

In accordance with the Board of Directors of the JPB's Resolution No. 2020-41, the tax revenues from Measure RR will be prioritized as follows:

- To support the operation of Caltrain service levels throughout the corridor from San Francisco to Gilroy as necessary to sustain and expand the service.
- To support the infrastructure, rolling stock, and capital projects necessary to advance the expansion of the Caltrain peak hour service.
- To develop and implement programs to expand access to the Caltrain service and facilitate the use of the system by passengers of all income levels.
- To help leverage other local, regional, state, and federal investments to advance capital projects necessary to implement the Caltrain Business Plan's 2040 Service Vision, adopted by the JPB on October 3, 2019.
- To provide the JPB with a steady stream of funding to support the annual operating, maintenance, and capital needs of an electrified Caltrain service with increased frequency and capacity.

Section 2. Overview of Caltrain Funding Sources

In Fiscal Year 2019, before the pandemic, Caltrain received \$103 million from fare revenue, roughly 72 percent of its total revenue base. This marked Caltrain as one of the nation's transit systems with the highest farebox recovery. In the past, farebox revenue, though affected by downturns in the economy, was a more stable revenue source for transit agencies than sales tax, which is a major revenue source for many transit agencies in the Bay Area. However, during and since the pandemic, transit systems that used to rely heavily on ridership and fare revenues have been hit the hardest in the Bay Area and have yet to see their revenue base return.

Caltrain's farebox revenue in Fiscal Year 2024 was \$47 million, less than 30 percent of total expenses. Pandemic-era federal funding for transit operations ceased after Fiscal Year 2022, leaving a significant financial gap. For Caltrain, the passage of Measure RR, while not originally intended as the primary source of operating funds, has replaced fare revenue as the largest revenue component. Without Measure RR, the system could not operate even lifeline service. Since many office jobs have not yet returned to in-person work at pre-pandemic levels many people riding Caltrain rely on the system as their only means of transportation to jobs, school, and appointments.

While this audit focuses on Fiscal Year 2024, the ongoing trend of reduced farebox revenue underscores the necessity of continued reliance on Measure RR funding to sustain Caltrain's operations in the coming years.

Section 3. Fiscal Year 2024 (FY24) Revenues and Expenses

A. Measure RR Revenues

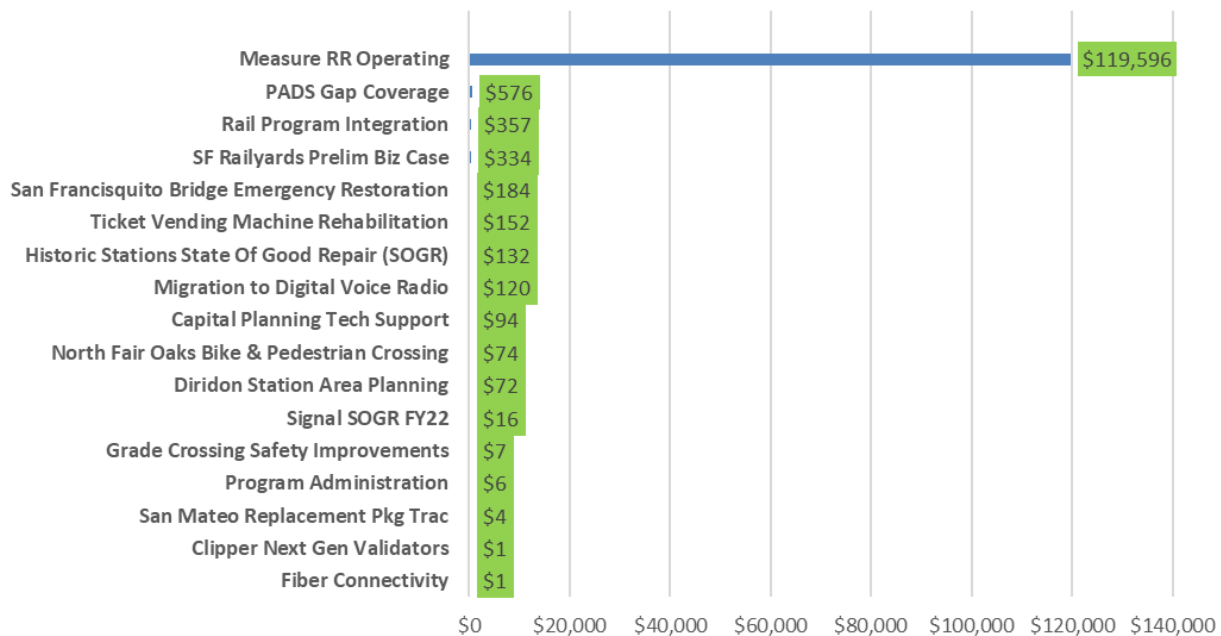
A total of \$119.6 million in Measure RR transaction and use tax was realized and recorded in FY24. Of that, \$98.8 million was received before June 30, 2024, and \$20.8 million was received in July and August 2024.

B. Measure RR Allocations and Expenses

A total of \$121.7 million was spent primarily on operating expenses and critical agency initiatives, as shown in Figure 1. The excess (\$2.1 million) of the FY24 expenses (\$121.7 million) over the FY24 revenue (\$119.6 million) was funded by the FY23 unused reserve. The Measure RR funds recorded in FY24 were used as follows:

1. There was no new fund allocated in FY24 for capital programs. All FY24 capital programs expenses were funded by FY23 unused reserved.
2. \$120.0 million was spent on operating expenses.
3. \$0.6 million was spent on the PADS Gap Coverage.
4. \$1.1 million was spent on various capital programs as shown in Figure 1 below.

Figure 1: Measure RR Expenditures (in thousand)



C. Expenditure Detail and Consistency with Measure RR Core Principles

The expenditures listed below adhere to the principles of Measure RR.

1. Operating Expenses (\$119.6 million). These funds allowed Caltrain to continue to run its highest-ever level of service, with 104 trains operating every weekday.
2. PADS Gap Coverage (\$576,000). The objectives of this project are to 1) create functional requirements for PADS (Predictive Arrival and Departure System) phase 2, PADS replacement; 2) add Stadler EMU into existing PADS; and 3) modernize and visualize Xgate virtual server to provide server redundancy between SJCC and MPCC.
3. Rail Program Integration and Transition (\$357,000). The objective of this program is to focus on identifying, defining, and implementing the integration of work necessary to support Caltrain's transition to electrified service. As part of the Program Integration, the Rail Activation effort will ensure that each element of the activation work is accomplished in accordance with the following phases: commissioning, acceptance, pre-revenue service, safety certification, and overall Electrified Revenue Service plan and Post-Revenue Service systems integration objectives.
4. SF Railyards Prelim Biz Case (\$334,000). This project, led in partnership by Caltrain and Prologis, evaluates the potential for mixed-use development on the San Francisco Railyards site, which currently contains Caltrain's 4th/King station and associated terminal facilities and storage tracks. The Preliminary Business Case looks at potential phasing, operational impacts, development potential, and constructability. It will be used to inform the strategic approach to potential investment in development of the Railyards site. In FY24, most of the technical work for the Preliminary Business Case has been completed, and the report will be finalized during FY25.
5. San Francisquito Bridge Emergency Restoration (\$184,000). This project includes stabilizing the north bank of the San Francisquito Creek and prevent scour and erosion from undermining Caltrain's San Francisquito Creek Rail Bridge supporting foundations. This project is currently in the design phase to finalize the deliverables required for environmental permit amendments. The project includes a temporary phase (implemented in November 2023) and a permanent phase to be implemented upon receipt of applicable approvals from resource agencies.
6. Ticket Vending Machine Rehabilitation (\$152,000). This project upgraded all the Caltrain Ticket Vending Machines (TVM) at all the stations to include Clipper functionalities such as buying a new Clipper card and adding value and products to existing Clipper cards. The project also replaced components of the TVM which are obsolete and no longer supported by the manufacturer.

7. Historic Stations State of Good Repair (\$132,000). This project provides dedicated funding to address various repairs at the seven historic stations we are responsible for. This includes roof replacements, painting of the interior and exterior, plumbing, electrical, and any other repairs that are necessary. All repairs are coordinated with the South Bay Historical Railroad Society (SBHRS) to ensure compliance with the state of California.
8. Migration to Digital Voice Radio (\$120,000). The project is to update existing VHF voice communication system by co-locating VHF sites with PTC sites that already have JPB fiber backhaul services.
9. Capital Planning Technical Support (\$94,000). This program supports the technical expertise necessary to advance individual capital projects in the conceptual planning phase in collaboration with partner agencies, local jurisdictions, and internal stakeholders.
10. North Fair Oaks Bike & Pedestrian Crossing Planning Support (\$74,000). Caltrain entered into a service agreement with the County of San Mateo to perform a technical review of the County's conceptual design for a bicycle and pedestrian connection across the Caltrain corridor in the priority equity community of North Fair Oaks. As part of the adopted Framework for Equity, Connectivity, Recovery and Growth, it has been agreed that Caltrain will use its funds to pay for this service agreement. Caltrain provided technical support for the review of three alternatives and developed a preliminary constructability analysis for the two overcrossings.
11. Diridon Station Area Planning (\$72,000). This funding supported efforts to advance planning for future transit-oriented development (TOD) on Caltrain property adjacent to Diridon Station, which will help to expand access to Caltrain service and generate funding to support ongoing operations.
12. Signal State of Good Repair (\$16,000). This project supports the purchase of Dual Tone Module Frequency (DTMF) for grade crossings throughout the Caltrain corridor. This is a radio-activated crossing system that allows a hyrail operator to send a signal to the crossing gates which activates the gates and allows the hyrail operator to cross busy intersections. These were installed at nine (9) grade crossing on Caltrain's right of way.
13. Grade Crossing Safety Improvements (\$7,000). This project will improve the safety at the Mission Bay, 16th St, Whipple, Ravenswood, and E. Meadow grade crossings by installing new pavement markers and markings. It will also install a new pedestrian gate at the Mission Bay crossing.
14. Program Administration (\$6,000). A small amount of funds was spent on the Measure RR annual audit fees.
15. San Mateo Replacement Parking Track (\$4,000). The project involves the design and construction of an approximately 1,000-ft-long parking track off MT-2 in the Caltrain ROW in the City of San Mateo, between 9th and 14th Avenues, to replace the old one in the Bay Meadows area that was removed to make way for the 25th Ave. Grade

Separation Project. The project will also involve the construction of an access road from 9th Ave to 14th Avenue, a 12-foot-tall concrete screen wall with creeping fig vegetation along Railroad Ave., and associated landscaping, irrigation, and water service.

16. Clipper Next Generation Validators (\$1,000). This project prepared all the Caltrain stations to have the next Generation Clipper Validators installed by the Metropolitan Transportation Commission (MTC). Caltrain installed electrical wires to the locations where the wire will be terminated inside the new validators. Caltrain also installed mounting bolts in the platform so MTC can mount and bolt down the validators. The new validators were tested by MTC and Caltrain. The old Clipper validators were removed after successfully testing the new validators.
17. Fiber Connectivity to Stations (\$1,000). The project planned to build a design to connect the JPB fiber backbone to the Stations from 4th and King to Tamien, Caltrain digital voice radio base stations located at Positive Train Control (PTC) sites, existing Very High Frequency (VHF) Sites at the tunnel and the Central Control Facility/Back-Up Central Control Facility. The project has been closed with 95% design, design gap of 100% gap has been recorded. Some of this work has been completed, for example, the VHF radios being collocated at the PTC base stations is almost complete. There are only two tunnel sites that won't be able to have this done because there was no fiber run to them. The project is shelved due to no funding and scope will be covered by another project. The Unused Measure RR fund will be used for other projects.

Section 4. Future Measure RR Allocations

As mentioned previously, for the next fiscal year, likely through FY25, Caltrain anticipates that nearly all Measure RR proceeds will be needed to subsidize the operating costs of the railroad. Without the passage of Measure RR and the ability to use the funds for operating service, the agency would not be able to continue to operate its current service levels or transition to electrification in Fall 2024, given the increased costs associated with procuring electricity and maintaining the new traction electrification system. Using the funds to subsidize the operating budget, at least in the short-term, will allow Caltrain to continue to provide much-needed service for essential workers, and to meet the changing needs of commuters who come back to the service as in-person work policies evolve and commute traffic increases. It will also enable Caltrain to offer half-hourly weekend frequency under the new electrified service schedule, further strengthening the growth of weekend ridership, which has recovered at a faster rate than weekday ridership. Like other Bay Area operators, Caltrain staff continues to advocate for external funding from the state and to consider other potential regional solutions.

Attachment: FY24 Measure RR audit (Appendix A)

PENINSULA CORRIDOR JOINT POWERS BOARD
MEASURE RR FUNDS
FINANCIAL STATEMENTS
JUNE 30, 2024

PENINSULA CORRIDOR JOINT POWERS BOARD

MEASURE RR FUNDS

JUNE 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Peninsula Corridor Joint Powers Board
San Carlos, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Peninsula Corridor Joint Powers Board's (the JPB) Measure RR Funds, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Measure RR Funds' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Measure RR Funds as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the JPB and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Measure RR Funds' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the JPB's internal control relating to the Measure RR Funds. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Measure RR Funds' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Measure RR Funds are intended to present the financial position and the changes in financial position attributable to the transactions of those funds. They do not purport to, and do not, present fairly the financial position of the JPB as of June 30, 2024, or the results of its operations for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

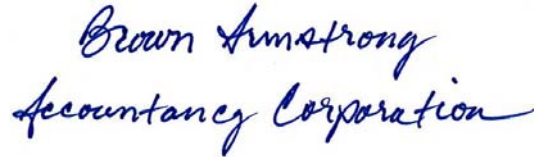
Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2025, on our consideration of the JPB's internal control over financial reporting relating to the Measure RR Funds and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance relating to the Measure RR Funds and the results of that testing, and not to provide an opinion on the effectiveness of the JPB's internal control over financial reporting or on compliance relating to the Measure RR Funds. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the JPB's internal control over financial reporting and compliance relating to the Measure RR Funds.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive style and is positioned below the printed name of the firm.

Bakersfield, California
January 3, 2025

**PENINSULA CORRIDOR JOINT POWERS BOARD
MEASURE RR FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2024**

ASSETS

Cash and Cash Equivalents	\$ 120,721,536
Receivables - Transaction and Use Tax	<u>20,796,804</u>
Total Assets	<u><u>\$ 141,518,340</u></u>

LIABILITIES AND NET POSITION

Liabilities	
Accounts Payable and Accrued Liabilities	<u>\$ 400,623</u>
Total Liabilities	<u>400,623</u>
Net Position	
Restricted for Measure RR Projects	<u>141,117,717</u>
Total Net Position	<u>141,117,717</u>
Total Liabilities and Net Position	<u><u>\$ 141,518,340</u></u>

The accompanying notes are an integral part of the financial statements.

**PENINSULA CORRIDOR JOINT POWERS BOARD
MEASURE RR FUNDS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024**

Revenues	
Measure RR Transaction and Use Tax	<u>\$ 119,614,442</u>
Total Revenues	<u>119,614,442</u>
Expenses	
Ticket Vending Machine Rehabilitation	152,253
Migration to Digital Voice Radio	119,887
Fiber Connectivity	636
Grade Crossing Safety Improvements	7,372
Clipper Next Gen Validators	1,025
Diridon Station Area Planning	72,424
Signal SOGR FY22	15,882
Historic Stations State Of Good Repair (SOGR)	132,315
Rail Program Integration	356,742
PADS Gap Coverage	576,317
Capital Planning Tech Support	93,990
San Mateo Replacement Pkg Trac	4,027
SF Railyards Prelim Biz Case	334,162
North Fair Oaks Bike and Pedestrian Crossing	74,185
San Francisquito Bridge Emergency Restoration	183,550
Measure RR Operating	119,595,916
Program Administration	<u>6,112</u>
Total Expenses	<u>121,726,795</u>
Operating Loss	(2,112,353)
Nonoperating Revenues	
Transit and Intercity Rail Capital Program (TIRCP)	53,110,778
Peninsula Corridor Electrification	52,355,008
Interest Income	<u>314,123</u>
Total Nonoperating Revenues	<u>105,779,909</u>
Change in Net Position	103,667,556
Net Position - Beginning of Year	<u>37,450,161</u>
Net Position - End of Year	<u><u>\$ 141,117,717</u></u>

The accompanying notes are an integral part of the financial statements.

**PENINSULA CORRIDOR JOINT POWERS BOARD
MEASURE RR FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from California Department of Tax and Fee Administration	\$ 119,704,078
Payments to Vendors for Goods and Services	(121,198,097)
Payments to Employees	<u>(73,146)</u>
Net Cash Used by Operating Activities	<u>(1,567,165)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Operating Grants Received	53,110,778
Peninsula Corridor Electrification	<u>52,355,008</u>
Net Cash Provided by Noncapital Financing Activities	<u>105,465,786</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Income Received	<u>314,123</u>
Net Cash Provided by Investing Activities	<u>314,123</u>
Net Change in Cash and Cash Equivalents	104,212,744
Cash and Cash Equivalents, Beginning of Year	<u>16,508,792</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 120,721,536</u></u>
 Reconciliation of Operating Loss to Net Cash Used by Operating Activities	
Operating Loss	\$ (2,112,353)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities	
Accounts Receivable	89,636
Prepaid Items	679,082
Accounts Payable and Accrued Liabilities	<u>(223,530)</u>
Net Cash Used by Operating Activities	<u><u>\$ (1,567,165)</u></u>

The accompanying notes are an integral part of the financial statements.

**PENINSULA CORRIDOR JOINT POWERS BOARD
MEASURE RR FUNDS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

Under Measure RR, approved by the voters in the City and County of San Francisco, and the Counties of San Mateo and Santa Clara in November 2020, Peninsula Corridor Joint Powers Board (JPB) receives a share of the sales tax of 0.125% to fund operating and capital expenses of the JPB's rail service. The duration of the sales tax is for a period of 30 years, beginning on July 1, 2021, and ending June 30, 2051.

The financial statements of the Measure RR Funds do not purport to, and do not, present the financial position of the JPB as of June 30, 2024, or the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. The activities of the Measure RR Funds are reported within the JPB's enterprise fund. The projects funded by Measure RR Funds represent a portion of the activities of the JPB and, as such, are included in the JPB's financial statements.

B. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

C. Net Position

Net position is reported on the statement of net position as "restricted net position." This category represents net position that may only be used to support activities and costs allowable per the Measure RR Funds enabling legislation.

D. Spending Order

The accounting policy is to first consume the most restricted resources when multiple resources are available for the same purpose.

E. Cash and Cash Equivalents

For purpose of the statement of cash flows, the JPB considers all highly liquid investments with an initial maturity of 90 days or less when purchased to be cash equivalents.

F. Investments

The JPB's investments are generally carried at fair value, as required by accounting principles generally accepted in the United States of America. The JPB adjusts the carrying value of its investments to reflect their fair value at each fiscal year end and includes the effects of these adjustments as a component of interest and investment income for that fiscal year.

G. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

NOTE 2 – CASH AND INVESTMENTS

A. Policies

All of the Measure RR Funds' cash and investments are deposited in the JPB's Treasury pool managed by the JPB staff. The pool is unrated. Investments in the pool are made in accordance with the JPB's investment policy as approved by the Board of Directors. Investments are stated at fair value. However, the value of the pool shares in the JPB's Treasury pool that may be withdrawn is determined on an amortized cost basis, which is different from the fair value of the Measure RR Funds' position in the pool.

B. Investments Authorized by the California Government Code and the JPB's Investment Policy

The table below identifies the investment types that are authorized for the JPB by the California Government Code or the JPB's investment policy, whichever is more restrictive, that addresses interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the JPB, rather than the general provisions of the JPB's investment policy.

<u>Authorized Investment Type</u>	<u>Minimum Credit Rating</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury Obligations	None	15 years	100%	N/A
U.S. Agency Securities	None	15 years	100%	N/A
Bankers' Acceptances	None	180 days	40%	30%
Commercial Paper (\$500 Mil. Min. Assets)				
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	A1/P1/F1	270 days	40%	10%
Negotiable Certificates of Deposit	None	5 years	30%	N/A
Repurchase Agreements	None	1 year	100%	N/A
Reverse Repurchase Agreements	None	92 days	20%	N/A
Medium-Term Notes	A	5 years	30%	10%
Shares of Beneficial Interest Issued by Diversified Management Companies	None	N/A	20%	10%
Local Government Investment Pools	None	N/A	100%	N/A
Asset-Backed and Mortgage-Backed Securities	AA	5 years	20%	N/A
Municipal Obligations	None	10 years	100%	N/A
Supranational Obligations	AA	5 years	30%	N/A
Local Agency Investment Fund (LAIF)	None	N/A	None	\$75M
			Up to the current state limit	
San Mateo County Investment Pool	None	N/A		N/A

C. Interest Rate Risk

Interest rate risk is the risk incurred when market interest rates adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the JPB manages its exposure to interest rate risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

NOTE 3 – SUBSEQUENT EVENTS

Subsequent events were evaluated by management through January 3, 2025, which is the date of issuance.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Peninsula Corridor Joint Powers Board
San Carlos, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Peninsula Corridor Joint Powers Board's (the JPB) Measure RR Funds, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Measure RR Funds' basic financial statements, and have issued our report thereon dated January 3, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the JPB's internal control over financial reporting (internal control) relating to the Measure RR Funds as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the JPB's internal control relating to the Measure RR Funds. Accordingly, we do not express an opinion on the effectiveness of the JPB's internal control relating to the Measure RR Funds.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Measure RR Funds' financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

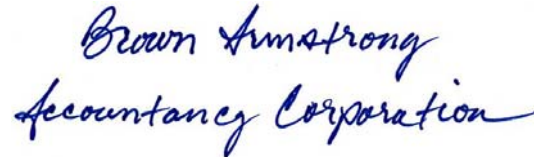
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Measure RR Funds' financial statements are free from material misstatement, we performed tests of the JPB's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the JPB's internal control or on compliance relating to the Measure RR Funds. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the JPB's internal control and compliance relating to the Measure RR Funds. Accordingly, this communication is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive style and is positioned below the printed name of the firm.

Bakersfield, California
January 3, 2025

**PENINSULA CORRIDOR JOINT POWERS BOARD
MEASURE RR FUNDS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

None reported.

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Board of Directors
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
John Hogan, Chief Operating Officer, Rail
For: May 2025 JPB Board of Directors Meeting
Subject: **Award a Cooperative Purchasing Contract to Mansfield Oil Company of Gainesville, Inc. to Supply Renewable and Standard Red-Dye, Ultra-Low Sulfur Diesel Fuel and Fueling Services through September 2027 for a Total Estimated Amount of \$2,527,274***

Finance Committee Recommendation Technology, Operations, Planning, and Safety Committee Recommendation Advocacy and Major Projects Committee Recommendation

Purpose and Recommended Action

The award of this contract will provide the Peninsula Corridor Joint Powers Board (JPB) with continued fuel and fueling services to operate its remaining fleet of diesel locomotives to ensure uninterrupted Caltrain operations through September 2027.

Staff proposes the Finance Committee recommend that the Board of Directors (Board) of the JPB:

1. Award a contract to Mansfield Oil Company of Gainesville, Inc. of Gainesville, Georgia (Mansfield) to provide Renewable and Standard Red-Dye, Ultra-Low Sulfur Diesel (ULSD) Fuel and Fueling Services (Services), governed by a cooperative agreement issued by the National Cooperative Purchasing Alliance (NCPA) following a competitive procurement conducted by the Region 14 Education Service Center (ESC), as the lead agency, for a total estimated amount of \$2,527,274 through September 30, 2027, including all applicable fuel taxes, associated petroleum fees, and freight charges.
2. Authorize the Executive Director or designee to execute a cooperative purchasing contract with Mansfield in full conformity with the terms and conditions of ESC Contract #05-72, and in a form approved by legal counsel.
3. Authorize the Executive Director or designee to exercise contract contingency authority for amendments totaling up to 100 percent of the Board-approved estimated amount.

Discussion

In February 2022, pursuant to Resolution 2021-58, the JPB awarded a cooperative purchasing contract to Mansfield to furnish fuel and fueling services through June 30, 2025.

The JPB has a continuing need for fuel and fueling services for its remaining fleet of diesel locomotives to ensure uninterrupted Caltrain operations. By utilizing the Mansfield-NCPA cooperative contract, the JPB will benefit from access to a supplier that has a demonstrated history of reliable service with the JPB, as well as time and cost savings realized from utilizing a cooperative procurement.

Approval of the above actions will provide the JPB with the requested Services, which includes delivery of fuel to the JPB's Centralized Equipment Maintenance and Operations Facility (CEMOF) in San Jose, the San Francisco Rail Yard at the intersection of 7th Street and Townsend Street, and the Gilroy Rail Yard, including for:

- 2 Standalone 35,000-gallon tanks at CEMOF;
- 5 Locomotives at the Gilroy Yard, with fuel tank capacities of 1,600-2,500 gallons;
- 4 Locomotives at CEMOF, with fuel tank capacities of 1,600-2,500 gallons, and
- 2 Rescue/shuttle locomotives at CEMOF, each equipped with a 12,000-gallon fuel tank.

Staff successfully negotiated continuation of the JPB's current pricing and rates for fuel per gallon, including the local Oil Price Information Service (OPIS) gross contract average and National Cooperative Purchasing Alliance (NCPA) adder tank delivery fees. More specifically, the negotiated prices reflect reductions relative to proposed NCPA adder fees, from \$0.99 to \$0.0529 (Standard Diesel San Jose), \$0.0500 (Standard Diesel San Francisco), \$0.0763 (Renewable Diesel San Jose), and \$0.0562 (Renewable Diesel San Francisco). Staff has determined that the price per-gallon being offered under the proposed contract is fair and reasonable, and staff recommends award of the contract to Mansfield to provide the Services.

Staff also recommends a proactive 100 percent contract contingency to accommodate potentially significant increases in fuel prices and/or electrical service disruptions requiring Caltrain to use diesel locomotives in place of electric locomotives. Staff expects this flexibility would accommodate price and usage fluctuations through September 30, 2027, though the diesel fuel market, influenced by global crude oil prices and economic shifts, can be quite volatile (for example, OPIS prices for Red-dye ULSD fuel fluctuated by nearly 17 percent between 2022 and 2024).

Budget Impact

Funds for this contract are included in the Fiscal Years 2024-25 adopted operating budget and will be included in future operating budgets.

Prepared By:	Vanessa Mariano	Procurement Administrator II	03/25/2025
	Henry Flores	Director, Rail Vehicle Maintenance	03/25/2025

Resolution No. 2025-

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

* * *

Award a Cooperative Purchasing Contract to Mansfield Oil Company of Gainesville, Inc. to Supply Renewable and Standard Red-Dye, Ultra-Low Sulfur Diesel Fuel and Fueling Services through September 2027 for a Total Estimated Amount of \$2,527,274

Whereas, the Peninsula Corridor Joint Powers Board (JPB) requires the furnishing of fuel and fueling services to its Centralized Equipment Maintenance and Operations Facility (CEMOF) in San Jose, San Francisco Rail Yard, and Gilroy Rail Yard to ensure continued, uninterrupted Caltrain operations; and

Whereas, Caltrain will continue to operate limited diesel-fueled trains post-electrification and during emergencies that affect electrified operations; and

Whereas, the JPB's existing contract for diesel fuel and fueling services will expire on June 30, 2025; and

Whereas, the Region 14 Education Service Center (ESC), as the lead agency, has competitively procured a cooperative agreement with Mansfield Oil Company of Gainesville, Inc. of Gainesville, Georgia (Mansfield) for furnishing of Renewable and Standard Red-Dye, Ultra-Low Sulfur Diesel Fuel and Fueling Services (Mansfield-NCPA Cooperative Contract), which is administered by National Cooperative Purchasing Alliance (NCPA) and is in effect through September 30, 2027; and

Whereas, entering into an agreement under the Mansfield-NCPA Cooperative Contract allows the JPB to procure favorably-priced fuel and fueling services that it generally could not receive through a standalone competitive procurement, from a known supplier; and

Whereas, per the JPB's Procurement Manual, to foster greater economy and efficiency, the JPB may utilize cooperative agreements for procurement of common goods and services and to consolidate the purchasing needs of participating agencies to obtain goods and services at prices generally available to only large-volume buyers and at prices lower than those the JPB could obtain through its normal purchasing procedures; and

Whereas, staff recommends that the Board award a cooperative purchasing contract to Mansfield for furnishing Renewable and Standard Red-Dye, Ultra-Low Sulfur Diesel Fuel and Fueling Services for a 27-month term, through September 30, 2027, for an estimated amount of \$2,527,274, inclusive of all applicable fuel taxes, petroleum fees and freight charges; and

Whereas, staff also recommends establishing a 100 percent contract contingency to proactively address volatility in fuel prices and potential needs to operate additional diesel locomotives instead of electric trains in case of power-source disruptions.

Now, Therefore, Be It Resolved that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board hereby awards a cooperative purchasing contract to Mansfield Oil Company of Gainesville, Inc. for furnishing Fuel and Fueling Services for a 27-month term, through September 30, 2027, for an estimated amount of \$2,527,274, inclusive of all applicable fuel taxes, petroleum fees, and freight charges; and

Be It Further Resolved that the Board authorizes the Executive Director or designee to execute a cooperative purchasing contract on behalf of the JPB with Mansfield in full conformity with the terms and conditions of Region 14 Education Service Center Contract #05-72, and in a form approved by legal counsel; and

Be It Further Resolved that the Board authorizes the Executive Director or designee to exercise contract amendments up to 100 percent of the Board approved estimated contract amount to account for higher fuel price fluctuations and/or increased fuel usage, which the JPB anticipates may occur over the duration of the contract term.

Regularly passed and adopted this 1st day of May, 2025 by the following vote:

Ayes:

Noes:

Absent:

Chair, Peninsula Corridor Joint Powers Board

Attest:

JPB Secretary

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Board of Directors
Through: Michelle Bouchard, Executive Director
From: Casey Fromson, Chief of Staff
For: May 2025 JPB Board of Directors Meeting
Subject: **Receive State and Federal Legislative Update and Consider Positions on Legislation: Assembly Bill 476 (Gonzalez) and Senate Bill 63 (Wiener)**

Finance Committee Recommendation Technology, Operations, Planning, and Safety Committee Recommendation Advocacy and Major Projects Committee Recommendation

Purpose and Recommended Action

The 2025 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 consider for position:

1. Assembly Bill (AB) 476 (Gonzalez) Metal theft
2. Senate Bill (SB) 63 (Wiener) San Francisco Bay area: local revenue measure: transportation funding

Discussion

The update will discuss updates at the federal level and relevant state legislation.

The Board is asked to consider a position on state legislation, AB 476 (Gonzalez), regarding combatting the theft of copper wire.

The Board is also asked to consider a position on state legislation, SB 63 (Wiener), regarding authorization of a regional transit revenue measure in the Bay Area to address transit operations needs.

Budget Impact

There is no impact on the budget.

Prepared By:	Devon Ryan	Government and Community Affairs Officer	04/15/2025
	Isabella Conferti	Government & Community Affairs Specialist	04/15/2025



April 11, 2025

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

FM: Matt Robinson, Michael Pimentel and Brendan Repicky
Shaw Yoder Antwih Schmelzer & Lange

RE: **STATE LEGISLATIVE UPDATE – May 2025**

General Update

As has been highlighted in previous reports, state legislators introduced approximately 2,350 bills in this first year of the 2025-2026 Legislative Session. Many of these bills started out as “spot” bills and required substantive language before they could advance to the Legislature’s policy committees. The Assembly required spot bills to be amended by March 17 and the Senate by March 26. Pursuant to these deadlines, we have seen substantive language amended into many bills; we will see additional substantive amendments over the coming weeks. The Legislature will adjourn for Spring Recess on April 10 and reconvene on April 21. The deadline for policy committees to meet and hear bills with a fiscal impact is May 2 (May 9 for non-fiscal) for bills in the first house. For information about key legislative and budget deadlines, please see the 2025 Legislative Calendar available [here](#).

Caltrain-Sponsored Legislation – AB 1372 (Papan)

Caltrain and its state advocates continue to work with Assembly Member Diane Papan on Assembly Bill 1372 to allow Caltrain to be credited for the electricity it exports to the grid based on its value, determined by the avoided cost to the suppliers and distributor of buying clean energy elsewhere. On March 25, AB 1372 was amended to require Caltrain’s investor-owned utilities and community choice aggregators to adopt a net billing tariff to acknowledge the electricity that Caltrain contributes back to the grid through regenerative braking. The bill has been set for hearing on April 30 in the Assembly Utilities and Energy Committee. As the hearing approaches, Caltrain and its state advocates will work with Assembly Member Papan’s staff to further refine the bill.

Continued Senate Bill 30 Engagement

Caltrain and its state advocates have taken the lead in working with California’s other rail agencies to engage with Senator Cortese and secure changes to his SB 30, a bill introduced in response to Caltrain’s recent transfer of trainsets to Peru. As a reminder, this bill would prohibit a public entity that owns diesel-powered on-track equipment – defined to mean any locomotive or any other car, rolling stock, equipment, or other device that is operated on stationary rails and has a diesel engine – from selling, donating, or otherwise transferring that equipment for continued use after the public entity ceases the service of on-track equipment by replacing it with lower emission on-track equipment. On April 8, SB 30 passed the Senate Transportation Committee – which the author chairs – on an 11-3 vote. It now heads to the Senate Environmental Quality Committee, chaired by Senator Catherine Blakespear (D-Encinitas).

Based on comments made by Senator Blakespear in the Transportation Committee, we hope to see amendments to the bill in her committee.

Governor Newsom and Assembly Speaker Rivas Appoint New Members to California Air Resources Board

In late February, Governor Newsom and Assembly Speaker Rivas separately announced new appointments to the California Air Resources Board. Governor Newsom announced the appointment of Lynda Hopkins, a Sonoma County Supervisor, and Dawn Ortiz Legg, a San Luis Obispo County Supervisor. Hopkins will serve as the Bay Area Air Quality Management District Member on CARB, replacing Davina Hurt. Legg will serve as the Air District Member. Speaker Rivas announced the appointment of Corey A. Jackson, an Assembly Member, as ex-officio member. Jackson replaces Assembly Member Eduardo Garcia.

Bills with Recommended Action

AB 476 (González) Metal Theft – RECOMMEND SUPPORT

This bill seeks to combat the theft of copper wire – an increasing problem affecting infrastructure, construction, and transit projects. The bill would require junk dealers and recyclers to collect more detailed transaction records and provide access to these records to law enforcement. The bill also requires that people selling copper obtain a state license and increases the fine for junk dealers or recyclers who fail to follow the law.

SB 63 (Wiener and Arreguín) Bay Area Regional Measure – RECOMMEND SUPPORT IF AMENDED

SB 63 seeks to generate additional revenue to support the Bay Area’s public transit systems by way of a regional transportation measure. The bill would authorize a citizens’ initiative, which may only require a simple majority vote, for a sales tax of one-half cent in Alameda and Contra Costa Counties, and up to one cent in San Francisco County. These taxes would be applied for 10-15 years. As noted, the bill is currently a three-county measure (Alameda, Contra Costa, San Francisco), but provides a path for San Mateo and Santa Clara counties to opt-in before July 2025. The bill would allocate revenues to AC Transit, BART, Caltrain, and Muni, and may only be used for transit operations. The measure would also provide up to 10 percent of the revenues for transit transformation to be controlled by the Metropolitan Transportation Commission (MTC) and up to 1 percent of revenues for administration for MTC. Any remaining funds could be used for East Bay bus operators that provide feeder service to BART. The bill will also require performance audits of the four major transit systems facing fiscal cliffs (AC Transit, BART, Caltrain, SF Muni), and an operational cost-sharing analysis, as well as provisions for stronger regional network management. The bill also authorizes a regional network manager to implement the network management framework in exchange for access to SB 63 funds.

Given Caltrain’s projected operations budget deficit, staff recommend support for the bill’s provisions to prioritize transit operating funds through a regional transit revenue measure. Staff recommends working with authors to seek clarity on the expenditure plans and appropriate funding level for transit transformation, currently listed as up to 10%. Additionally, staff recommend advocating for amendments to SB 63 to address two remaining issues.

First, as written, SB63 would permit MTC to condition funds on operator compliance with “policies and programs adopted by the commission through its Regional Network Management framework in order to fulfill initiatives included in the 2021 Bay Area Transit Transformation Action Plan **or successor plan adopted by the commission**”. While Caltrain supports the goals of the regional network management framework, staff recommend advocating that the bill clarify and limit the circumstances under which operations funding could be withheld, such as providing that only by a vote of two thirds of the full

commission would MTC be permitted to withhold funds from transit operators. Operators should then have a grace period to appeal and/or rectify any compliance issues.

The second issue that staff recommends seeking an amendment to address is to clarify that the legislation's expenditure plan will only include funding commitments for the three specified counties and any additional county that chooses to opt-in to the transportation revenue measure.

Bills with Positions

SB 71 (Wiener) CEQA Exemptions for Transit Projects – SUPPORT

Co-Sponsored by the California Transit Association, this bill would extend indefinitely the current January 1, 2030 sunset date established by SB 922 (Wiener, 2022) for statutorily authorized CEQA exemptions for transit and transportation projects, add additional project-types to the list of exemptions (ferry terminals, transit operational analysis, bus stops, bus shelters), and make substantive procedural changes surrounding board actions (i.e. board process for establishing a project's cost estimate). Caltrain previously supported SB 922, as well as AB 2503 (Lee, 2024), which added to the list of statutory exemptions an exemption for zero-emission rail.

AB 394 (Wilson) Transit Safety -- SUPPORT

Co-Sponsored by the California Transit Association, this bill would enhance the safety and security of California's public transportation systems by strengthening protections for transit operators, employees, and passengers. The bill accomplishes this goal by expanding existing law (Penal Code Section 243.3) to protect all transit employees against battery. Further, AB 394 would empower agencies to seek a court-issued temporary restraining order against a perpetrator for a violation of Penal Code Section 243.3, and specifies that the restraining order shall apply across the entirety of the transit system where the offense occurred. The Amalgamated Transit Union and the Teamsters are co-sponsors of this bill.

Bills of Interest

SB 79 (Wiener) Transit Oriented Development

This bill would require that a residential development proposed within one-half or one-quarter mile of a transit-oriented development stop be an allowed use on any site zoned for residential, mixed, commercial, or light industrial development, and further requires that the development be eligible for streamlined, ministerial approval. SB 79 also exempts from CEQA residential, commercial, and mixed-use projects on land owned by a public transit agency. The bill further exempts from CEQA projects for rail facilities, including the "construction, reconfiguration, or rehabilitation of stations, terminals, rails, platforms, or existing operations facilities, which will be exclusively used by zero-emission or electric trains." If a project done pursuant to this exemption requires the construction of off-site storage and maintenance facilities distinct from the principal project site, the project would be separate and not exempt.

SB 667 (Archuleta) Railroads, Wayside Detectors, Train Length, Emergency Vehicle Crossing

This bill would require a railroad, including passenger and commuter rail agencies, to install and operate a network of wayside detector systems on or adjacent to its tracks. SB 667 would also prohibit certain trains with a total length of 7,500 feet from operating on any part of a main line or branch line and would also require a train, rolling stock, or other on-track equipment that is stopped and blocking an at-grade railroad crossing to be moved to clear the railroad crossing upon the approach of an emergency vehicle.

SB 707 (Durazo) Brown Act Reform

Authored by the Senate Local Government Committee Chair, SB 707 would make a number of changes to the Brown Act, including authorizing the legislative body of a local agency to use teleconferencing during a proclaimed state of emergency or local emergency if certain conditions are met and re-authorizing remote participation authority for just cause as constituted by AB 2449 (Rubio). SB 707 would also create a process for subsidiary bodies to meet remotely, and would permit certain members participating remotely to count toward in-person quorum requirements (ADA, under 18, etc.). This bill contains several other provisions related to the Brown Act, including new translation requirements for meeting materials.

AB 339 (Ortega) Local Public Employee Organizations: Notice Requirements

This bill would require the governing body of a public agency, board, or commission to provide written notice to an employee organization no less than 120 days prior to issuing a request for proposals, request for quotes, or renewing or extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization.

AB 778 (Chen) Internet Website Posting

This bill would require local agencies, within 10 days of making a construction contract payment, to post on its website information about the project, including the name of the company paid, the date it was paid, the amount of the payment, and other identifying information. Construction contracts valued below \$25,000 would be exempt. This mirrors the existing requirements of state agencies.

AB 810 (Irwin) Internet Website Requirements

This bill would require cities, counties, special districts, joint powers authorities, or other political subdivisions to maintain an internet website with a “.gov” or “.ca.gov” domain. Special districts, joint powers authorities, or other political subdivisions would have until January 1, 2031 to comply with this requirement.

AB 1070 (Ward) Transit District Governing Boards

This bill would prohibit a transit district from compensating a member of the governing board unless the member demonstrates personal use of the transit system for at least one hour or for four trips per month. The bill would also require the governing board of a transit district to include 2 nonvoting members and 4 alternate nonvoting members. One nonvoting member would be required to be a user of the transit service, and the other nonvoting member would be recommended by the labor organization representing transit employees.

Caltrain Bill Matrix as of 4/11/2025

Bill ID/Topic	Location	Summary	Position
<p>AB 12 Wallis R</p> <p>Low-carbon fuel standard: regulations.</p>	<p>This bill is in the Assembly Natural Resources Committee.</p>	<p>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. This bill would void specified amendments to the Low-Carbon Fuel Standard regulations adopted by the state board on November 8, 2024.</p>	<p>Watch</p>
<p>AB 23 DeMaio R</p> <p>The Cost of Living Reduction Act of 2025.</p>	<p>This bill is in the Assembly Utilities & Energy Committee.</p>	<p>Existing law vests the Public Utilities Commission (PUC) with regulatory authority over public utilities, including electrical corporations and gas corporations. Existing law vests the State Energy Resources Conservation and Development Commission (Energy Commission) with various responsibilities for developing and implementing the state’s energy policies. This bill, the Cost of Living Reduction Act of 2025, would require the Energy Commission and the PUC to post, and update monthly, dashboards on their internet websites that include the difference in average gasoline prices and the average total price of electricity or natural gas in California compared to national averages, and any California-specific taxes, fees, regulations, and policies that directly or indirectly contribute to higher gasoline and electricity or natural gas prices within the state, as specified. The bill would require the Energy Commission and the PUC, on or before July 1, 2026, to each submit a report to the Legislature on the governmental and nongovernmental drivers of California’s higher gasoline prices and higher electricity and natural gas prices, and recommendations for policy changes to reduce the costs associated with those drivers, as specified. If the average price of gasoline in California exceeds 10% of the national average in the preceding quarter, the bill would require all taxes and fees on gasoline, as specified, to be suspended for a period of 6 months, and, if the average price of electricity or natural gas in California exceeds 10% of the national average in the preceding quarter, the bill would require the PUC to suspend the collection of all fees, as specified, charged on electricity and natural gas bills for a period of 6 months. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 61 Pacheco D</p> <p>Electricity and natural gas: legislation imposing mandated programs and requirements: third-party review.</p>	<p>This bill is in the Assembly Appropriations Committee.</p>	<p>Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including electrical corporations and gas corporations. The Public Advocate’s Office of the Public Utilities Commission is established as an independent office within the commission to represent and advocate on behalf of the interests of public utility customers and subscribers within the jurisdiction of the commission. This bill would require the office to establish, by January 1, 2027, a program to, upon request of the Legislature, analyze legislation that would establish a mandated requirement or program or otherwise affect electrical or gas ratepayers, as specified. The bill would require the office to develop and implement conflict-of-interest provisions that would prohibit a person from participating in an analysis for which the person knows or has reasons to know that the person has a material financial interest. The bill would repeal these provisions on January 1, 2032.</p>	<p>Watch</p>
<p>AB 99 Ta R</p> <p>Electrical corporations: rates.</p>	<p>This bill is in the Assembly Appropriations Committee.</p>	<p>Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including electrical corporations. Existing law authorizes the commission to fix the rates and charges for every public utility and requires that those rates and charges be just and reasonable. This bill would prohibit an electrical corporation from proposing a rate increase above the rate of inflation, as defined, as a systemwide average for any general rate case cycle, except the bill would expressly authorize the commission to approve a rate increase above the rate of inflation if the commission determines that the costs underlying the rate increase are directly related to safety enhancements and modernization or to higher commodity or fuel costs. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>
<p>AB 267 Macedo R</p> <p>Greenhouse Gas Reduction Fund: high-speed rail: water infrastructure and wildfire prevention.</p>	<p>This bill is in the Assembly Transportation Committee.</p>	<p>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 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. Existing law continuously appropriates 25% of the annual proceeds of the fund to the High-Speed Rail Authority for certain purposes. This bill would suspend the appropriation to the High-Speed Rail Authority for the 2026–27 and 2027–28 fiscal years and would instead require those amounts from moneys collected by the state board to be transferred to the General Fund. The bill would specify that the transferred amounts shall be available, upon appropriation by the Legislature, to augment funding for water infrastructure and wildfire prevention.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 273 Sanchez R Greenhouse Gas Reduction Fund: high-speed rail: infrastructure improvements.</p>	<p>This bill is in the Assembly Transportation Committee.</p>	<p>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 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. Existing law continuously appropriates 25% of the annual proceeds of the fund to the High-Speed Rail Authority for certain purposes. This bill would eliminate the continuous appropriation of 25% of the annual proceeds of the Greenhouse Gas Reduction Fund to the High-Speed Rail Authority on June 30, 2026. The bill, beginning with the 2026–27 fiscal year, would instead require 25% of the annual proceeds of the Greenhouse Gas Reduction Fund to be transferred to the General Fund and for those moneys, upon appropriation, to be used to augment funding provided to local governments to improve infrastructure.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 339 Ortega D</p> <p>Local public employee organizations: notice requirements.</p>	<p>This bill is on the Suspense File in the Assembly Appropriations Committee.</p>	<p>Existing law, the Meyers-Milias-Brown Act, contains various provisions that govern collective bargaining of local represented employees and delegates jurisdiction to the Public Employment Relations Board to resolve disputes and enforce the statutory duties and rights of local public agency employers and employees. Existing law requires the governing body of a public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations. Existing law requires the governing body of a public agency, and boards and commissions designated by law or by the governing body, to give reasonable written notice, except in cases of emergency, as specified, to each recognized employee organization affected of any ordinance, rule, resolution, or regulation directly relating to matters within the scope of representation proposed to be adopted by the governing body or the designated boards and commissions. This bill would require the governing body of a public agency, and boards and commissions designated by law or by the governing body of a public agency, to give the recognized employee organization no less than 120 days' written notice before issuing a request for proposals, request for quotes, or renewing or extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization. The bill would require the notice to include specified information, including the anticipated duration of the contract. The bill would also require the public agency, if an emergency or other exigent circumstance prevents the public agency from providing the written notice described above, to provide as much advance notice as is practicable under the circumstances. If the recognized employee organization demands to meet and confer within 30 days of receiving the written notice, the bill would require the public agency and recognized employee organization to promptly meet and confer in good faith, as specified. By imposing new duties on local public agencies, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 340 Ahrens D</p> <p>Employer-employee relations: confidential communications.</p>	<p>This bill is in the Assembly Appropriations Committee.</p>	<p>Existing law that governs the labor relations of public employees and employers, including, among others, the Meyers-Milias-Brown Act, the Ralph C. Dills Act, provisions relating to public schools, and provisions relating to higher education, prohibits employers from taking certain actions relating to employee organization, including imposing or threatening to impose reprisals on employees, discriminating or threatening to discriminate against employees, or otherwise interfering with, restraining, or coercing employees because of their exercise of their guaranteed rights. Those provisions of existing law further prohibit denying to employee organizations the rights guaranteed to them by existing law. This bill would prohibit a public employer from questioning a public employee, a representative of a recognized employee organization, or an exclusive representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization’s representation. The bill would also prohibit a public employer from compelling a public employee, a representative of a recognized employee organization, or an exclusive representative to disclose those confidential communications to a third party. The bill would not apply to a criminal investigation or when a public safety officer is under investigation and certain circumstances exist.</p>	<p>Watch</p>
<p>AB 370 Carrillo D</p> <p>California Public Records Act: cyberattacks.</p>	<p>This bill is on the Assembly Floor.</p>	<p>The California Public Records Act requires state and local agencies to make their records available for public inspection, except as specified. Existing law requires each agency, within 10 days of a request for a copy of records, to determine whether the request seeks copies of disclosable public records in possession of the agency and to promptly notify the person of the determination and the reasons therefor. Existing law authorizes that time limit to be extended by no more than 14 days under unusual circumstances, and defines “unusual circumstances” to include, among other things, the need to search for, collect, and appropriately examine records during a state of emergency when the state of emergency currently affects the agency’s ability to timely respond to requests due to staffing shortages or closure of facilities, as provided. This bill would also expand the definition of unusual circumstances to include the inability of the agency, because of a cyberattack, to access its electronic servers or systems in order to search for and obtain a record that the agency believes is responsive to a request and is maintained on the servers or systems in an electronic format. Under the bill, the extension would apply only until the agency regains its ability to access its electronic servers or systems and search for and obtain electronic records that may be responsive to a request. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 377 Tangipa R</p> <p>High-Speed Rail Authority: business plan: Merced to Bakersfield segment.</p>	<p>This bill is in the Assembly Appropriations Committee.</p>	<p>The California High-Speed Rail Act creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. The act requires the authority to prepare, publish, adopt, and submit to the Legislature a business plan containing specified elements on a biennial basis and to also provide on a biennial basis a project update report, approved by the Secretary of Transportation as consistent with specified criteria, to the budget committees and the appropriate policy committees of both houses of the Legislature, on the development and implementation of intercity high-speed train service, as provided. The act requires the authority to develop schedules for the delivery of specified tasks relating to the Merced to Bakersfield segment of the high-speed rail project for inclusion in the project update report and the business plan and also requires the authority to include certain other information in the project update report and the business plan relating to the Merced to Bakersfield segment, as provided. This bill would require the authority, as part of the business plan that is due on or before May 1, 2026, to provide a detailed funding plan for the Merced to Bakersfield segment that includes certain information, including an updated estimate of the funding gap for completing the segment and a strategy for addressing the funding gap.</p>	<p>Watch</p>
<p>AB 394 Wilson D</p> <p>Public transportation providers.</p>	<p>This bill is in the Assembly Judiciary Committee.</p>	<p>Existing law defines a battery as any willful and unlawful use of force or violence upon the person of another. Existing law defines stalking as willfully, maliciously, and repeatedly following or willfully and maliciously harassing another person and making a credible threat with the intent to place that person in reasonable fear for the person’s safety, or the safety of the person’s immediate family. Existing law provides that when a battery is committed against the person of an operator, driver, or passenger on a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle, as specified, and the person who commits the offense knows or reasonably should know that the victim is engaged in the performance of their duties, the penalty is imprisonment in a county jail not exceeding one year, a fine not exceeding \$10,000, or both the fine and imprisonment. Existing law also provides that if the victim is injured, the offense would be punished by a fine not exceeding \$10,000, by imprisonment in a county jail not exceeding one year or in the state prison for 16 months, 2, or 3 years, or by both that fine and imprisonment. This bill would expand this crime to apply to an employee, public transportation provider, or contractor of a public transportation provider. By expanding the scope of an existing crime, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 421 Solache D</p> <p>Immigration enforcement: prohibitions on access, sharing information, and law enforcement collaboration.</p>	<p>This bill is in the Assembly Public Safety Committee.</p>	<p>Existing law, the California Values Act, generally prohibits California law enforcement agencies from investigating, interrogating, detaining, detecting, or arresting persons for immigration enforcement purposes. Existing law provides certain limited exceptions to this prohibition, including transfers of persons pursuant to a judicial warrant and providing certain information to federal authorities regarding serious and violent felons in custody. This bill would prohibit California law enforcement agencies from collaborating with, or providing any information in writing, verbally, or in any other manner to, immigration authorities regarding proposed or currently underway immigration enforcement actions when the actions could be or are taking place within a radius of one mile of any childcare or daycare facility, religious institution, place of worship, hospital, or medical office. To the extent this bill would impose additional duties on local law enforcement agencies or officials, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 476 González, Mark D Metal theft.</p>	<p>This bill is in the Assembly Business & Professions Committee.</p>	<p>Existing law governs the business of buying, selling, and dealing in secondhand and used machinery and all ferrous and nonferrous scrap metals and alloys, also known as “junk.” Existing law requires junk dealers and recyclers to keep a written record of all sales and purchases made in the course of their business, including the place and date of each sale or purchase of junk, as defined. Existing law requires the written record to include a statement indicating either that the seller of the junk is the owner of it, or the name of the person they obtained the junk from, as shown on a signed transfer document. Existing law prohibits a junk dealer or recycler from providing payment for nonferrous materials until the junk dealer or recycler obtains a copy of a valid driver’s license of the seller or other specified identification. Existing law requires a junk dealer or recycler to preserve the written record for at least 2 years. Existing law makes a violation of the recordkeeping requirements a misdemeanor. This bill, among other changes, would require junk dealers and recyclers to include additional information in the written record, including the time and amount paid for each sale or purchase of junk made, and the name of the employee handling the transaction. The bill would require the statement referenced above indicating ownership or the name of the person from whom the seller obtained the junk from to be signed and would require the statement to include specified information, including the legal name, date of birth, and place of residence of the seller. The bill would impose additional requirements on a junk dealer or recycler purchasing nonferrous metals, including obtaining proof of ownership showing the seller has lawful possession or lawful ownership of the nonferrous metals, as specified. The bill would prohibit a junk dealer or recycler from purchasing nonferrous metals from a person under 18 years of age. The bill would require a junk dealer or recycler to maintain the above-described information for at least one year, unless a longer period of time is specified, and would authorize any authorized law enforcement officer to conduct reasonable inspections during regular business hours to ensure compliance with applicable laws. This bill contains other related provisions and other existing laws.</p>	<p>Recommend Support</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 541 DeMaio R</p> <p>California Public Records Act Ombudsperson.</p>	<p>This bill is in the Assembly Appropriations Committee.</p>	<p>Existing law, the California Public Records Act, requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. The act declares that access to information concerning the conduct of the people’s business is a fundamental and necessary right of every person in this state. This bill would, until January 1, 2029, and subject to appropriation, establish the Office of the California Public Records Act Ombudsperson. The bill would require the Governor to appoint the ombudsperson subject to certain requirements. The bill would require the ombudsperson to receive and investigate requests for review, as defined, determine whether the denials of original requests, as defined, complied with the California Public Records Act, and issue written opinions of its determination, as provided. The bill would require the ombudsperson to create a process to that effect, and would authorize a member of the public to submit a request for review to the ombudsperson consistent with that process. The bill would require the ombudsperson, within 30 days from receipt of a request for review, to make a determination, as provided, and would require the state agency to provide the public record if the ombudsperson determines that it was improperly denied. The bill would require the ombudsperson to create a process through which a person whose information is contained in a record being reviewed may intervene to assert their privacy and confidentiality rights, and would otherwise require the ombudsperson to maintain the privacy and confidentiality of records, as provided. The bill would require the ombudsperson to report to the Legislature, on or before March 31, 2027, and annually thereafter, on, among other things, the number of requests for review the ombudsperson has received in the prior year.</p>	<p>Watch</p>
<p>AB 555 Jackson D</p> <p>Air resources: regulatory impacts: transportation fuel costs.</p>	<p>This bill is in the Assembly Natural Resources Committee.</p>	<p>Existing law vests the State Air Resources Board with the authority to regulate transportation fuels and requires the state board to adopt standards and regulations providing for specification for vehicular fuel composition to achieve the maximum degree of emission reduction possible from vehicular sources to attain the state air quality standards. This bill would require the state board, on a quarterly basis, to submit to the relevant policy committees of the Legislature a report providing data and describing the impacts of its regulations of transportation fuels on the prices of those fuel to California consumers.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 939 Schultz D</p> <p>The Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026.</p>	<p>This bill is in the Assembly Transportation Committee.</p>	<p>The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B at the November 7, 2006, statewide general election, authorizes the issuance of bonds in the amount of \$19,925,000,000 pursuant to the State General Obligation Bond Law for specified purposes, including high-priority transportation corridor improvements, State Route 99 corridor enhancements, trade infrastructure and port security projects, schoolbus retrofit and replacement purposes, state transportation improvement program augmentation, transit and passenger rail improvements, state-local partnership transportation projects, transit security projects, local bridge seismic retrofit projects, highway-railroad grade separation and crossing improvement projects, state highway safety and rehabilitation projects, local street and road improvement, congestion relief, and traffic safety. This bill would enact the Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026 which, if approved by the voters, would authorize the issuance of bonds in the amount of \$20,000,000,000 pursuant to the State General Obligation Bond Law to finance transit and passenger rail improvements, local streets and roads and active transportation projects, zero-emission vehicle investments, transportation freight infrastructure improvements, and grade separations and other critical safety improvements. The bill would provide for the submission of the bond act to the voters at the November 3, 2026, statewide general election.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 941 Zbur D</p> <p>California Environmental Quality Act: electrical infrastructure projects.</p>	<p>This bill is in the Assembly Natural Resources Committee.</p>	<p>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 exempts certain projects from its requirements, including actions necessary to prevent or mitigate an emergency. Existing law prohibits an electrical corporation from beginning the construction of a line, plant, or system, or extensions of those facilities without first obtaining from the Public Utilities Commission a certificate that the present or future convenience and necessity require or will require the construction. Existing law specifies that the certificate is not required for the extension, expansion, upgrade, or other modification of existing electrical transmission facilities. This bill would require the commission to determine whether to certify the environmental impact report for an electrical infrastructure project that is a priority project, as defined, no later than 270 days after the commission determines that an application for an electrical infrastructure project is complete, except as specified. The bill would require a project applicant to identify an electrical infrastructure project that is a priority project and the basis for the designation in the application to the commission. The bill would require commission staff to review an application for a priority project no later than 30 days after it is filed and notify the applicant in writing of any deficiencies in the information and data submitted in the application. The bill would require the applicant to correct any deficiencies or notify the commission in writing why it is unable to, as specified, within 60 days of that notification. The bill would require the commission to deem an application for a priority project complete with a preliminary ruling setting the scope and schedule, as provided. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 942 Calderon D</p> <p>Net energy metering: eligible customer- generators: tariffs.</p>	<p>This bill is in the Assembly Utilities & Energy Committee.</p>	<p>Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including electrical corporations, while local publicly owned electric utilities are generally under the direction of their governing boards. Existing law requires each electrical utility, including each electrical corporation, local publicly owned electric utility, electrical cooperative, or other entity that offers electrical service, except as specified, to develop a standard contract or tariff that provides for net energy metering (NEM), which, among other things, compensates each eligible customer-generator, as defined, for the electricity it generated during a preceding 12-month period that exceeds the electricity supplied by the electrical utility through the electrical grid to the eligible customer-generator during that same period, as provided. Existing law requires each electrical utility to make the contract or tariff available to eligible customer-generators, upon request, on a first-come-first-served basis until the time that the total rated generating capacity used by those eligible customer-generators exceeds 5% of the electrical utility's aggregate customer peak demand, except as specified. This contract or tariff is commonly known as NEM 1.0. Existing law requires the commission to develop an additional standard contract or tariff, which may include NEM, for eligible customer-generators that are customers of large electrical corporations, as defined. Existing law requires each large electrical corporation to offer this standard contract or tariff to its eligible customer-generators beginning July 1, 2017, or before that date if ordered to do so by the commission because it has reached the above-mentioned 5% NEM 1.0 program limit, and prohibits limiting the amount of generating capacity or the number of new eligible customer-generators entitled to receive service pursuant to this standard contract or tariff, as specified. This contract or tariff is commonly known as NEM 2.0. Existing law authorizes the commission to revise the standard contract or tariff as appropriate to achieve specified objectives. This bill would provide that, on and after July 1, 2026, an eligible customer-generator that has taken service pursuant to NEM 1.0 or 2.0 for 10 or more years is no longer entitled to take service under that contract or tariff. The bill would require that eligible customer-generator to take service under the then-current applicable tariff adopted by the commission after December 1, 2022, disqualify that eligible customer-generator from eligibility for the avoided cost calculator plus glide path, as specified, and would require the eligible customer-generator to pay all nonbypassable charges that are applicable to customers that are not eligible customer-generators.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 1058 Gonzalez, Jeff R</p> <p>Motor Vehicle Fuel Tax Law: suspension of tax.</p>	<p>This bill is in the Assembly Transportation Committee.</p>	<p>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 would also direct the Controller to transfer a specified amount from the General Fund to the Motor Vehicle Fuel Account in the Transportation Tax Fund. By transferring General Fund moneys to a continuously appropriated account, this bill would make an appropriation. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>
<p>AB 1067 Quirk-Silva D</p> <p>Public employees' retirement: felony convictions.</p>	<p>This bill is in the Assembly Public Employment & Retirement Committee.</p>	<p>Existing law, the California Public Employees' Pension Reform Act of 2013, requires a public employee who is convicted of any state or federal felony for conduct arising out of, or in the performance of, the public employee's official duties in pursuit of the office or appointment, or in connection with obtaining salary, disability retirement, service retirement, or other benefits, to forfeit all accrued rights and benefits in any public retirement system from the earliest date of the commission of the felony to the date of conviction, and prohibits the public employee from accruing further benefits in that public retirement system. This bill would require a public employer that is investigating a public employee for misconduct arising out of the actions described above, to continue the investigation even if the public employee retires while under investigation. The bill would require a public employer, if the investigation indicates that the public employee may have committed a crime, to refer the matter to the appropriate law enforcement agency. Under the bill, if a felony conviction results arising out of any conduct described above, the public employee would forfeit all accrued rights and benefits in any public retirement system pursuant to the provisions described above. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 1070 Ward D</p> <p>Transit districts: governing boards: compensation: nonvoting members.</p>	<p>This bill is in the Assembly Local Government Committee.</p>	<p>Existing law provides for the formation of various transit districts and specifies the duties and powers of their governing boards. Existing law authorizes a transit district to compensate a member of the governing board for attending a board meeting and for engaging in other district business, as provided. This bill would prohibit a transit district from compensating a member of the governing board unless the member demonstrates personal use of the transit system, as specified. The bill would require the governing board of a transit district to include 2 nonvoting members and 4 alternate nonvoting members, as specified. The bill would require nonvoting members and alternate nonvoting members to have certain rights and protections, including the right to attend and participate in all public meetings of the governing board, except as specified. The bill would require the chair of the governing board of a transit district to exclude these nonvoting members from meetings discussing, among other things, negotiations with labor organizations. By expanding the duties of transit districts, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>
<p>AB 1132 Schiavo D</p> <p>Department of Transportation: climate change vulnerability assessment: community resilience assessment.</p>	<p>This bill is in the Assembly Transportation Committee.</p>	<p>Existing law establishes the Department of Transportation to, among other things, plan, design, construct, operate, and maintain the state highway system, as provided. Pursuant to that authority, the department developed 12 district-based Climate Change Vulnerability Assessment reports designed to provide the department with a comprehensive database to help in evaluating, mitigating, and adapting to the effects of increasing extreme weather events on the state transportation system. This bill would require the department, on or before January 1, 2029, to identify key community resilience indicators for measuring the impacts of climate-induced transportation disruptions, as specified. The bill would also require the department, on or before January 1, 2030, to include in the Climate Change Vulnerability Assessment reports an evaluation of the broader social and economic impacts on communities connected to the evaluated infrastructure risks, as specified.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 1167 Berman D</p> <p>Electrical corporations and gas corporations: rate recovery: political activities and promotional advertising.</p>	<p>This bill is in the Assembly Utilities & Energy Committee.</p>	<p>Existing law authorizes the Public Utilities Commission to fix the rates and charges for public utilities, including electrical corporations and gas corporations, and requires those rates and charges to be just and reasonable. Under existing law, a regulated public utility is prohibited from using ratepayer funds for advocacy-related activities that are political or do not otherwise benefit ratepayers. This bill would prohibit, except as provided, an electrical corporation or gas corporation from recording various expenses associated with political influence activities, as defined, or with promotional advertising, as defined, to accounts that contain expenses that the electrical corporation or gas corporation recovers from ratepayers. The bill would require electrical corporations and gas corporations to clearly and conspicuously disclose in all of its advertising whether the costs of the advertising are paid for by the corporation's shareholders or ratepayers. The bill would require an electrical corporation or gas corporation, on or before April 30, 2026, and annually thereafter, to provide the commission with a report of expenses from the previous calendar year and would require that, for each business unit of the corporation that performs work associated with political influence activities or promotional advertising, the report contain specified information. The bill would require the commission to make the report publicly available and would authorize the commission to redact information that the commission deems to be confidential in the report. The bill would require the commission to assess a civil penalty against an electrical corporation or gas corporation that violates the prohibition described above, or that fails or neglects to comply with any part or provision of any order, decision, decree, rule, direction, demand, or requirement of the commission related to implementing the bill's requirements, as provided.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 1198 Haney D</p> <p>Public works: prevailing wages.</p>	<p>This bill is in the Assembly Appropriations Committee.</p>	<p>Existing law requires that, except as specified, not less than the general prevailing rate of per diem wages, determined by the Director of Industrial Relations, be paid to workers employed on public works projects. Existing law requires the body awarding a contract for a public work to obtain from the director the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is to be performed, and the general prevailing rate of per diem wages for holiday and overtime work, for each craft, classification, or type of worker needed to execute the contract. Under existing law, if the director determines during any quarterly period that there has been a change in any prevailing rate of per diem wages in a locality, the director is required to make that change available to the awarding body and their determination is final. Under existing law, that determination does not apply to public works contracts for which the notice to bidders has been published. This bill would instead state, commencing July 1, 2026, that if the director determines, within a semiannual period, that there is a change in any prevailing rate of per diem wages in a locality, that determination applies to any public works contract that is awarded or for which notice to bidders is published after July 1, 2026. The bill would authorize any contractor, awarding body, or specified representative affected by a change in rates on a particular contract to, within 20 days, file with the director a verified petition to review the determination of that rate, as specified. The bill would require the director to, upon notice to the interested parties, initiate an investigation or hold a hearing, and, within 20 days after the filing of that petition, except as specified, make a final determination and transmit the determination in writing to the awarding body and to the interested parties. The bill would make that determination issued by the director effective 10 days after its issuance, and until it is modified, rescinded, or superseded by the director.</p>	<p>Watch</p>
<p>AB 1207 Irwin D</p> <p>Climate change: market-based compliance mechanism: price ceiling.</p>	<p>This bill is in the Assembly Natural Resources Committee.</p>	<p>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 and requires the state board to ensure that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by 2030. The act, until January 1, 2031, authorizes the state board to adopt a regulation establishing a system of market-based declining aggregate emissions limits for sources or categories of sources that emit greenhouse gases (market-based compliance mechanism) that meets certain requirements. Existing law requires the state board, in adopting the regulation to, among other things, establish a price ceiling for emission allowances sold by the state board. Existing law requires the state board, in establishing the price ceiling, to consider specified factors, including the full social cost associated with emitting a metric ton of greenhouse gases. This bill would require the state board to instead consider the full social cost associated with emitting a metric ton of greenhouse gases, as determined by the United States Environmental Protection Agency in November 2023.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 1218 Soria D Copper theft.</p>	<p>This bill is in the Assembly Public Safety Committee.</p>	<p>Under existing law it is grand theft to steal copper materials valued at more than \$950. A violation of this provision is punishable either as a misdemeanor or a felony by imprisonment in county jail and specified fines. This bill would make it a crime to unlawfully possess copper materials, as specified. The bill would define what it means to “unlawfully possess” copper materials to include possessing without documentation proving lawful possession. The bill would prescribe the information that constitutes proof of lawful possession, as specified, including the identity of the seller and the date of the transaction. By expanding the scope of a crime, this bill would impose a state-mandated local program. The bill would also prohibit a person from falsifying any record intending to show proof of lawful possession. By creating a new crime, this bill would impose a state-mandated local program. Existing law prohibits any collector or dealer of metals to purchase certain junk metals, as specified, without first ascertaining that the seller legally possesses the materials. Existing law also requires the dealer to obtain evidence of the identity of the seller, including, but not limited to, the seller’s name and address. This bill would require any collector or dealer of metals to ascertain the location from which the purchased material was obtained. Existing law makes it a crime for a person who is engaged in the salvage, recycling, purchase, or sale of scrap metal to possess certain items that have been stolen or obtained by theft or extortion, as specified, and requires that the person knew or reasonably should have known that the property was stolen or failed to report possession of the items, as specified. This bill would additionally prohibit a person who is engaged in the salvage, recycling, purchase, or sale of scrap metal, as specified, from possessing certain items knowing that those items were possessed without proof of lawful possession. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.</p>	<p>Watch</p>
<p>AB 1222 Bauer-Kahan D Public utilities: judicial review.</p>	<p>This bill is in the Assembly Utilities & Energy Committee.</p>	<p>Existing law authorizes a party aggrieved by a decision or order of the Public Utilities Commission to file a petition for a writ of review in the court of appeal or the Supreme Court for purposes of reviewing the decision or order within 30 days after the commission issues its decision denying the application for a rehearing, or, if the application was granted, within 30 days after the commission issues its decision on the rehearing, or at least 120 days after the application is granted if no decision on rehearing has been issued. This bill would extend the 30-day time periods to 90 days. For a petition challenging a final decision of the commission in which the final decision significantly modifies the proposed decision issued in the proceeding, the bill would require the court to presume the proposed decision to be valid and lawful and to issue the writ unless the commission rebuts the presumption to the satisfaction of the court in justifying the final decision. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 1268 Macedo R</p> <p>Motor Vehicle Fuel Tax Law: adjustment suspension.</p>	<p>This bill is in the Assembly Transportation Committee.</p>	<p>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. Article XIX of the California Constitution restricts the expenditure of revenues from the Motor Vehicle Fuel Tax Law, Diesel Fuel Tax Law, and other taxes imposed by the state on fuels used in motor vehicles upon public streets and highways to street and highway and certain mass transit purposes. 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.</p>	<p>Watch</p>
<p>AB 1290 Wilson D</p> <p>High-Speed Rail Authority: Senate confirmation.</p>	<p>This bill is in the Assembly Transportation Committee.</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties relative to development and implementation of a high-speed train system. The authority is composed of 11 members, including 5 voting members appointed by the Governor, 4 voting members appointed by the Legislature, and 2 nonvoting legislative members. This bill would require that the members of the authority appointed by the Governor be subject to appointment with the advice and consent of the Senate.</p>	<p>Watch</p>
<p>AB 1331 Elhawary D</p> <p>Workplace surveillance.</p>	<p>This bill is in the Assembly Privacy & Consumer Protection Committee.</p>	<p>Existing law establishes the Division of Labor Standards Enforcement within the Department of Industrial Relations. Existing law authorizes the division, which is headed by the Labor Commissioner, to enforce the Labor Code and all labor laws of the state the enforcement of which is not specifically vested in any other officer, board or commission. This bill would limit the use of workplace surveillance tools, as defined, by employers, including by prohibiting an employer from monitoring or surveilling workers in off-duty areas, as specified. The bill would provide workers with the right to disable or leave behind workplace surveillance tools that are on their person or in their possession during off-duty hours, as specified. This bill would subject an employer who violates the bill to a civil penalty of \$500 per employee for each violation and would authorize an employee and a public prosecutor to bring specified enforcement actions.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 1340 Wicks D</p> <p>Transportation network company drivers: labor relations.</p>	<p>This bill is in the Assembly Labor & Employment Committee.</p>	<p>Existing law declares the public policy of the state regarding labor organization, including, among other things, that it is necessary for a worker to have full freedom of association, self-organization, and designation of representatives of their own choosing, to negotiate the terms and conditions of their employment, and to be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection. Existing law, the Protect App-Based Drivers and Services Act, added by Proposition 22, as approved by the voters at the November 3, 2020, statewide general election (the initiative), categorizes app-based drivers for network companies, as defined, as independent contractors if certain conditions are met. Existing law requires, among other things, that the network company provide a health care subsidy to qualifying app-based drivers, provide a minimum level of compensation for app-based drivers, and not restrict app-based drivers from working in any other lawful occupation or business. Existing case law holds that specified provisions of the initiative are invalid on separation of powers grounds; however, the court severed the unconstitutional provisions, allowing the rest of the initiative to remain in effect. Existing law also establishes the Labor and Workforce Development Agency in state government under the supervision of the Secretary of Labor and Workforce Development, and charges the agency with oversight of specified departments, boards, and panels. This bill, the Transportation Network Company Drivers Labor Relations Act, would establish that transportation network company (TNC) drivers have the right to form, join, and participate in the activities of TNC driver organizations of their own choosing to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection. The bill would provide that TNC drivers also have the right to refuse to join or participate in the activities of TNC driver organizations. The bill would require the Labor and Workforce Development Agency to enforce these provisions. The bill would define various terms for purposes of the act and would make related legislative policy statements.</p>	<p>Watch</p>
<p>AB 1372 Papan D</p> <p>Renewable electrical generation facilities: electrified commuter railroads: regenerative braking: net billing.</p>	<p>This bill is in the Assembly Utilities & Energy Committee.</p>	<p>Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including electrical corporations. Existing law requires every electric utility, except as provided, to develop a standard contract or tariff providing for net energy metering, and to make this standard contract or tariff available to eligible customer-generators using renewable electrical generation facilities, as specified. Pursuant to its authority, the commission issued a decision revising net energy metering tariff and subtariffs, commonly known as the net billing tariff. This bill would include the regenerative braking from electric trains as a renewable electrical generation facility for those purposes, as provided.</p>	<p>Sponsor February 2025</p>

Bill ID/Topic	Location	Summary	Position
<p>AB 1410 Garcia D</p> <p>Public utilities: service outages and updates: alerts.</p>	<p>This bill is in the Assembly Utilities & Energy Committee.</p>	<p>Existing law vests the Public Utilities Commission with regulatory authority over public utilities. If the commission finds after a hearing that the rules, practices, equipment, appliances, facilities, or service of any public utility, or the methods of manufacture, distribution, transmission, storage, or supply employed by the public utility, are unjust, unreasonable, unsafe, improper, inadequate, or insufficient, the Public Utilities Act requires the commission to determine and, by order or rule, fix the rules, practices, equipment, appliances, facilities, service, or methods to be observed, furnished, constructed, enforced, or employed. This bill would require each public utility to automatically enroll customers in alerts for service outages and updates. The bill would require customers to be provided with the opportunity to opt-out of any alerts they do not wish to receive, except as provided. The bill would require each public utility to provide information on customers' bills on how to update their preferred contact methods and to allow customers to update their contact information by email or telephone. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>
<p>AB 1421 Wilson D</p> <p>Vehicles: Road Usage Charge Technical Advisory Committee.</p>	<p>This bill is in the Assembly Transportation Committee.</p>	<p>Existing law requires the Chair of the California Transportation Commission to create a Road Usage Charge Technical Advisory Committee in consultation with the Secretary of Transportation to guide the development and evaluation of a pilot program assessing the potential for mileage-based revenue collection as an alternative to the gas tax system. Existing law additionally requires the Transportation Agency, in consultation with the commission, to implement the pilot program, as specified. Existing law repeals these provisions on January 1, 2027. This bill would extend the operation of the above-described provisions until January 1, 2035. The bill would also make related findings and declaration.</p>	<p>Watch</p>
<p>AB 1472 Hart D</p> <p>California Sea Level Rise State and Regional Support Collaborative.</p>	<p>Pending referral to policy committee.</p>	<p>Existing law creates within the Ocean Protection Council the California Sea Level Rise State and Regional Support Collaborative to provide state and regional information to the public and support to local, regional, and other state agencies for the identification, assessment, planning, and, where feasible, the mitigation of the adverse environmental, social, and economic effects of sea level rise within the coastal zone, as provided. This bill would make a nonsubstantive change to this provision.</p>	<p>Watch</p>
<p>SB 30 Cortese D</p> <p>Diesel-powered on-track equipment: decommissioning: resale and transfer restrictions.</p>	<p>This bill is in the Senate Environmental Quality Committee.</p>	<p>Existing law provides various provisions applicable to all public transit and transit districts and includes specific requirements applicable to public entities that operate commuter rail or rail transit systems. This bill would prohibit a public entity that owns diesel-powered on-track equipment from selling, donating, or otherwise transferring that equipment for continued use after the public entity decommissions the equipment.</p>	<p>Concerns March 2025</p>

Bill ID/Topic	Location	Summary	Position
<p>SB 63 Wiener D</p> <p>San Francisco Bay area: local revenue measure: transportation funding.</p>	<p>This bill is in the Senate Transportation Committee.</p>	<p>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 establish the Transportation Revenue Measure District with jurisdiction extending throughout the boundaries of the Counties of Alameda and Contra Costa and the City and County of San Francisco and would require the district to be governed by the same board that governs the commission, thereby imposing a state-mandated local program. The bill would authorize a retail transactions and use tax applicable to the entire district to be imposed by the board of the district or by a qualified voter initiative for a duration of 10 to 15 years, inclusive, and generally in an amount of 0.5%, subject to voter approval at the November 3, 2026, statewide general election. After allocations are made for various administrative expenses, the bill would require an unspecified portion of the proceeds of the tax to be allocated by the commission to initiatives included in a specified commission plan and to the Alameda-Contra Costa Transit District, the Peninsula Rail Transit District, commonly known as Caltrain, the San Francisco Bay Area Rapid Transit District, and the San Francisco Municipal Transportation Agency for operating expenses, and would require the remaining proceeds to be subvended directly to the counties comprising the district for public transportation expenses, as prescribed. This bill contains other existing laws.</p>	<p>Recommend Support</p>
<p>SB 71 Wiener D</p> <p>California Environmental Quality Act: exemptions: transit projects.</p>	<p>This bill is in the Senate Appropriations Committee.</p>	<p>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, until January 1, 2030, exempts from its requirements active transportation plans, pedestrian plans, or bicycle transportation plans for the restriping of streets and highways, bicycle parking and storage, signal timing to improve street and highway intersection operations, and the related signage for bicycles, pedestrians, and vehicles. This bill would extend the operation of the above-mentioned exemption indefinitely. The bill would also exempt a transit comprehensive operational analysis, as defined, a transit route readjustment, or other transit agency route addition, elimination, or modification, from the requirements of CEQA. Because a lead agency would be required to determine whether a plan qualifies for this exemption, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p>	<p>Support April 2025</p>

Bill ID/Topic	Location	Summary	Position
<p>SB 79 Wiener D</p> <p>Local government land: public transit use: housing development: transit-oriented development.</p>	<p>This bill is in the Senate Housing Committee.</p>	<p>Existing law prescribes requirements for the disposal of surplus land by a local agency. Existing law defines “surplus land” for these purposes to mean land owned in fee simple by any local agency for which the local agency’s governing body takes formal action declaring that the land is surplus and is not necessary for the agency’s use. Existing law defines “agency’s use” for these purposes to include land that is being used for agency work or operations, as provided. Existing law exempts from this definition of “agency’s use” certain commercial or industrial uses, except that in the case of a local agency that is a district, except a local agency whose primary purpose or mission is to supply the public with a transportation system, “agency’s use” may include commercial or industrial uses or activities, as specified. This bill would additionally include land leased to support public transit operations in the definition of “agency’s use,” as described above. The bill would also revise the definition of “agency’s use” with respect to commercial or industrial uses to instead provide that a district or a public transit operator may use land for commercial or industrial uses or activities, as described above. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>
<p>SB 272 Becker D</p> <p>San Mateo County Transit District: job order contracting: pilot program.</p>	<p>This bill is on the Assembly Floor.</p>	<p>The Local Agency Public Construction Act sets forth procedures that a local agency is required to follow when procuring certain services or work. The act also sets forth specific public contracting requirements for certain transit districts, including the San Mateo County Transit District for construction work contracts. The act authorizes certain local agencies, including school districts and community college districts, to engage in job order contracting, as prescribed. This bill would establish a pilot program to authorize the San Mateo County Transit District to use job order contracting as a procurement method. The bill would impose a \$5,000,000 cap on awards under a single job order contract and a \$1,000,000 cap on any single job order. The bill would limit the term of an initial contract to a maximum of 12 months, with extensions as prescribed. The bill would establish various procedures and requirements for the use of job order contracting under the pilot program. The bill would require the district, on or before January 1, 2030, to submit to the appropriate policy and fiscal committees of the Legislature a report on the use of job order contracting under the bill. The pilot program would be repealed on January 1, 2032. This bill would make legislative findings and declarations as to the necessity of a special statute for the San Mateo County Transit District.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>SB 348 Hurtado D</p> <p>State Air Resources Board: Low Carbon Fuel Standard.</p>	<p>This bill is in the Senate Environmental Quality Committee.</p>	<p>Existing law imposes various limitations on emissions of air contaminants for the control of air pollution from vehicular and nonvehicular sources. Existing law generally designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution. Existing law requires the state board to adopt standards, rules, and regulations necessary for the proper execution of the powers and duties granted to, and imposed upon, the state board. This bill would require the state board, when it revises, adopts, or establishes any policy, standard, rule, or regulation that would have a direct financial impact to drivers in the state, to consider the financial burden on drivers and to prepare a thorough analysis and evaluation of the financial impact of the proposed action to drivers to ensure full transparency. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>
<p>SB 400 Cortese D</p> <p>Road Maintenance and Rehabilitation Account: University of California: California State University: reports.</p>	<p>This bill is in the Senate Transportation Committee.</p>	<p>Existing law creates the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. Existing law provides for the deposit of various moneys, including revenues from certain fuel taxes and vehicle fees, for the program into the Road Maintenance and Rehabilitation Account. Existing law, after deducting certain appropriations and allocations, authorizes annual appropriations of \$5,000,000 of the moneys available for the program to the University of California to conduct transportation research and of \$2,000,000 of the available moneys to the California State University to conduct transportation research and transportation-related workforce education, training, and development, as specified. This bill would require the University of California Institute of Transportation Studies and the California State University Transportation Consortium, on or before January 1 of each year, to each submit a report to the Transportation Agency and specified legislative committees detailing the expenditures of those moneys for the previous fiscal year, including, but not limited to, research activities and administration.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>SB 445 Wiener D</p> <p>Transportation: planning: complete streets facilities: sustainable transportation projects.</p>	<p>This bill is in the Senate Transportation Committee.</p>	<p>Existing law requires the Department of Transportation to improve and maintain the state’s highways. Existing law authorizes the department to issue encroachment permits and requires the department to either approve or deny an application from an applicant for an encroachment permit within 60 days of receiving a completed application, as provided. Existing law also requires the department, on or before January 1, 2027, to develop and adopt a project intake, evaluation, and encroachment permit review process for complete streets facilities that are sponsored by a local jurisdiction or a transit agency. This bill would instead require the department to develop and adopt the above-described project intake, evaluation, and encroachment review process on or before February 1, 2027. The bill would also state the intent of the Legislature to amend this bill with legislation that accelerates and makes more reliable third-party permits and approvals for preconstruction and construction activities on sustainable transportation projects.</p>	<p>Watch</p>
<p>SB 496 Hurtado D</p> <p>Advanced Clean Fleets Regulation: appeals advisory committee: exemptions.</p>	<p>This bill is in the Senate Transportation Committee.</p>	<p>Existing law requires the State Air Resources Board to adopt and implement motor vehicle emission standards, in-use performance standards, and motor vehicle fuel specifications for the control of air contaminants and sources of air pollution that the state board has found necessary, cost effective, and technologically feasible. The California Global Warming Solutions Act of 2006 establishes the state board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases and requires the state board to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions from those sources. Pursuant to its authority, the state board has adopted the Advanced Clean Fleets Regulation, which imposes various requirements for transitioning local, state, and federal government fleets of medium- and heavy-duty trucks, other high-priority fleets of medium- and heavy-duty trucks, and drayage trucks to zero-emission vehicles. The Advanced Clean Fleets Regulation authorizes entities subject to the regulation to apply for exemptions from its requirements under certain circumstances. This bill would require the state board to establish the Advanced Clean Fleets Regulation Appeals Advisory Committee by an unspecified date for purposes of reviewing appeals of denied requests for exemptions from the requirements of the Advanced Clean Fleets Regulation. The bill would require the committee to include representatives of specified governmental and nongovernmental entities. The bill would require the committee to meet monthly and would require recordings of its meetings to be made publicly available on the state board’s internet website. The bill would require the committee to consider, and make a recommendation on, an appeal of an exemption request denial no later than 60 days after the appeal is made. The bill would require specified information relating to the committee’s consideration of an appeal to be made publicly available on the state board’s internet website. The bill would require the state board to consider a recommendation of the committee at a public meeting no later than 60 days after the recommendation is made.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>SB 506 Committee on Transportation Transportation: omnibus bill.</p>	<p>This bill is in the Senate Appropriations Committee.</p>	<p>(1)Existing law requires that each application for an original or a renewal of a driver’s license contain certain information, including the applicant’s true full name, age, mailing address, and gender. Existing law also provides that if a driver’s license is lost, destroyed, or mutilated, or if a new true full name is acquired, the person to whom the driver’s license was issued shall obtain a duplicate if the person provides satisfactory proof of the loss, destruction, or mutilation. A violation of these provisions is an infraction.This bill would authorize a person who submits a change of address, as specified, to apply for a duplicate driver’s license. The bill would require the applicant who receives a duplicate through this process to immediately destroy the license containing the prior mailing address. By creating a new crime, this bill would impose a state-mandated local program.</p>	<p>Watch</p>
<p>SB 544 Laird D Railroad crossings: permit applications: review.</p>	<p>This bill is in the Senate Appropriations Committee.</p>	<p>Under current law, the Public Utilities Commission has the exclusive power to, among other things, determine and prescribe the manner and the terms of installation, operation, maintenance, use, and protection of railroad crossings. Existing law prohibits the construction of a public road, highway, or street across the track of any railroad corporation at grade and other specified actions with regard to railroad crossings without the permission of the commission. This bill would require an application for a railroad crossing to include, at a minimum, certain information concerning the proposed railroad crossing. The bill would authorize the commission to partially or completely exempt railroad crossing applications that meet certain requirements from review under otherwise applicable adjudication procedures and would authorize the commission to establish an expedited review and approval process for those applications.</p>	<p>Watch</p>
<p>SB 545 Cortese D High-speed rail: economic opportunities.</p>	<p>This bill is in the Senate Local Government Committee.</p>	<p>Existing law establishes the Office of Land Use and Climate Innovation with specified powers and duties related to long-range planning and research. Existing law creates the High-Speed Rail Authority, with specified powers and duties related to the development and implementation of a high-speed train system. This bill would require the Office of Land Use and Climate Innovation, on or before July 1, 2026, to commission a study on economic opportunities along the high-speed rail alignment, as provided, and to submit a progress report to the chairpersons of the Senate Committee on Transportation and the Assembly Committee on Transportation for input. The bill would require, on or before January 1, 2027, the study to be completed and a report on the study’s findings and recommendations to be submitted to the appropriate policy and fiscal committees of the Legislature. The bill would require an infrastructure district established in support of the high-speed rail project to include local improvements among the eligible projects to be funded by district revenues. The bill would require any revenues collected beyond the establishment of an infrastructure district to be committed to the ongoing maintenance and operation of the high-speed rail system.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>SB 559 Stern D</p> <p>Electricity: deenergization events: communications.</p>	<p>This bill is in the Senate Appropriations Committee.</p>	<p>Existing law requires each electrical corporation to annually prepare a wildfire mitigation plan and to submit the plan to the Office of Energy Infrastructure Safety for review and approval, as specified. Existing law requires a wildfire mitigation plan of an electrical corporation to include, among other things, protocols for deenergizing portions of the electrical distribution system that consider the associated impacts on public safety, and protocols related to mitigating the public safety impacts of those protocols, including impacts on critical first responders and on health and communications infrastructure. Existing law requires a wildfire mitigation plan of an electrical corporation to also include appropriate and feasible procedures for notifying a customer who may be impacted by the deenergizing of electrical lines and requires these procedures to consider the need to notify, as a priority, critical first responders, health care facilities, and operators of telecommunications infrastructure with premises within the footprint of a potential deenergization event. This bill would require, consistent with the above-described protocols, an electrical corporation to immediately notify, when possible and at the time a decision to conduct a deenergization event is made, public safety partners about the potential public safety impacts of the deenergization event, as specified. The bill would require detailed status information on restoration efforts to be made available to emergency management organizations, public safety officials, customers, and the public, where feasible, with regular progress updates issued at intervals of no more than 12 hours, for all impacted circuits, as specified. The bill would require, in advance of a deenergization event, an electrical corporation to make a reasonable effort to publish and make available weather conditions observed within the affected circuit being considered for deenergization, as provided. Once hazardous conditions subside, the bill would require an electrical corporation to prioritize the restoration of electricity and begin efforts to reenergize lines without unnecessary delays when safe to do so. The bill would make electrical corporations responsible for the continual monitoring and eventual restoration of circuits affected by a deenergization event. The bill would require each electrical corporation to submit an annual report to the Public Utilities Commission that details its compliance with the transparency and restoration requirements of these provisions, as provided. This bill contains other related provisions and other existing laws.</p>	

Bill ID/Topic	Location	Summary	Position
<p>SB 578 Smallwood-Cuevas D California Workplace Outreach Program.</p>	<p>This bill is on the Suspense File in the Senate Appropriations Committee.</p>	<p>Current law establishes the Department of Industrial Relations within the Labor and Workforce Development Agency to, among other things, foster, promote, and develop the welfare of wage earners, to improve their working conditions, and to advance their opportunities for profitable employment. This bill would require the department, upon appropriation of funds for this purpose, to establish and maintain the California Workplace Outreach Program to promote awareness of, and compliance with, workplace protections that affect workers. The bill would require the department to issue a competitive request for application to qualified organizations, as defined, to provide education and outreach services to workers and to assist workers to assert their workplace rights.</p>	<p>Watch</p>
<p>SB 642 Limón D Employment: payment of wages.</p>	<p>This bill is in the Senate Labor, Public Employment & Retirement Committee.</p>	<p>Existing law imposes varying requirements upon employers to share the pay scale for a position with an applicant or in a job posting, as provided. Existing law defines “pay scale” as the salary or hourly wage range that the employer reasonably expects to pay for the position. This bill would revise the definition of “pay scale” to mean an estimate of this expected wage range that is made in good faith. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>SB 667 Archuleta D</p> <p>Railroads: safety: wayside detectors: train length: emergency vehicle crossing.</p>	<p>This bill is in the Senate Energy, Utilities and Communications Committee.</p>	<p>The existing Federal Railroad Safety Act (FRSA) authorizes the United States Secretary of Transportation to prescribe regulations and issue orders for railroad safety and requires the United States Secretary of Homeland Security, when prescribing a security regulation or issuing a security order that affects the safety of railroad operations, to consult with the United States Secretary of Transportation. The FRSA provides for state participation in the enforcement of the safety regulations and orders issued by the United States Secretary of Transportation or the United States Secretary of Homeland Security, pursuant to an annual certification, and authorizes the respective secretaries to make an agreement with a state to provide investigative and surveillance activities. The FRSA provides that, to the extent practicable, laws, regulations, and orders related to railroad safety and security are required to be nationally uniform, but authorizes a state to adopt or continue in force a law, regulation, or order related to railroad safety or security until the United States Secretary of Transportation, with respect to railroad safety matters, or the United States Secretary of Homeland Security, with respect to railroad security matters, prescribes a regulation or issues an order covering the subject matter of the state requirement. A state is additionally authorized to adopt or continue in force an additional or more stringent law, regulation, or order related to railroad safety or security, when necessary to eliminate or reduce an essentially local safety or security hazard, that is not incompatible with a federal law, regulation, or order, and that does not unreasonably burden interstate commerce. This bill would require a railroad corporation to install and operate a network of wayside detector systems on or adjacent to any track used by a freight train with maximum spacing specified for individual detection devices along a continuous track. The bill would define “wayside detector system” to mean an electronic device or series of connected devices that scans passing freight trains, rolling stock, on-track equipment, and their component equipment and parts for defects. The bill would require a wayside detector system to issue certain messages if a defect is detected or is not detected, and would specify actions to be taken if a message indicating a defect is detected. The bill would require a railroad corporation to ensure that its employees know and understand these requirements. The bill would require the commission to enforce these requirements and would impose a penalty of not less than \$25,000 upon a railroad corporation for each violation. This bill contains other related provisions.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>SB 707 Durazo D</p> <p>Open meetings: meeting and teleconference requirements.</p>	<p>This bill is in the Senate Judiciary Committee.</p>	<p>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. This bill would, until January 1, 2030, require a city council or a county board of supervisors to comply with additional meeting requirements, including that all open and public meetings include an opportunity for members of the public to attend via a 2-way telephonic service or a 2-way audiovisual platform, as defined, that a system is in place for requesting and receiving interpretation services for public meetings, as specified, and that the city council or county board of supervisors encourage residents to participate in public meetings, as specified. This bill contains other related provisions and other existing laws.</p>	<p>Watch</p>
<p>SB 714 Archuleta D</p> <p>Zero-emission vehicles: workforce development: Clean Energy Workforce Training Council.</p>	<p>Pending referral to policy committee.</p>	<p>Existing law, upon appropriation by the Legislature, establishes the position of Deputy Secretary for Climate within the Labor and Workforce Development Agency, to be appointed by the Governor and subject to confirmation by the Senate, for the purpose of assisting in the oversight of California's workforce transition to a sustainable and equitable carbon-neutral economy. Existing law requires the deputy secretary to perform specified duties, including creating or coordinating programs with other state agencies to retrain and upskill workers for, among other jobs, clean energy jobs, as specified. This bill would state the intent of the Legislature to enact legislation that would establish a zero-emission vehicle workforce development pilot project and a Clean Energy Workforce Training Council, as provided.</p>	<p>Watch</p>
<p>SB 735 Committee on Local Government</p> <p>Validations.</p>	<p>This bill is on the Assembly Floor.</p>	<p>This bill would enact the First Validating Act of 2025, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.</p>	<p>Watch</p>
<p>SB 741 Blakespear D</p> <p>Coastal resources: coastal development permit: local emergency declaration.</p>	<p>This bill is in the Senate Natural Resources & Water Committee.</p>	<p>Existing law, the California Coastal Act of 1976, establishes the California Coastal Commission and provides for planning and regulation of development in the coastal zone, as defined. The act requires the commission to provide, by regulation, for the issuance of coastal development permits by the executive director of the commission or, where the development permit authority has been delegated to a local government, by an appropriate local official designated by resolution of the local government without compliance with the procedures prescribed in the act in cases of emergency, except as provided, and for certain nonemergency developments, as described. This bill would include as an emergency, for purposes of the latter provision, a local emergency declaration by a municipality, county, or special district.</p>	<p>Watch</p>

Bill ID/Topic	Location	Summary	Position
<p>SB 752 Richardson D</p> <p>Sales and use taxes: exemptions: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: transit buses.</p>	<p>This bill is in the Senate Revenue & Taxation Committee.</p>	<p>Existing state sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. The Sales and Use Tax Law provides various exemptions from those taxes, including, until January 1, 2026, an exemption from those taxes with respect to the sale in this state of, and the storage, use, or other consumption in this state of, specified zero-emission technology transit buses sold to specified public agencies that are eligible for specified incentives from the State Air Resources Board. This bill would extend the exemption for specified zero-emission technology transit buses until January 1, 2028. This bill contains other related provisions.</p>	<p>Watch</p>

Caltrain Federal Report April 2025

Congressional Update

Budget Reconciliation Update

- Republicans in the House and Senate are continuing their work on a budget reconciliation package that will allocate funding for defense, energy, and border security, reauthorizes the 2017 Tax Cuts and Jobs Act, and cuts domestic spending.
- The House narrowly passed a budget resolution previously advanced by the Senate, which will allow House and Senate committees to formally draft the reconciliation bill. Despite the House clearing the key procedural hurdle, there remain key divides among the House Republican conference over the amount of spending cuts and certain tax provisions included in a final bill. House Speaker Mike Johnson announced that he would like to pass a bill before Memorial Day, which will require the Speaker, Senate Majority Leader John Thune (R-SD), and President Trump to weigh in with holdouts to meet the Speaker's goal.
- A reconciliation bill could also include an extension of the federal debt ceiling. The Bipartisan Policy Center (BPC) released its [Debt Limit Analysis](#), predicting that the United States is anticipated to default on its \$36 trillion national debt between mid-July and early October if Congress does not act to raise the debt ceiling.

FY 2025 Appropriations Update

- On March 14, Congress passed a six-month continuing resolution (CR) that extends government funding through September 30. This option did not include Community Project Funding and Congressionally Directed Spending requests that were in the House/Senate FY25 appropriations bills. The CR included a slight increase in military spending and a \$13 billion cut from FY24 levels in domestic nondefense spending.
- House Appropriations Committee Chair Tom Cole and Senate Appropriations Chair Susan Collins released their respective guidance for the FY26 appropriations process. Chair Cole has announced that members will continue to be limited to fifteen requests for FY26. In advance of the guidance, many members and Senators have released their earmark forms, while many waited for the Chairs to release the respective full committee and subcommittee guidance.
- Congress is now in recess for the next two weeks and will return the week of April 28.

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- Looking ahead, the President is expected to release a slimmed down “skinny” FY26 budget this month that provides a general overview of the President’s prioritizes. The President’s full budget request is likely to arrive in May

Marc Molinaro Receives Confirmation Hearing

- On March 27, the Senate Banking, Housing, Urban Affairs Committee held a [hearing](#) concerning multiple confirmations, including that of Marc Molinaro for FTA administrator. The hearing centered around themes of workforce development, transparency and accountability, rural transit, and his commitment to transit infrastructure projects. Overall, Molinaro expressed commitment to following the contractual obligations of the FTA and advocating for grant money to be released to transit entities.
- Committee members asked about the status of infrastructure projects and funding under the Infrastructure Investment and Jobs Act (IIJA). Molinaro committed to ensuring that authorized funds continue to flow and that projects already in progress remain on track. He emphasized the importance of adhering to contractual obligations and ensuring that federal funds are used effectively to support transit infrastructure.
- The Banking Committee advanced Molinaro’s nomination by a vote of 20-4. Molinaro is expected to be swiftly confirmed by the Senate when his nomination reaches the Senate floor.

Secretary Duffy Testifies Before Senate EPW Committee on Priorities for Surface Transportation Reauthorization Bill

- On April 2, DOT Secretary Sean Duffy testified before the Senate Environment and Public Works (EPW) Committee in a hearing entitled: “[Constructing the Surface Transportation Reauthorization Bill: United States Secretary of Transportation’s Perspective](#)”. The goal of the hearing was to discuss the Trump Administration’s policies for the next surface transportation reauthorization bill, to be passed after the Bipartisan Infrastructure Law (BIL) expires in September 2026.
- During the hearing, Secretary Duffy and EPW Ranking Member Sheldon Whitehouse (D-RI) clashed over the DOT’s decision to freeze funding for certain infrastructure projects to review their alignment with climate and social justice priorities.
- Secretary Duffy also noted during the hearing that the Department is evaluating the cost of a new air traffic control system and revising guidance for the \$5 billion National Electric Vehicle Infrastructure Formula Program (NEVI), which has faced delays.
- Secretary Duffy assured the committee that recent personnel cuts at DOT have not impacted the grant agreement process and mentioned ongoing collaboration with the Office of Personnel Management (OPM) on a reduction in force plan.

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House T&I Committee Holds Hearing on State of the Nation’s Transit Systems

- On April 9, the House Subcommittee on Highways and Transit convened for a [hearing](#) entitled, “America Builds: A Review of Our Nation’s Transit Policies and Programs.” During the hearing, members and witnesses discussed the impact of the [Infrastructure Investment and Jobs Act](#) (IIJA) and how to expand upon that framework in the surface transportation reauthorization bill in 2026.
- Both the representatives and witnesses agreed that there needs to be a continued investment in public transit, particularly in rural areas which have historically received less funding. Furthermore, there was a discussion of regulations on public transit, and witnesses called for minimizing [National Environmental Policy Act \(NEPA\)](#) standards to increase efficiency and requiring agencies to release data to ensure accountability. Representatives and the panel also considered how to implement a federal framework for autonomous vehicles (AVs) and how to increase the spare ratio of vehicles in the event of extreme weather.

House T&I Committee Requests Stakeholder Feedback on Surface Transportation Reauthorization Bill

- The House Transportation and Infrastructure Committee is requesting stakeholder feedback as the committee continues its work on the next surface transportation reauthorization bill. Both the House and Senate are ramping up their activity as members begin drafting ideas and bill text for the upcoming reauthorization.
- The subcommittee on Highways and Transit is requesting that stakeholders submit input using [this link](#) by April 30.
- The subcommittee on Railroads, Pipelines, and Hazardous Materials is also requesting stakeholder input on their section of the reauthorization. Feedback must be sent to TI.Rail.Reauthorization@mail.house.gov by April 30, 2025.

Administration Update

DOT Releases Safe Streets and Roads for All Funding Opportunity

- DOT released the notice of funding opportunity (NOFO) for the Safe Streets and Roads for All (SS4A) Grant Program. This program provides funding to local entities to plan and develop measures that reduce pedestrian fatalities and increase roadway safety. All applications for SS4A are due June 26, 2025.
- This notice makes available up to \$982,260,494 for FY 2025 grants:
 - \$580,000,000 is available for Implementation Grants
 - Expected number of awards: 40 to 70
 - Expected funding range: \$2,500,000 to \$25,000,000
 - \$402,260,494 is available for Planning and Demonstration Grants
 - Expected number of awards: 400 to 700

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- Expected funding range: \$100,000 to \$5,000,000

- Notably, the NOFO removed all mentions of prior Biden Administration criteria such as climate change, environmental justice, and equity. However, the NOFO calls on applicants to consider factors such as how the proposed project would benefit underserved communities.

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Board of Directors
Through: Michelle Bouchard, Executive Director
From: Kate Jordan Steiner, Chief Financial Officer
For: May 2025 JPB Board of Directors Meeting
Subject: **Receive Fiscal Years 2026 and 2027 Preliminary Operating and Capital Budgets**

Finance Committee
Recommendation

Technology, Operations, Planning, and
Safety Committee Recommendation

Advocacy and Major Projects
Committee Recommendation

Purpose and Recommended Action

This report is submitted for informational purposes only. Based on Board feedback, final discussions with funding partners and member agencies, and further budget request refinements, the Peninsula Corridor Joint Powers Board (JPB) staff will present a final budget proposal to the Finance Committee for review at its May 19, 2025 meeting, and JPB Board for consideration and adoption at its June 5, 2025 meeting.

Discussion

Caltrain requires additional long-term funding to stabilize the budget.

Caltrain ridership was significantly impacted by the COVID-19 pandemic, but introduction of electrified service has provided a remarkable boost in ridership. Ridership since electrification surged, with ridership in March of 2025 up 57% compared to the same period in 2024. Ridership gains are driven by more frequent services, faster travel times, optimized stop patterns, onboard Wi-Fi, and state-of-the-art trains. Passenger enthusiasm for the new service highlights the growing appeal of Caltrain as a convenient and modern transit option.

Despite the increase in farebox revenues and the support provided by Measure RR funds, Caltrain continues to face a structural operating deficit. The challenges are driven by significantly lower pre-pandemic farebox revenues and escalating costs associated with electrification, labor, and materials. In addition, there are uncertainties around federal funding and potential impacts from tariffs, all of which increase financial risk.

To ensure long-term financial sustainability while accommodating system growth, strategic planning is essential. Staff are actively evaluating a variety of revenue-generation strategies. These could include potential fare increases, the elimination of the Clipper discount, and the pursuit of new funding sources through grants and partnerships.

Operational efficiency is under continuous review, with the goal of identifying opportunities for cost reductions or reallocations. The Fiscal Year (FY) 2025 operating budget has been examined in detail to identify potential areas to reduce the projected deficit. For FY26, a thorough reassessment of the preliminary operating budget has already produced \$6 million in identified savings — \$4 million from non-labor expenses and \$2 million from labor-related costs. The basis of this budget does assume change service levels changes.

A comprehensive review of vacant positions has also been conducted to evaluate the feasibility of delayed hiring or freezing roles to further reduce expenditures. Additionally, staff have reviewed all available capital funds across sources to determine their potential application toward the capital budget.

Caltrain implemented the Biennial budget process and adopted its first two-year budget for FY24 and FY25. However, with the significant deficits presented in the preliminary FY26 and FY27 budgets, Caltrain only has sufficient resources to balance its FY26 budget. Since the current policy only allows the adoption of a balanced budget, staff will be requesting the adoption of FY26 budget in June only while continuing to find funding solutions as well as cost saving measures to balance the FY27 budget.

Caltrain requires additional ongoing funding to stabilize the budget in FY27 and out years.

FY26 Preliminary Operating Budget Overview

For FY26, staff expect to achieve a balanced operating budget, using the remaining funds from the Measure RR PCEP reimbursement. Meanwhile, staff continue to work on various cost reduction measures to reduce FY26 operating expenditures request and is actively refining the budget in preparation for final review at the June Board.

Staff's proposed approach to the FY26 Operating Budget (see Attachment A) is to address the projected shortfall while striving to maintain current service levels. The following assumptions have been incorporated into the operating budget:

- Maintain existing service levels at 104 trains per day (tpd), including current off-peak service,
- Electricity cost is a significant expense with expected price risk. This budget does not assume any credits from regenerative braking,
- Updating fare prices beginning in FY26 to incorporate a 25-cent base fare increase effective July 1, 2025, resulting in a 4% fare revenue increase,
- Assumes 18.75% increase in non-go pass ridership for FY26, bringing the total non-go pass ridership from 6,787,514 in FY25 to 8,060,172 for FY26,
- Fully dedicate FY26 Measure RR revenue to the operating needs,
- Allocate \$15 million of State Rail Assistance (SRA), Low Carbon Transit Operations Program (LCTOP), and Low Carbon Fuel Standard (LCFS) for the operating budget,
- Contribution of \$25 million one-time Senate Bill (SB) 125 - Compliance to Regional Accountability funding,

- Apply balance of \$30 million reimbursement of Measure RR funds for operations that was originally allocated for PCEP,
- Assume Santa Clara Valley Transportation Authority (VTA) will fund the full proportional cost of the 4th train to South County instead of the incremental cost only; and
- No member agency contributions are assumed for FY26.

FY27 Preliminary Operating Budget Overview

Due to ongoing funding challenges, the FY27 operating budget is currently unbalanced, with a projected deficit of \$52.1M (as shown in Attachment C). As staff continue to refine FY26 operating expenses, projections for FY27 will be updated accordingly. In addition to refining operating expenses, staff will focus on identifying and evaluating potential additional sources of funding, including possible state and regional funding support, and additional member agency contributions in addition to Measure RR. Depending on progress made with the funding solutions, staff plan to bring the FY27 operating budget for board consideration in the spring of 2026.

FY26/27 Preliminary Operating Budgets Compared to Strategic Financial Plan (SFP)

On January 9, 2025, the SFP was presented to the board as an informational item. The table below shows the comparison from the FY26/27 preliminary budgets to the Strategic Financial Plan (SFP).

(in Millions)	FY26 SFP	FY26 Prelim Operating Budget	Change(\$)	Change(%)	FY27 SFP	FY27 Prelim Operating Budget	Change(\$)	Change(%)
Total Sources	\$237.1	\$243.0	\$5.9	2.5%	\$221.9	\$228.9	\$7.0	3.1%
Total Uses	(\$258.9)	(\$263.4)	(\$4.4)	1.7%	(\$272.0)	(\$281.0)	(\$8.9)	3.3%
Contribution to Reserve	\$0.0	\$0.0	\$0.0	0.0%	\$0.0	\$0.0	\$0.0	0.0%
Projected Surplus/(Deficit)	(\$21.9)	(\$20.3)	\$1.5	-7.0%	(\$50.1)	(\$52.1)	(\$2.0)	3.9%
Draw from Measure RR Reserve	\$30.6	\$30.0	(\$0.6)	-1.9%	\$0.0	\$0.0	\$0.0	0.0%
Measure RR for Capital (SOG)	(\$15.0)	(\$9.7)	\$5.3	-35.5%	(\$15.0)	(\$15.0)	\$0.0	0.0%
Adjusted Net Surplus/(Deficit)	(\$6.3)	\$0.0	\$6.3	-100.0%	(\$65.1)	(\$67.1)	(\$2.0)	3.0%

Revenue Changes from the Strategic Financial Plan (SFP) include:

<u>REVENUES (in millions)</u>	FY26 SFP	FY2026 Prelim Operating Budget	FY2026 Change(%)	FY27 SFP	FY2027 Prelim Operating Budget	FY2027 Change(%)
Fare and Parking	\$62.9	\$63.7	1%	\$70.0	\$70.9	1%
Rental and Other Income	\$5.6	\$5.9	7%	\$5.6	\$5.9	5%
Measure RR	\$124.1	\$119.5	-4%	\$127.2	\$123.5	-3%
External Funds	\$44.0	\$50.5	15%	\$18.6	\$25.1	35%
VTA - Gilroy	\$0.5	\$3.3	542%	\$0.5	\$3.5	551%
TOTAL REVENUES	\$237.1	\$243.0	3%	\$221.9	\$228.9	3%

FY26 & FY27 Revenue Comparison

Revenues in the FY26 preliminary budget is 3% greater than the SFP primarily due to the inclusion of the funding of the 4th train to Gilroy, State Rail Assistance (SRA), and Low Carbon Transit Operations program funds. FY27 preliminary budget is 3% greater than the SFP primarily due to the SRA and LCTOP funds that were not included in the SFP.

The section below compares the significant revenue assumptions between the SFP and preliminary budgets.

Fares / Parking – For Parking revenues:

- *Budget:* FY26 - 5.3% of Go Pass revenues
- *SFP:* FY26 - 4.1% of Go Pass revenues

Rental / Other - For Rental Income

- *Budget:* FY26/27 - 3% increase per rent schedule
- *SFP:* FY26/27 - 2.5% growth

Measure RR:

- *Budget:* FY26 - 0.9% increase (modest growth) FY27 - 3.3%
- *SFP:* FY26 – 2.9% increase; FY27 - 2.5% increase

External Funds

- *Budget:* FY26 - SRA \$5.9M + LCTOP \$2.5M; FY27 - SRA\$5.9M + LCTOP \$2.5M
- *SFP:* FY27 Higher STA estimate

VTA-Gilroy

- *Budget:* FY26/27 - Cost for 4th train to Gilroy
- *SFP:* Flat at FY25 based on incremental cost of 4th train.

Expense Changes from the Strategic Financial Plan (SFP):

EXPENSES (in millions)	FY26 SFP	FY2026 Prelim Operating Budget	FY2026 Change(%)	FY27 SFP	FY2027 Prelim Operating Budget	FY2027 Change(%)
Operations						
Rail Operator (incl OCS/TPS)	\$133.1	\$138.0	4%	\$140.0	\$144.9	3%
Operation Support	\$18.3	\$18.2	-1%	\$19.3	\$19.2	0%
Security and Facilities Maint	\$29.5	\$25.8	-12%	\$30.2	\$27.8	-8%
Insurance&Claims	\$17.7	\$18.7	6%	\$19.4	\$20.0	3%
Total Operating Expenses	\$198.6	\$200.8	1%	\$208.9	\$211.9	1%
Administrative Expenses						
Labor and Managing Agency Cost	\$27.4	\$29.6	8%	\$28.5	\$34.3	20%
Professional Services	\$13.8	\$12.2	-11%	\$14.5	\$12.2	-16%
Technology and Other	\$6.1	\$7.5	24%	\$7.1	\$9.3	31%
Total Administrative Expenses	\$47.3	\$49.3	4%	\$50.1	\$55.8	11%
Governance	\$0.0	\$0.2	0%	\$0.0	\$0.2	0%
Debt Service	\$13.1	\$13.0	0%	\$13.1	\$13.0	0%
TOTAL EXPENSES	\$258.9	\$263.4	2%	\$272.0	\$281.0	3%
NET ANNUAL SURPLUS/(DEFICIT)	(\$21.9)	(\$20.3)	-7%	(\$50.1)	(\$52.1)	4%
Draw from Measure RR Reserve	\$30.6	\$30.0		\$0.0	\$0.0	
Measure RR for Capital (SOGR)	(\$15.0)	(\$9.7)		(\$15.0)	(\$15.0)	
ADJUSTED NET SURPLUS/(DEFICIT)	(\$6.3)	\$0.0		(\$65.1)	(\$67.1)	

FY26 & FY27 expense comparison

Total expenses in the FY26 preliminary budget are 2% higher than the SFP mostly due to the Rail Operator Service line. FY27 budget is still work in progress as staff are focusing on the FY26 budget estimates. The current projected FY27 preliminary expenses are 3% higher than the SFP.

The section below compares the significant expense assumptions between the SFP and preliminary budgets.

Rail Operator

FY26 Preliminary Budget \$4.9M or 4% greater than SFP.

In FY26, the preliminary budget is greater than the SFP mostly due to higher projections for Rail Operator Service by \$2.3M:

- The SFP assumed 61 crews; whereas the preliminary budget assumes 64 crews
- The preliminary budget includes additional headcount of 7 in the Track Electrification System (TES), Communications and Signal departments to support electrification
- New activities added in the budget due to safety needs of electrification

The remaining \$2.6M increase is driven by:

- Technical Support and Spare Supply Agreement (TSSSA) is greater by \$0.6M
- The warehouse for Overhead Contact Systems (OCS) parts of \$2.0M was included in Facilities and Equipment Maintenance line in the SFP. This has no net fiscal impact.

Both the SFP and the FY26 preliminary budget assumed the collective bargaining unit increases.

FY27 Preliminary Budget \$4.8M or 3% greater than SFP.

FY27 preliminary budget is greater than the SFP by \$4.98M or 3%. Rail Operator Service is higher than the SFP by \$3M; growth rate is 5.5% compared to 4.9% in SFP. The warehouse for OCS parts of \$2M was included in Facilities and Equipment Maintenance in the SFP.

Security and Facilities Maintenance

FY26 Preliminary Budget \$3.6M or 12% less than SFP. The SFP has higher broadband and system engineering costs along with the inclusion of the warehouse for OCS parts of \$2M.

FY27 Preliminary Budget \$2.4M or 8% less than SFP. The SFP is higher due to the inclusion warehouse for OCS parts of \$2M.

Insurance and Claims

FY26 Preliminary Budget \$1.0M or 6% and FY27 Preliminary Budget is \$0.6M or 3% greater than SFP due to higher funding of claims reserves projected in FY26.

Labor and Managing Agency

FY26 Preliminary Budget \$2.2M or 8% greater than SFP due to increased level of labor support and higher CalPERS costs of \$0.3M. No new positions were added in FY26; however, there is an increase in cost compared to the FY25 adopted budget, reflecting annualization of positions previously budgeted as partial year plus increased direct charges capturing shared service work on specific Caltrain tasks. Staff is further reviewing this item.

FY27 Preliminary Budget is \$5.8M or 20% greater than SFP. The FY27 budget assumes all vacant positions to be filled. As the FY26 budget is refined, the FY27 preliminary budget will be updated to reflect as appropriate.

Professional Services

FY26 Preliminary Budget \$1.6M or 11% less and FY27 Preliminary Budget is \$2.3M or 16% less than SFP due to staff's extensive efforts to reduce professional services in FY25 that have been assumed to be continuing in FY26 and FY27.

Technology and Other

FY26 Preliminary Budget \$1.4M or 24% greater and FY27 Preliminary Budget is \$2.2M or 31% greater than SFP. Each preliminary budget year includes the assumption of Line of Credit (LOC) costs of \$1.8M. Staff are currently evaluating options to reduce these costs.

Draw from Measure RR Reserve

FY26 Preliminary Budget \$0.6M less than SFP. Based on the latest FY25 forecast, only \$30.0M is projected to be remaining to balance the FY26 budget.

Measure RR for Capital (State of Good Repair (SOGR))

FY26 Preliminary Budget \$5.3M less than SFP. The transfer to the Capital (SOGR) is projected to be \$9.7M after funding the preliminary deficit. The SFP assumes \$15.0M annually to be transferred from Measure RR.

Shifting Measure RR capital funds toward operating needs negatively impacts Caltrain's capital program by reducing the availability of flexible funding and forcing the deferral of many projects—particularly systemwide initiatives.*

CAPITAL BUDGETS

Preliminary Capital Budgets for FY26/27 were developed based on the prioritized list of projects from the Capital Improvement Plan (CIP). Given the operating deficit and the urgent significant funding needs for the Guadalupe River Bridges Replacement Project, the prioritized list was significantly narrowed to focus on funding essential capital projects to maintain a safe and reliable railroad, with a strong emphasis on State of Good Repair (SOGR) projects. Staff continue to collaborate with member agencies to confirm funding contributions for both systemwide and local initiatives.

FY26/27 Preliminary Capital Budgets Overview

As stated above, the Preliminary Capital Budgets for FY26/27 are constrained and focus primarily on key SOGR projects to maintain safe and reliable service. The budgets allocate \$21,468,000 for FY26 and \$23,026,000 for FY27, respectively. The Preliminary Capital Budgets do not include the following:

- **Guadalupe River Bridges:** A separate funding plan for this project will be presented to the Board as a standalone item. This project is adding significant pressure on the capital program limiting Caltrain's ability to fund its program and will require significant dedication of the member agencies contribution. The Capital Budget will be amended accordingly when the funding plan is approved.
- **Externally Funded Projects:** Projects funded by external partners are not included unless agreements have already been executed. The Capital Budget will be amended as agreements with Caltrain's partners are finalized.

The following funding assumptions have been made:

- **Allocation of Flexible Funds:** Due to the operating deficit, flexible funding sources that could be used for either operating or capital purposes (such as Measure RR, LCTOP, and SRA) have been allocated to the operating budget.
- **Member Contributions:** Member agency contributions are only partially reflected in the budget. A portion has been reserved until the Guadalupe River Bridges Funding Plan is finalized.

- Local Funding for Specific Projects:** Certain projects, particularly safety-related initiatives such as new right-of-way fencing, closed circuit television (CCTV) installation at stations, and grade crossing enhancements, have been identified for potential local funding. Staff will work with local partners to secure these funds and will amend the budget once funding is confirmed.

	FY26 (in millions)	FY27 (in millions)
Caltrain Funded Projects	\$19.5	\$21.0
Externally Funded Projects	\$2.0	\$2.0
Total Capital Budget	\$21.5	\$23.0

Staff will continue refining the preliminary budget, incorporate comments from the board, finalize the funding assumptions in coordination with partner agencies, and bring a complete budget recommendation to the Board for approval on June 5, 2025.

FY26 PRELIMINARY OPERATING BUDGET DETAIL

Please refer to Attachment A – FY26 Preliminary JPB Financial Statement- Preliminary Budget for a comparative schedule of the FY26 Preliminary Operating Budgets which shows the FY24 Actuals, FY25 Forecast, and the FY26 Preliminary Operating Budget. The line numbers for each revenue and expense item detailed below refer to the corresponding line numbers on Attachment A.

OPERATING REVENUE

Operating revenues for FY26 are projected at \$243.0 million, an increase of \$34.0 million or 16.3% higher than the FY25 Forecast:

- Revenue from Operations for FY26 is projected at \$69.7 million, an increase of \$3.5 million or 5.3% over the FY25 Forecast.
- Revenue from Contributions for FY26 is projected at \$173.3 million, an increase of \$30.5 million or 21.4% higher than the FY25 Forecast.

Line 1 **Caltrain Fares:** \$45.3 million in FY26, an increase of \$5.6 million or 14.2% higher than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				Preliminary to FY25 Forecast	Preliminary to FY25 Forecast
Caltrain Fares	30,415,680	39,670,442	45,301,901	5,631,459	14.2%

Caltrain Fares includes fare receipts collected directly from rail passengers.

Caltrain fare projections assume an 18.75% non Go Pass ridership growth over the FY25 forecast based on year-to-date increased ridership due to electrification, with a 4% fare increase in FY26.

Line 2 **Go Pass:** \$15.2 million in FY26, a decrease of \$0.07 million or 0.5% lower than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Go Pass	16,464,306	15,273,818	15,200,000	(73,818)	-0.5%

Go Pass includes revenue receipts collected through the Go Pass program. Caltrain Go Pass program allows companies, educational institutions, and residential complexes (Participants) to purchase annual unlimited ride passes for eligible employees, students, or residents (Users). It is not available for purchase by individuals and does not cover parking at Caltrain stations or travelling through other transit systems. In addition, Go Pass is sold on a calendar year basis.

Go Pass for FY26 reflects a 7% decrease in program participation driven by customer attritions for calendar year 2025.

Line 3 **Parking Revenue:** \$3.2 million in FY26, \$0.39 million or 13.7% higher than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Parking Revenue	1,942,149	2,820,000	3,206,601	386,601	13.7%

Parking revenue includes fees at parking lots located in various passenger stations, with the largest being at the SAP Center adjacent to the San Jose Diridon station.

Parking revenue estimates follow total fare revenue trend projections. Based on year-to-date actuals, FY26 assumes a slight increase following ridership.

Line 4 **Rental Income:** \$1.6 million in FY26, an increase of \$0.2 million or 16.4% higher than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Rental Income	1,604,738	1,385,060	1,611,950	226,890	16.4%

Rental income is derived from contract arrangements and lease negotiations for third-party use of properties owned by the JPB along the Caltrain Right of Way (ROW).

Rental income for FY26 are expected to have a 3% growth per rent schedule in addition to a lower FY25 forecast due to write-offs incurred during the year.

Line 5 **Other Income:** \$4.3 million in FY26, a decrease of \$2.7 million or 38.1% lower than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Advertising Income	232,381	506,512	550,000	43,488	8.6%
Insurance Reimbursements	344,907	1,718,310	-	(1,718,310)	-100.0%
Interest Income	4,261,124	3,176,119	2,441,100	(735,019)	-23.1%
Misc. Operating Revenue	386,545	524,318	265,226	(259,092)	-49.4%
Other Non-Transit Revenues	1,149,488	489,821	489,821	0	0.0%
Parking Citation Program Revenue	357,119	198,249	198,249	0	0.0%
Shared Track Maintenance Revenue	443,265	392,192	392,192	0	0.0%
Other Income	7,174,831	7,005,521	4,336,588	(2,668,933)	-38.1%

Other Income consists of shared track usage maintenance fees, permit fees, advertising income, interest on invested funds, and parking citation fees. Advertising Income includes income from train wraps, station ad cards, and digital displays. Shared Track Maintenance Revenue is generated from the annual contract with Union Pacific Railroad (UPRR).

The decrease in FY26 is driven by lower Interest Income due to reduced average holdings and insurance reimbursements in FY25.

Line 9 **Operating Grants:** \$35.5 million in FY26, an increase of \$23.5 million or 195.3% higher than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Operating Grants	12,943,857	12,022,033	35,501,529	23,479,496	195.3%

Operating Grants include State Transit Assistance (STA) and SB125 Metropolitan Transportation Commission (MTC) funds. STA revenue generated from the statewide sales tax on diesel fuel is allocated to the region’s transit operators by formula. The formula allocates funds based on population, the amount of passenger fares, and local support revenues collected by transit operators. The State sends out projections assuming a growth rate and adjusts these throughout the year. SB125 funds arose from amendments to the California State Budget Act of 2023 provided immediate transit operating assistance to help avert the near-term transit operating fiscal cliff that has resulted from the COVID-19 pandemic and associated changes in travel patterns.

This FY26 budget includes \$10.1M MTC estimated fund and One-Time \$25.4M SB125 fund due to compliance to Regional Accountability funding.

Line 10 **Measure RR:** \$119.5 million in FY26, an increase of \$1.1 million or 0.9% higher than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Measure RR	119,614,442	118,418,268	119,500,000	1,081,732	0.9%

Measure RR is a 1/8 cent sales tax approved in November 2020 that provides Caltrain’s first source of dedicated non-fare revenues. Measure RR is collected in the counties of San Mateo, Santa Clara, and San Francisco. Average percentage of Measure RR sales tax collected from the three counties are as follows: San Mateo (23%), Santa Clara (55%), and San Francisco (22%). Projections are based on HDL estimates reflective of continued consumer spending that is more conservative due to inflation. Measure RR is projected to have a minor increase in FY26.

Line 11 **Member Agency Contribution:** \$0 for FY26. This is a place holder for contributions to the operating budget from the three member agencies. Discussions will be initiated with the member agencies to balance the FY27 operating budget.

Line 12 **VTA-Gilroy**: \$3.3 million in FY26, \$2.3 million or 236.2% higher than FY25 forecast.

Description	FY2024	FY2025	FY2026	\$ Change	% Change
	ACTUAL (unaudited)	FORECAST (Mar)	PRELIMINARY BUDGET	Preliminary to FY25 Forecast	Preliminary to FY25 Forecast
VTA - Gilroy	-	987,000	3,318,233	2,331,233	236.2%

The advancing of the 4th train to Gilroy commenced in FY2024. JPB is projecting an annual revenue source from VTA for this effort. FY25 reflected two years (FY24 and FY25) incremental cost of the 4th train to Gilroy. The FY26 preliminary budget assumes the all-inclusive cost of the operation of a 4th train to Gilroy.

Line 13 **LCFS, LCTOP, SRA**: \$15.0 million in FY26, an increase of \$3.6 million or 32.0% over the FY25 forecast.

Description	FY2024	FY2025	FY2026	\$ Change	% Change
	ACTUAL (unaudited)	FORECAST (Mar)	PRELIMINARY BUDGET	Preliminary to FY25 Forecast	Preliminary to FY25 Forecast
LCFS	-	1,588,772	6,633,239	5,044,467	317.5%
LCTOP	2,442,976	2,600,000	2,500,000	(100,000)	-3.8%
SRA	5,193,882	7,200,000	5,900,000	(1,300,000)	-18.1%
LCFS, LCTOP, SRA	7,636,858	11,388,772	15,033,239	3,644,467	32.0%

This item is comprised of grant funding from the following programs: Low Carbon Fuel Standard (LCFS), Low Carbon Transit Operations Program (LCTOP), and State Rail Assistance (SRA).

LCFS is a program to encourage the use of cleaner low-carbon transportation fuels in California. LCFS is a market-based compliance measure that creates economic value from low-carbon and renewable fuel technologies. The LCFS program works as a market system where users and producers of clean energy, including electric vehicle fleets, earn credits through their emission reductions, while emitters purchase those credits to offset their carbon footprint. With electrification in FY26, the switch from diesel to electric trains will earn Caltrain LCFS credits estimated at a value of \$6.6 million.

LCTOP is administered by the California Department of Transportation (Caltrans), in coordination with the California Air Resources Board (CARB) and the State Controller's Office (SCO). The LCTOP was created to provide operating and capital assistance for

transit agencies to reduce greenhouse gas emissions and improve mobility. Staff recommend allocation of LCTOP for operating needs in FY26 for \$2.5 million.

The State Rail Assistance (SRA) was created to provide capital and operating support for intercity and commuter rail programs. The SRA program is administered by the California State Transportation Agency, with funding managed by the Department of Tax and Fee Administration and the Department of Finance. The funding is received through the revenue obtained from 0.5% sales and use tax on diesel fuel from the State. Caltrain is currently projecting a total of \$5.9 million of SRA funding available in FY26.

Expense Projections

Total Expense for FY26 is projected at \$263.4 million, an increase of \$24.4 million or 10.2% over the FY25 Forecast:

- Operating Expense for FY26 is projected at \$200.8 million, an increase of \$14.1 million or 7.6% over the FY25 Forecast.
- Administrative Expense for FY26 is projected at \$49.3 million, an increase of \$5.0 million or 11.3% over the FY25 Forecast.
- Debt Expense for FY26 projected is projected at \$13.0 million, an increase of 5.3 million or 68.0% over the FY25 Forecast.

OPERATING EXPENSE

Line 20 **Rail Operator Service (incl OCS/TPS):** \$138.0 million in FY26, an increase of \$7.3 million or 5.6% higher than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
TASI	102,907,848	122,965,203	128,317,225	5,352,022	4.4%
OCS/TPS Maintenance	-	7,719,585	9,688,875	1,969,290	25.5%
Rail Operator Service	102,907,848	130,684,788	138,006,100	7,321,312	5.6%

The JPB contracts out rail operation service with TransitAmerica Services, Inc. (TASI). TASI provides all the operations, maintenance, and support services in the following areas: Administration/Safety, Operations and Dispatch, Maintenance of Equipment, Maintenance of Track, Communications, Signals and Stations, Capital Construction Support and State of Good Repair (SOGR) maintenance. TASI is paid on a cost-plus-performance-fee contract structure.

The Overhead Contact System (OCS) and Traction Power System (TPS) Maintenance covers the maintenance of the overhead wires that supply electricity to the trains and the network that serves as an electricity grid for the supply of electrified rail networks. This also includes the personnel that control the power provision in the central control facility.

FY26 budget assumes a full operational service level with Caltrain’s electrification, with 104 trains per weekday (104 electric and 8 diesel). TASI costs are increasing \$5.4M due to increases in labor costs (4.5% non-mgt, 3% mgt), net increase of 10 FTE, higher fixed and variable overhead costs as well as management costs. OCS/TPS Maintenance costs increase by \$2M or 25.5% higher than FY25 Forecast. This is primarily due to a \$2.7 million increase in Technical Support and Spare Supply Agreement (TSSSA) expenses, as the FY25 forecast only covers 7 months of service starting in December 2024 and includes 19 train sets. In contrast, the FY26 budget reflects a full year of service and an increased fleet of 23 train sets. This increase is partially offset by \$0.8 million reduction in less consultant support.

Line 21 **Security Services:** \$9.7 million in FY26, an increase of \$0.03 million or 0.4% higher than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Security Services	8,242,037	9,713,811	9,747,518	33,707	0.3%

Security services are provided through a law enforcement contract, a communications services contract with the San Mateo County Sheriff’s Office (SMCSO), and a building security guard contract. The SMCSO contract supports Rail operations.

FY26 Security Services budgets reflect the projected annual contractual increases on County Dispatch and Law Enforcement. FY25 forecast included additional security guards for special events.

Line 22 **Shuttle Services:** \$0.16 million in FY26, an increase of \$0.08 million or 110% higher than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Shuttle Service	67,307	76,000	160,000	84,000	110.5%

The Shuttle program provides last-mile connections for Caltrain passengers. This budget increase is due to new shuttle contract underway, and this may result in a 100% increase in base rate.

Line 23 **Fuel and Lubricants:** \$1.2 million in FY26, a decrease of \$2.6 million or 69.0% lower than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Fuel and Lubricants	15,439,821	3,799,400	1,179,396	(2,620,004)	-69.0%

This item covers the cost of diesel fuel for JPB locomotive operations, including the associated taxes and fees. In the FY25 forecast, with electrification beginning Sept 2024, the forecast assumes a fuel consumption of 938,968 gallons at \$3.50 per gallon. The FY26 fuel budget, with electrified service, assumes 8-diesel train service per weekday with a fuel consumption of 162 thousand gallons at \$3.50 per gallon. The FY26 budget also includes \$0.6 million for non-revenue vehicles to function as rescue/shuttle units. FY25 forecast also includes non-revenue vehicles. No hedges are assumed in FY26.

Line 24 **Electricity:** \$16.7 Million in FY26, an increase of \$4.9 Million or 42.0% higher than FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Electric Charge for Power Traction	-	11,795,595	16,746,891	4,951,296	42.0%

In FY26, with Caltrain's electrified service, the budget assumes 104-electric train service per weekday with a projected electricity consumption of 71,084,899 kWh at \$0.23559 per kWh.

Line 25 **Timetables and Tickets:** \$0.08 million in FY26, a decrease of \$0.02 million or 22.9% lower than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Timetables and Tickets	15,209	107,784	83,127	(24,657)	-22.9%

Timetables and Tickets include the cost of designing, updating, and printing of timetables, schedules, maps, and Caltrain tickets. The reduction in FY26 reflects past due invoices incurred in FY25 of \$0.02 million.

Line 26 **Insurance:** \$14.0 million in FY26, an increase of \$2.0 million or 16.7% higher than the FY25 forecast.

Description	FY2024	FY2025	FY2026	\$ Change	% Change
	ACTUAL	FORECAST	PRELIMINARY	FY26	FY26
	(unaudited)	(Mar)	BUDGET	Preliminary	Preliminary
				to FY25	to FY25
				Forecast	Forecast
Insurance	10,603,836	12,001,539	14,000,000	1,998,461	16.7%

The Insurance budget includes premiums, deductibles, adjuster fees, broker fees, and other insurance costs. Rates reflect costs for property, casualty, and liability insurance. FY26 budgets reflect a 9% historical increase in premiums.

Line 27 **Claims, Payments, and Reserves:** \$4.7 million in FY26, an increase of \$1.1 million or 29.4% higher than FY25 forecast.

Description	FY2024	FY2025	FY2026	\$ Change	% Change
	ACTUAL	FORECAST	PRELIMINARY	FY26	FY26
	(unaudited)	(Mar)	BUDGET	Preliminary	Preliminary
				to FY25	to FY25
				Forecast	Forecast
Claims, Payments, and Reserves	5,876,906	3,666,000	4,745,000	1,079,000	29.4%

This budget item covers the cost of claims, reserves and payments, and the associated legal fees. FY25 forecast was adjusted to reflect potential claims based on incidents that transpired in said fiscal year. FY26 budget is based on the latest actuarial estimate based on the current claims.

Line 28 **Facilities and Equipment Maintenance:** \$10.3 million in FY26, an increase of \$1.3 million or 14.6% higher than the FY25 forecast.

Description	FY2024	FY2025	FY2026	\$ Change	% Change
	ACTUAL	FORECAST	PRELIMINARY	FY26	FY26
	(unaudited)	(Mar)	BUDGET	Preliminary	Preliminary
				to FY25	to FY25
				Forecast	Forecast
Facilities and Equipment Maintenance	9,132,943	8,964,056	10,275,996	1,311,940	14.6%

This budget item covers expenses related to Clipper Operator charges, revenue collection services, ticket vending machines, data line services and other contract services.

The increase in FY26 is driven by the new Nomad Broadband service for all electric vehicles, additional Infrastructure Engineering Services (Supporting miscellaneous SOGR, fiber, track, stations), new contract service to renegotiate LOCs, and increase in Brinks contract.

Line 29 **Utilities:** \$3.9 million in FY26, an increase of \$0.1 million or 2.7% higher than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Utilities	3,146,149	3,852,960	3,955,375	102,415	2.7%

This item covers the cost of gas & electric, telephone, water & sewer, and trash. It also includes utility costs of Positive Train Control (PTC) maintenance such as data circuits, radio license fees, and spectrum lease. The increase is due to higher data circuit services, gas, electricity, and water & sewer utility costs.

Line 30 **Maintenance & Services – Building & Other:** \$1.9 million in FY26, a decrease of \$0.1 million or 0.5% lower than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Maintenance & Services - Bldg & Other	1,622,625	1,952,900	1,858,865	(94,035)	-4.8%

This item covers the cost of building maintenance services, printing and information services, and repair and maintenance of computers and office equipment. The decrease in FY26 is driven by a reduction in office equipment repair and maintenance.

ADMINISTRATIVE EXPENSE

Line 34 **Wages & Benefits:** \$24.0 million in FY26, an increase of \$4.0 million or 20.1% higher than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Wages & Benefits	17,408,250	19,998,778	24,011,444	4,012,666	20.1%

The San Mateo County Transit District serves as the managing agency for the JPB. FY26 Wages & Benefits reflect staffing costs for an anticipated 111.0 FTEs. There are no new added positions. Wages and benefits are calculated based on the approved Salary Ordinance positions, current salary levels and assumes a vacancy rate savings. The wages budget includes a 3.5% universal wage increase for represented and non-represented staff, contractual fringe benefit increase and additional staff time in Rail and support functions related to Finance, Communications, and IT.

Divisions	FY2026	
	Existing FTE	New FTE
Rail	57.7	-
Shared Services		
Bus (ADA support & NRV* support)	2.0	-
Comm (incl. Customer Service Center)	26.9	-
Exec	1.8	-
Finance	15.3	-
IT	1.4	-
People and Culture Group (PCG)	0.8	-
Planning	3.7	-
Safety	1.6	-
Shared Service Total	53.4	-
Total Operating FTE	111.0	-

Total presented in a high-level rounding.

*NRV: Non-Revenue Vehicle

Line 35 **Managing Agency Admin Overhead (OH) Cost:** \$5.5 million in FY26, an increase of \$0.2 million or 3.3% higher than the FY25 forecast.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Managing Agency Admin OH Cost	3,511,558	5,309,896	5,487,702	177,806	3.3%

Managing Agency Administrative Overhead (OH) Cost reflects the cost of District personnel dedicated to the Caltrain business (as opposed to Caltrain operations) in addition to the non- labor costs of supporting all four agencies).

The Indirect Cost Allocation Plan (ICAP) calculates the indirect cost rate used to recover overhead costs related to agency indirect administrative overhead and capital projects. The District procured the assistance of an outside consulting firm to develop a methodology that equitably allocates the costs incurred by the District for services and functions shared by the different agencies administered by District staff. The consultant

team is selected for its experience and knowledge in developing allocation methodologies for governmental and public entities.

The ICAP is prepared in accordance with the principles and guidelines set forth in the Office of Management and Budget (OMB) Circular A-87 “Cost Principles for State, Local and Indian Tribal Governments” and ASMB C-10 “Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government.”

The ICAP calculates two components:

- Agency Indirect Administration (AIA) – a pool of costs that cannot be directly attributed to a specific agency.

This consists of labor and non-labor support functions that benefit each of the four agencies managed or supported by the District. Examples include the time charged by the Payroll Department to process the biweekly payroll or the time charged by the Human Resource Department to post recruitments on industry websites. Based on specific statistics, these costs are distributed to each department. For example, the payroll department costs are distributed to each department based on the number of FTEs. The District incurs all of the AIA costs and then recovers appropriate shares of the costs from the District’s Operating and Capital budgets, the JPB Operating and Capital budgets, the San Mateo County Transportation Authority (TA) budget and the San Mateo County Express Lanes Joint Powers Authority (SMCEL JPA) budget.

- Capital Overhead – a pool of project support costs that cannot be directly attributed to a specific capital project.

A capital overhead rate is calculated for each agency. An example of a capital overhead cost would be the time charged by an administrative assistant who supports multiple capital project engineers. The capital overhead costs are tracked and included in the ICAP rate and is charged to each capital project.

In mid-FY21, the ICAP methodology was changed to more appropriately allocate these costs across the range of projects served – staff anticipates that this approach will continue. In prior years, the ICAP rate was applied to pre-defined labor costs. The new methodology applies the ICAP rate to all labor and non-labor costs. The methodology does not change how much ICAP in total is paid, but rather how the total ICAP is allocated to different projects.

Line 36 **Board of Directors:** \$0.1 million in FY26, an increase of \$0.1 million or 546.3% higher than the FY25 forecast.

Description	FY2024	FY2025	FY2026	\$ Change	% Change
	ACTUAL (unaudited)	FORECAST (Mar)	PRELIMINARY BUDGET	Preliminary to FY25 Forecast	Preliminary to FY25 Forecast
Board of Directors	16,820	20,000	129,250	109,250	546.3%

This covers director compensation, seminars and training, and meetings for the Board of Directors. The increase in FY26 is due to the reallocation of the \$115K board meeting costs of hosting (PenMedia) and agenda tracking (OnBase software) from the District to the JPB.

Line 37 **Professional Services:** \$12.2 million in FY26, a decrease of \$0.6 million or 4.6% lower than the FY25 forecast.

Description	FY2024	FY2025	FY2026	\$ Change	% Change
	ACTUAL (unaudited)	FORECAST (Mar)	PRELIMINAR Y BUDGET	Preliminary to FY25 Forecast	Preliminary to FY25 Forecast
Legal Services	2,730,066	2,486,000	2,448,750	(37,250)	-1.5%
Annual Audit Services	64,750	80,250	87,000	6,750	8.4%
Legislative Advocates	169,148	195,300	202,560	7,260	3.7%
Consultants	8,341,171	10,031,032	9,469,417	(561,616)	-5.6%
Total	11,305,134	12,792,582	12,207,727	(584,856)	-4.6%

This covers the cost of legal services, audit services, legislative advocacy, and consultant services. Decrease in FY26 is driven by the efforts to reduce consultant services for Caltrain Sustainability Strategic Planning, Financial Strategic Planning, and Ridership Recovery, etc.

Line 38 **Communications and Marketing:** \$0.6 million in FY26, an increase of \$0.4 million or 6.3% higher than the FY25 forecast.

Description	FY2024	FY2025	FY2026	\$ Change	% Change
	ACTUAL (unaudited)	FORECAST (Mar)	PRELIMINARY BUDGET	Preliminary to FY25 Forecast	Preliminary to FY25 Forecast
Communications and Marketing	272,093	577,930	614,394	36,464	6.3%

This covers the cost of promotional advertising for fares, schedule changes, and the mobile app. FY26 budget reflects an increase in marketing support for customer experience, branding projects, and ongoing special events such as Superbowl and Fédération Internationale de Football Association (FIFA) World Cup, and Martin Luther King Jr. celebration train, etc.

Line 39 **Technology, Rent & Other:** \$6.9 million in FY26, an increase of \$1.3 million or 22.3% higher than the FY25 forecast.

<u>Description</u>	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Business Travel, Training & Devt	284,579	343,038	451,356	108,318	31.6%
Computer & Software Maintenance	950,372	1,827,427	2,322,588	495,161	27.1%
Other Office Expense	695,579	921,157	1,091,776	170,620	18.5%
Property Taxes and Bank Fees	1,281,541	2,411,203	2,750,727	339,524	14.1%
Recruitment	252,853	128,400	269,230	140,830	109.7%
Total	3,464,924	5,631,225	6,885,677	1,254,452	22.3%

This line item covers credit facility (LOC) interest expense and bank fees, software maintenance and licenses, recruitment costs, seminar and training, business travel, dues and subscriptions, etc.

The increase in FY26 budget is driven by IT software maintenance and hardware requirements, interest expense and bank fees on credit facility (LOC), professional recruitment costs, and leadership coaching, etc.

Line 42 **Governance:** \$0.2 million in FY26, a decrease of \$0.01 million or 5.0% lower than the FY25 forecast.

<u>Description</u>	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET	\$ Change	% Change
				FY26 Preliminary to FY25 Forecast	FY26 Preliminary to FY25 Forecast
Governance	251,039	240,000	228,000	(12,000)	-5.0%

This budget covers Governance related items that include staff costs, consultant support, legal consultation, and specialized financial analysis.

Line 44 **Debt Service Expense:** \$13.0 million, an increase of \$5.3 million or 67.9% higher than the FY25 forecast.

Description	FY2024	FY2025	FY2026	\$ Change	% Change
	ACTUAL (unaudited)	FORECAST (Mar)	PRELIMINARY BUDGET	Preliminary to FY25 Forecast	Preliminary to FY25 Forecast

Debt Service Expense 3,400,132 7,763,305 13,033,125 5,269,820 67.9%

This covers the cost and principal retirement of debt incurred for the acquisition and rehabilitation of passenger rail cars, the acquisition of real property, and the maintenance of a revolving line of credit.

FY26 includes the principal and interest payment for the 2019 Farebox Revenue Bond and the 2022 Measure RR Bond. FY26 budget is higher because in interest expense for Measure RR Bond was funded by capitalized interest in FY25. Starting FY26, capitalized interest has been fully exhausted and now the annual interest expense is incurred in the operating budget.

Line 48 **Projected Contribution to Reserve:** \$0 in FY26; no change from the FY25 Forecast.

Line 51 **Draw from Measure RR Reserve** \$30.0 million in FY26.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET
Draw from Measure RR Reserve	-	29,977,635	30,022,365

Caltrain was awarded \$410.0 million funding required to finish the Peninsula Corridor Electrification Project (PCEP) in FY23. This grant releases Measure RR funds originally allocated for PCEP. With this, Caltrain anticipates a total of \$60.0 million Measure RR PCEP reimbursement that can be used for operating needs.

In FY25 Forecast \$30.0 million is projected to be utilized, which leaves a remaining balance of \$30.0 million. To address the remaining operating requirements in FY26, staff recommend utilizing the remainder of the Measure RR PCEP reimbursement. After this allocation, the Measure RR PCEP reimbursement balance will be \$0.

Description	FY2024 Actual	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET
Measure RR Reserve for PCEP, Beg Bal	60,000,000	60,000,000	30,022,365
Draw from Measure RR Reserve	-	(29,977,635)	(30,022,365)
Measure RR Reserve for PCEP, End Bal	60,000,000	30,022,365	0

Line 52 **Measure RR for Capital (SOGR):** \$9.7 million in FY26.

Description	FY2024 ACTUAL (unaudited)	FY2025 FORECAST (Mar)	FY2026 PRELIMINARY BUDGET
Measure RR for Capital (SOGR)	-	-	9,676,820

Consistent with the Strategic Financial Plan (SFP), Caltrain assumed that some increment of Measure RR funds would be set aside and allocated for critical annual capital expenditures. The SFP that was presented in January to the Board assumed \$15M in Measure RR funds would be allocated to capital beginning in FY26. The proposed budget has reduced this amount to \$9.7M for FY26 to achieve a balanced budget.

FY26/27 CAPITAL BUDGETS

Overview

This year's development of the Capital Budget reflects a new approach aligned with the adoption of Caltrain's 10-Year Capital Improvement Plan (CIP) on November 7, 2024. The CIP includes a list of projects representing Caltrain's priorities and serving as the primary foundation for the FY26/7 Capital Budget.

Additionally, the Rolling Capital Program has been developed alongside the Capital Budget as a strategic four-year framework to allocate expected funding and prioritize investments. The Rolling Program will be presented to the Board following the finalization of the FY26/27 Capital Budget and the Guadalupe River Bridges Replacement Project Funding Plan. We anticipate bringing the Rolling Capital Program to the Board in the summer 2025.

Projects and programs proposed for inclusion in the FY26/27 Capital Budgets were selected based on the following priorities:

- **Priority Projects:** Higher-ranked projects from the 10-Year CIP, safety-critical initiatives, and projects with legal or regulatory mandates.
- **Ongoing Projects:** Previously initiated projects requiring funding to complete.
- **Stakeholder Engagement:** Guided by input from Caltrain's Member Agencies and Executive Leadership.
- **Funding Availability:** Projects alignment with eligible and available funding sources.

Navigating Budget Constraints

Due to the operational deficit, flexible funding sources (e.g., Measure RR, State Rail Assistance [SRA]) have been prioritized to support operating needs for FY26–FY27 leading to fewer flexible funds available to support capital projects.

The ongoing development of the funding plan for the Guadalupe River Bridges Replacement Project has also created additional financial pressure on the Capital Budget. **This preliminary Capital Budget excludes funding for the Guadalupe River Bridges Replacement Project; an amendment will be brought to the Board once the funding details are finalized.**

Additionally, recent federal transportation policy developments introduce uncertainty in federal funding, which may further impact the delivery of priority capital projects.

Funding Assumptions:

Due to ongoing efforts in the development of the funding plan for the Guadalupe River Bridges Replacement Project, member agency contributions are not included in the budget, except for:

- **Portion of SFCTA Contributions:** Supports FTA matching requirements and maintains SOGR programs.
- **Prior-Year Contributions:** Leveraging unspent funds from previous member contributions.
- **Local Projects:** Funded with local measures, in addition to the systemwide equal yearly member contribution.

Key Funding Priorities:

Capital funding is focused on the following priority areas:

- **SOGR Projects and Programs:** To maintain safe and reliable service.
- **Safety Enhancements:** Local-level initiatives, such as grade crossing enhancements, new right-of-way fencing installations, and CCTV deployment at stations.
 - Staff is still finalizing the funding sources and is actively working with its member agencies to fund those initiatives at the local level.
- **Enhancement and Customer Experience Projects:** Temporarily deferred to prioritize Guadalupe funding needs, with exceptions of small improvements or local projects.
- **Capital Contingency:** Staff is finalizing the source of funds to ensure adequate contingency reserves.

CAPITAL BUDGET SUMMARY

Strategic Initiatives of the 10-Year CIP	Preliminary Capital Budget Request (in million)	
	FY26	FY27
Mandates and Compliance	0.400	0.570
Maintain Core Services ^[1]	17.667	19.136
Provide a Safe and Secure Railroad ^[2]	-	-
Enhance Service and Customer Experience	0.080	-
Contribute to the Region's Economic Vitality	2.000	2.000
Partner with Local Communities ^[3]	-	-
Capital Contingency Funds ^[4]	1.320	1.320
Total	21.468	23.03

Notes:

[1] Does not include funding for Guadalupe Bridges Replacement

[2] Staff are still finalizing the funding plan for Provide a Safe and Secure Railroad

[3] Projects funded by external partners are not included unless agreements have already been executed.

[4] Staff are still finalizing the funding plan for the contingency funds.

CAPITAL FUNDING SOURCES SUMMARY

Funding Sources	Projections (in million)	
	FY26 ^[1]	FY27
Federal SGR 5337	10.972	15.506
STA SGR	1.743	1.400
Local Funds (LPP, AB664)	0.300	0.700
Member Agencies Contribution	3.633	2.500
External Funding	2.000	2.000
Other ^[2]	1.500	1.500
Unfunded	1.320	1.320
Total	21.468	23.026

Notes:

^[1] FY26 funding also includes prior-year funds that need to be reallocated

^[2] "Other" includes settlement agreement for the repair of the Fiber Optic.

PRELIMINARY FY26/27 CAPITAL BUDGETS

\$21,468,000 (FY26) & \$23,026,000 (FY27)

i. MANDATE AND COMPLIANCE – \$401,000 (FY26) & \$570,000 (FY27):

Storm Water Management Program - \$401,000 (FY26) & \$570,000 (FY27): This project will design and implement a full trash capture system required to maintain the Municipal Separate Storm Sewer System (MS4) National Pollutant Discharge Elimination System (NPDES) permit.

ii. MAINTAIN CORE SERVICES – \$17,667,000 (FY26) & \$19,136,000 (FY27):

Fiber Optic Permanent Repair - \$1,500,000 (FY26) & \$1,350,000 (FY27): Fiber optic is the backbone of all critical operational train control systems and broadband communication infrastructure for safe train movements. The fiber optic infrastructure connects the dispatch centers, central office, and cloud services for system redundancy, resiliency, cybersecurity, and disaster recovery in major outages or cyber-attacks. The current fiber optic network has deteriorated and sustained damage requiring temporary repairs; therefore, Caltrain must complete the Fiber Optic Permanent Repair as soon as possible.

Tunnel 1, 2, 3, and 4 Weep Hole Rehabilitation and Drainage Improvements - \$1,500,000 (FY26) & \$1,500,000 (FY27): This project will rehabilitate the weep holes along Tunnel 1, 2, 3, and 4 and improve the drainage system to maintain the tunnels in a state of good repair. Tunnel rehabilitation is critical in ensuring service throughout Caltrain's corridor.

San Francisquito Creek Bridge Bank Stabilization - \$400,000 (FY26) & \$0 (FY27): The purpose of this project is to restore and protect the northern bank of the San Francisquito Creek to prevent erosion from undermining an abutment of Caltrain's Bridge, the City of Palo Alto's Alma Street Bicycle Bridge, and the City of Menlo Park's existing drain outfall. Heavy rain events 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.

San Francisquito Creek Bridge Replacement - \$0(FY26) & \$3,375,000 (FY27): The San Francisquito Creek Bridge carries two mainline tracks across one bridge structure. Built in 1902, the San Francisquito Creek Bridge is one of the oldest assets along the Caltrain corridor and has reached the end of its useful life. Additionally, the bridge location has been experiencing severe storms and high creek flows that have eroded the soil on the northern creek bank that supports the bridge. The permanent replacement project is designed to maintain safe rail operations over the bridge and protect the creek itself.

Control Centers Power Resiliency – UPS Procurement - \$0 (FY26) & \$625,000 (FY27): This project focuses on replacing the uninterruptable power supply (UPS) at the San Jose Control Center, which is well beyond its useful life, is undersized, and has failed multiple times since

2022. This project is part of a larger program to modernize the Control Centers.

SOGR Program – Stations and Facilities - \$1,000,000 (FY26) & \$1,875,000 (FY27): The Station SOGR program supports capital maintenance at stations and facilities, improving station safety, security, and customer experience. The Station SOGR Program also covers facility improvements to maintain the reliability and safety of Caltrain’s two Central Control Facilities, Train Crew Trailers, and Maintenance of Way (MOW) facilities.

SOGR Program – MOW Tracks - \$6,252,000 (FY26) & \$6,250,000 (FY27): The Maintenance of Way (MOW) Tracks SOGR Program includes work activities to keep the tracks maintained, including elements such as the purchase and installation of new rail and crossties, special track components, thermite welds, and other track materials. Additionally, this program enables maintenance welding and grinding at special track locations, track surfacing throughout the corridor, rail grinding, highway-grade crossing restoration and repair, ballast purchase and placement, etc. to maintain federal safety compliance requirements.

SOGR Program – CEMOF - \$2,000,000 (FY26) & \$0 (FY27): The SOGR Program for facilities covers the work required to maintain the reliability and safety of the Caltrain Central Equipment Maintenance and Operations Facility (CEMOF). CEMOF accommodates inspections, maintenance, repairs, train washing, and storage and is the “nerve center” of Caltrain.

SOGR Program – Track Equipment - \$1,800,000 (FY26) & \$0 (FY27): This project supports the purchase and replacement of Maintenance-of-Way equipment essential for maintaining Caltrain track infrastructure in a state of good repair. The scope includes acquiring and replacing key equipment such as hi-rail trucks, mowers, vacuum trucks, on-track machinery (e.g., tie cranes, tie inserters, welding trucks, tampers), welding equipment, forklifts, tool attachments, and small tools. It also covers associated services including equipment support, installation, and inspection to ensure operational readiness and compliance.

SOGR Program – Bridges and Structures - \$1,715,000 (FY26) & \$1,750,000 (FY27): This SOGR program enable maintenance repairs to restore the integrity of the bridges and structures to a fair condition while increasing the safety, security, and useful life of the assets, as identified in Caltrain’s Annual Bridge Inspection Program.

SOGR Program – ROW and ROW Fencing - \$1,500,000 (FY26) & \$1,286,000 (FY27): The Right-of-Way (ROW) and ROW fencing SOGR program enables general maintenance of drainage systems, right-of-way signage, right-of-way fencing, vegetation management, graffiti abatement, soil/concrete waste/garbage dumping and removal, tree pruning and removal, retaining walls repair, and improved access for operations and maintenance. This program enables to protect Caltrain’s most important asset, its property, and to ensure it is more resilient to the natural environment and safer for the maintenance team.

SOGR Program – Communication/System Technologies - \$0 (FY26) & \$625,000 (FY27): This recurring SOGR program provides maintenance of and a refresh to the office systems hardware

and software updates including Central Train Control, PTC, Predictive Arrival Departure System (PADS), CCTV, Fiber Optic, and other safety and communication systems. This ensures ongoing reliable and safe service.

SOGR Program – Signals - \$0 (FY26) & \$500,000 (FY27): The Signals SOGR Program provides maintenance and replacement of Caltrain’s train control signals and grade crossing signals to ensure ongoing reliable and safe service.

iii. PROVIDE A SAFE AND SECURE RAILROAD

As part of Caltrain’s comprehensive efforts to enhance systemwide safety and security, and in support of the Corridor Crossing Strategy, staff is finalizing discussions with local partners to fund key safety and security capital projects. These projects include grade crossing enhancements, new right-of-way fencing, and CCTV installations at stations. Once agreements are finalized, the Capital Budget will be amended to reflect the most up-to-date funding commitment.

iv. ENHANCE SERVICE AND CUSTOMER EXPERIENCE – \$80,000 (FY26) & \$0 (FY27):

Platform Improvements for Bike Loading (All Stations) – \$80,000 (FY26) & \$0 (FY27): This program will re-stripe platforms at all stations to clearly identify loading zones for people with bicycles with the roll-out of the new EMU trains. EMU trains always have the same configuration and the clear identification of locations for bicyclists will reduce crowding on the platforms for non-bikers/scooter passengers, improve safety and the customer experience.

v. CONTRIBUTE TO THE REGION’S ECONOMIC VITALITY – \$2,000,000 (FY26) & \$2,000,000 (FY27):

Diridon-San José Station – Environmental – \$2,000,000 (FY26) & \$2,000,000 (FY27): The Diridon-San José Station is an historic station and poised to become one of the busiest intermodal stations in North America with the planned addition of BART to Silicon Valley Phase 2 connecting to the East Bay, HSR service, and improved intercity passenger rail to the San Joaquin Valley (ACE) and to Sacramento (Amtrak Capitol Corridor). To best accommodate such planned activity and future capacity needs, the Station must be reconfigured to connect all transit services most effectively with each other and with the surrounding urban environment. This funding will be used for the environmental clearance phase of the project.

vi. PARTNER WITH LOCAL JURISDICTIONS:

Currently, there are no executed agreements with partners to advance specific local projects. As agreements are finalized, the capital budget will be amended to reflect the most up-to-date funding commitments from partners.

vii. CONTINGENCY FUNDS – \$1,320,000 (FY26) & \$1,320,000 (FY27):

The Capital Contingency Fund provides a reserve to address unforeseen costs across design, construction, operations, maintenance and project planning activities. It ensures that Caltrain can respond to evolving project conditions, minimize delays, and maintain cost control.

Budget Impact

No budget impact for this informational report.

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PENINSULA CORRIDOR JOINT POWERS BOARD
STATEMENT OF REVENUE AND EXPENSE
PRELIMINARY OPERATING BUDGET
FISCAL YEAR 2026

	FY2024 ACTUAL	FY2025 FORECAST	FY2026 PRELIMINARY BUDGET	FY2026 Budget to FY2025 Forecast \$ variance	FY2026 Budget to FY2025 Forecast % variance	
	A	B	C	D = C - B	E = D / B	
SOURCES						
OPERATIONS:						
1	Caltrain Fares	30,415,680	39,670,442	45,301,901	5,631,459	14.2%
2	Go Pass	16,464,306	15,273,818	15,200,000	(73,818)	-0.5%
3	Parking Revenue	1,942,149	2,820,000	3,206,601	386,601	13.7%
4	Rental Income	1,604,738	1,385,060	1,611,950	226,890	16.4%
5	Other Income	7,174,831	7,005,522	4,336,588	(2,668,934)	-38.1%
6	TOTAL OPERATING REVENUE	57,601,704	66,154,841	69,657,039	3,502,198	5.3%
CONTRIBUTIONS:						
9	Operating Grants (STA)	12,943,857	12,022,033	35,501,529	23,479,496	195.3%
10	Measure RR	119,614,442	118,418,268	119,500,000	1,081,732	0.9%
11	Member Agency Contribution	-	-	-	-	0.0%
12	Member Agency (VTA - Gilroy)	-	987,000	3,318,233	2,331,233	236.2%
13	LCFS, LCTOP, SRA	7,636,858	11,388,772	15,033,239	3,644,467	32.0%
14	TOTAL CONTRIBUTED REVENUE	140,195,158	142,816,073	173,353,001	30,536,928	21.4%
16	GRAND TOTAL REVENUE	197,796,862	208,970,914	243,010,040	34,039,126	16.3%
USES						
OPERATING EXPENSE:						
20	Rail Operator Service (incl OCS)	102,907,848	130,684,788	138,006,100	7,321,312	5.6%
21	Security Services	8,242,037	9,713,811	9,747,518	33,707	0.3%
22	Shuttle Services	67,307	76,000	160,000	84,000	110.5%
23	Fuel and Lubricants	15,439,821	3,799,400	1,179,396	(2,620,004)	-69.0%
24	Electricity	-	11,795,595	16,746,891	4,951,296	42.0%
25	Timetables and Tickets	15,209	107,784	83,127	(24,657)	-22.9%
26	Insurance	10,603,836	12,001,539	14,000,000	1,998,461	16.7%
27	Claims, Payments, and Reserves	5,876,906	3,666,000	4,745,000	1,079,000	29.4%
28	Facilities and Equipment Maintenance	9,132,943	8,964,056	10,275,996	1,311,940	14.6%
29	Utilities	3,146,149	3,852,960	3,955,375	102,415	2.7%
30	Maint & Services-Bldg & Other	1,622,625	1,952,900	1,858,865	(94,035)	-4.8%
31	TOTAL OPERATING EXPENSE	157,054,680	186,614,833	200,758,268	14,143,435	7.6%
ADMINISTRATIVE EXPENSE						
34	Wages and Benefits	17,408,250	19,998,778	24,011,444	4,012,666	20.1%
35	Managing Agency Admin OH Cost	3,511,558	5,309,896	5,487,702	177,806	3.3%
36	Board of Directors	16,820	20,000	129,250	109,250	546.3%
37	Professional Services	11,305,134	12,792,582	12,207,727	(584,856)	-4.6%
38	Communications and Marketing	272,093	577,930	614,394	36,464	6.3%
39	Technology, Rent and Other	3,464,924	5,631,225	6,885,677	1,254,452	22.3%
40	TOTAL ADMINISTRATIVE EXPENSE	35,978,780	44,330,411	49,336,193	5,005,782	11.3%
42	Governance	251,039	240,000	228,000	(12,000)	-5.0%
44	Debt Service Expense	3,400,132	7,763,305	13,033,125	5,269,820	67.9%
46	GRAND TOTAL EXPENSE	196,684,631	238,948,549	263,355,585	24,407,036	10.2%
48	PROJECTED CONTRIBUTION TO RESERVE	-	-	-	-	0.0%
50	NET SURPLUS/(DEFICIT)	1,112,231	(29,977,635)	(20,345,545)	9,632,090	-32.1%
51	Draw from Measure RR Reserve	-	29,977,635	30,022,365	44,730	
52	Measure RR for Capital (SOG)	-	-	(9,676,820)	(9,676,820)	
53	ADJUSTED NET SURPLUS/(DEFICIT)	1,112,231	-	0	0	
	Operating Reserve, Beginning Balance	26,878,850	26,878,850	26,878,850		
	Operating Reserve Set Aside	-	-	-		
	Operating Reserve, Ending Balance	26,878,850	26,878,850	26,878,850		

Caltrain FY2026 PRELIMINARY CAPITAL BUDGET

Attachment B
May 2025

Caltrain Capital Budget For Fiscal Year 2026

Project Identification			FY26 - Funding Distribution (in million)									
Project #	CIP Priority	Project Name	Total	SFCTA	SMCTA	VTA	Federal	STA SGR	LPP	AB664	Other	Unfunded
Mandates and Compliance												
1	*NEW*	Mandate	Storm Water Management Program	.401	.000	.401	.000	.000	.000	.000	.000	.000
			Subtotal	.401								
Maintain Core Services												
Projects												
2	100762	High	San Francisquito Creek Bridge Bank Stabilization	.400	.000	.400	.000	.000	.000	.000	.000	.000
3	100696	High	Fiber Optic Permanent Repair	1.500	.000	.000	.000	.000	.000	.000	1.500	.000
4	*NEW*	High	Tunnel 1, 2, 3 and 4 Weep Hole Rehabilitation and Drainage Improvements	1.500	.300	.000	.000	1.200	.000	.000	.000	.000
Recurring Programs												
5	*NEW*	High	SOGR Program - Stations	1.000	.000	.000	.000	.800	.200	.000	.000	.000
6	100429	High	SOGR Program - MOW Tracks	6.252	1.252	.000	.000	5.000	.000	.000	.000	.000
7	100435	High	SOGR Program - CEMOF	2.000	.200	.000	.000	1.600	.000	.000	.200	.000
8	100779	High	SOGR Program - Track Equipment	1.800	1.000	.000	.000	.000	.800	.000	.000	.000
9	100428	High	SOGR Program - Bridges and Structures	1.715	.000	.000	.000	1.372	.343	.000	.000	.000
10	100695	High	SOGR Program - ROW and ROW Fencing	1.500	.000	.000	.000	1.000	.400	.000	.100	.000
			Subtotal	17.667								
Provide a Safe and Secure Railroad												
			<i>Funded through local partnerships - In Progress</i>									
			Subtotal	.000								
Enhance Service and Customer Experience												
11	*NEW*	High	Platform Improvements for Bike Loading (All Stations)	.080	.000	.080	.000	.000	.000	.000	.000	.000
			Subtotal	.080								
Contribute to the Region's Economic Vitality												
12	*NEW*	n/a	Diridon Station - Environmental Clearance	2.000	.000	.000	2.000	.000	.000	.000	.000	.000
			Subtotal	2.000								
Capital Contingency Funds												
13	002121 002122 002124	n/a	Capital Contingency Funds	1.320	.000	.000	.000	.000	.000	.000	.000	1.320
			Subtotal	1.320								
			Total	21.468	2.752	.881	2.000	10.972	1.743	.000	.300	1.500

Caltrain Capital Budget For Fiscal Year 2027

Project Identification			FY27 - Funding Distribution (in k)									
Project #	CIP Priority	Project Name	Total	SFCTA	SMCTA	VTA	Federal	STA SGR	LPP	AB664	Other	Unfunded
Mandates and Compliance												
1	*NEW*	Mandate	Storm Water Management Program	.570	.000	.000	.000	.270	.000	.000	.300	.000
			Subtotal	.570								
Maintain Core Services												
Projects												
2	100696	High	Fiber Optic Permanent Repair	1.350	.350	.000	.000	1.000	.000	.000	.000	.000
3	*NEW*	High	Tunnel 1, 2, 3 and 4 Weep Hole Rehabilitation and Drainage Improvements	1.500	.300	.000	.000	1.200	.000	.000	.000	.000
4	100427	High	San Francisquito Creek Bridge Replacement	3.375	.000	.000	.000	2.700	.675	.000	.000	.000
5	*NEW*	Medium	Control Center Power Resiliency - <i>UPS Procurement</i>	.625	.000	.000	.000	.500	.125	.000	.000	.000
Recurring Programs												
6	*NEW*	High	SOGR Program - Stations	1.875	.375	.000	.000	1.500	.000	.000	.000	.000
7	100429	High	SOGR Program - MOW Tracks	6.250	1.250	.000	.000	5.000	.000	.000	.000	.000
8	100428	High	SOGR Program - Bridges and Structures	1.750	.000	.000	.000	1.400	.350	.000	.000	.000
9	100695	High	SOGR Program - ROW and ROW Fencing	1.286	.000	.000	.000	1.036	.250	.000	.000	.000
10	*NEW*	High	SOGR Program - Communication/System Technologies	.625	.125	.000	.000	.500	.000	.000	.000	.000
11	100727	High	SOGR Program - Signal	.500	.100	.000	.000	.400	.000	.000	.000	.000
			Subtotal	19.136								
Provide a Safe and Secure Railroad - <i>Funded through local partnerships - In Progress</i>												
			<i>Funded through local partnerships - In Progress</i>									
			Subtotal	.000								
Enhance Service and Customer Experience												
			<i>None</i>									
			Subtotal	.000								
Contribute to the Region's Economic Vitality												
12	*NEW*	n/a	Diridon Station - Environmental Clearance	2.000	.000	.000	2.000	.000	.000	.000	.000	.000
			Subtotal	2.000								
Capital Contingency Funds												
13	002121 002122 002124	n/a	Capital Contingency Funds	1.320	.000	.000	.000	.000	.000	.000	.000	1.320
			Subtotal	1.320								
			Total	23.026	2.500	.000	2.000	15.506	1.400	.000	.300	.000

Attachment C

PENINSULA CORRIDOR JOINT POWERS BOARD
STATEMENT OF REVENUE AND EXPENSE
PRELIMINARY OPERATING PROJECTION
FISCAL YEAR 2027

	FY2027 PRELIMINARY (in Millions)
SOURCES	
OPERATIONS:	
1 Caltrain Fares	52.1
2 Go Pass	15.2
3 Parking Revenue	3.6
4 Rental Income	1.7
5 Other Income	4.2
6 TOTAL OPERATING REVENUE	76.8
CONTRIBUTIONS:	
9 Operating Grants (STA)	10.1
10 Measure RR	123.5
11 Member Agency Contribution	0.0
12 Member Agency (VTA - Gilroy)	3.5
13 LCFS, LCTOP, SRA	15.0
14 TOTAL CONTRIBUTED REVENUE	152.1
16 GRAND TOTAL REVENUE	228.9
USES	
OPERATING EXPENSE:	
20 Rail Operator Service(incl OCS)	144.9
21 Security Services	10.2
22 Shuttle Services	0.2
23 Fuel and Lubricants	1.3
24 Electricity	17.6
25 Timetables and Tickets	0.1
26 Insurance	15.3
27 Claims, Payments, and Reserves	4.7
28 Facilities and Equipment Maintenance	11.5
29 Utilities	4.1
30 Maint & Services-Bldg & Other	2.0
31 TOTAL OPERATING EXPENSE	211.9
ADMINISTRATIVE EXPENSE	
34 Wages and Benefits	28.5
35 Managing Agency Admin OH Cost	5.7
36 Board of Directors	0.1
37 Professional Services	12.2
38 Communications and Marketing	0.6
39 Technology, Rent and Other	8.7
40 TOTAL ADMINISTRATIVE EXPENSE	55.8
42 Governance	0.2
44 Debt Service Expense	13.0
46 GRAND TOTAL EXPENSE	281.0
48 PROJECTED CONTRIBUTION TO RESERVE	0.0
50 NET SURPLUS/(DEFICIT)	(52.1)
51 Draw from Measure RR Reserve	0.0
52 Measure RR for Capital (SOG)	(15.0)
53 ADJUSTED NET SURPLUS/(DEFICIT)	(67.1)

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Board of Directors
Through: Michelle Bouchard, Executive Director
From: Sherry Bullock, Program Director
For: May 2025 JPB Board of Directors Meeting
Subject: **Receive Update on Project Budget, Contract Capacity, and Funding Plan
Increase for Guadalupe River Bridge Replacement Project**

Finance Committee
Recommendation

Technology, Operations, Planning,
and Safety Committee
Recommendation

Advocacy and Major Projects
Committee Recommendation

Purpose and Recommended Action

Staff recommends the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) receive this informational update regarding the Guadalupe River Bridge Replacement Project (Project). Staff plans to return to the TOPS Committee and the Board in May and June, respectively, with a revised Project budget and timeline and two proposed contract change orders with Walsh Construction, the Project contractor, assuming Caltrain has obtained the permits necessary to resume construction on June 15, 2025. If Caltrain does not receive permits in time to resume construction this summer, Project construction will likely be delayed until June 2026, requiring additional negotiations with Walsh Construction regarding the construction budget and refinement of the Project budget, schedule, and funding plan.

Discussion

Project Description:

The Guadalupe Bridge Replacement Project is an environmentally and safety-critical initiative that, upon completion, will provide a safer corridor for passenger service and the movement of goods in the region. The Project will also enable future improvements to the Guadalupe River channel and is expected to mitigate unexpected service disruptions and costly emergency repairs due to river flooding and associated scour around the bridge foundations.

The Project is technically and logistically complex due to the age of the existing structures (the original bridge was built in the 1930s and has been subject to multiple fires), its geographical location over a river, and the need to obtain and comply with multiple permits issued by various federal, state, and regional agencies. Prior to beginning construction, Caltrain applied for and received state and federal environmental permits from the San Francisco Bay Regional Water Quality Control Board (SFBRWQCB), the California Department of Fish and Wildlife (CDFW), and the United States Army Corps of Engineers (USACE). These permits require Caltrain to undertake extensive measures to protect water quality and wildlife resources and to mitigate

the environmental impact of construction. In addition, the project is subject to oversight by the National Marine Fisheries Service (NMFS) to ensure compliance with the federal Endangered Species Act and by the Santa Clara Valley Water District (SCVWD), which issued encroachment permits to Caltrain to allow access to SCVWD property for construction and environmental mitigation purposes.

This Project involves the full replacement of a northbound bridge (Main Track Bridge 1 or "MT-1") and a partial replacement of a southbound bridge (Main Track Bridge 2 or "MT-2"), both located in the City of San José (Santa Clara County), just North of Caltrain Tamien Station. The MT-1 Bridge was built in 1935 and the MT-2 Bridge, which was built in 1990, was refurbished in 2008. This Project addresses the structural deficiencies of the MT-1 bridge and the geomorphic instability of the Guadalupe River channel in the vicinity of the MT-1 and MT-2 bridges to provide for long-term public safety and service reliability.

The Project's scope of work consists of the following:

MT-1 Bridge: Full replacement of the Northbound Bridge. Demolish and replace the existing bridge built in 1935 on wooden piles, piers and sub-structure from an existing 187-foot in length to a new 265-foot bridge. The center portion of this new bridge will be a steel deck plate girder span of 110 foot in length over the river, with the remaining portion of the bridge being precast/pre-stressed concrete girders.

MT-2 Bridge: Partial replacement of the Southbound Bridge. Extend bridge built in 1990 from 195 feet in length to 250 feet by replacing only the existing south abutment with a new Pier 5 and constructing a new Abutment 6, approximately 55 feet south of the existing abutment. Modification to this bridge also requires upgrades to the existing piles and pile-caps due to new seismic requirements.

Environmental Enhancement and Mitigation: The Project will widen the Guadalupe River channel to address the geomorphic instability and risk it poses to the bridge structures, while also advancing the U.S. Army Corps of Engineers Reach 7 Project, and the Project will enhance surrounding aquatic and upland habitats, resulting in environmental benefits. In addition, Caltrain has proposed to purchase habitat credits from the Santa Clara Valley Habitat Agency and to partner with the Midpeninsula Regional Open Space District on a restoration project at Hick's Creek as mitigation for the environmental impact arising from the Project.

Project Construction:

Caltrain began construction in 2023. To date, Caltrain has completed the extension of MT-2. Caltrain planned to complete seismic upgrades to MT-2 and demolish and rebuild MT-1 in 2024, but the team paused construction activities in the summer of 2024 after staff determined that modifications to the Project were necessary to complete the Project, including significant changes to construction means and methods, and to ensure compliance with environmental regulations and permit conditions. Throughout 2024, the Project team collaborated internally

to revise Caltrain's permit applications and coordinated with resource agencies to develop a modified project description, including changes to the Habitat Mitigation and Monitoring Plan, the duration, sequencing, and timing of construction, and construction means and methods, and to obtain amended permits in time to begin construction this summer., the duration, sequencing, and timing of construction, and construction means and methods, and to obtain amended permits in time to begin construction this summer.

Project Permits:

Caltrain submitted its draft applications for revised permits in early February and has been working continuously with the resource agencies to address their questions and comments, including through multiple meetings and workshops. Executive Director Bouchard has been meeting regularly with executives at the resource agencies to stress the importance of the Project from an environmental, safety, and passenger and freight perspective. The resource agencies have committed to work with Caltrain to expedite their consideration of the revised permits, but to date, Caltrain has not secured any of the permits. Staff will continue to work with the resource agencies to enable construction to resume in June and will provide regular updates to the Board regarding Caltrain's permit status.

Project Contractor:

Caltrain has also worked closely with Walsh Construction to address the revised construction plans, budget, and schedule. To ensure that Walsh is prepared to resume construction on June 15 if Caltrain receives the permits in time, Caltrain issued three limited notices to proceed (LNTPs) to Walsh in February using existing contract authority and contingency. The LNTPs enable Walsh to begin fabricating materials (e.g., rebar and casings), procure pipes for river diversion, and mobilize workers and equipment in order to commence work on June 15. Because Caltrain does not yet have the permits in hand, it is undertaking these efforts at risk to mitigate the larger cost impacts that would result from not being prepared to construct in 2025. Caltrain will monitor the progress of these LNTPs and continue closely working with the permitting agencies for alignment toward the intended outcome.

The team has engaged in extensive negotiations with Walsh concerning the construction budget and schedule. These efforts culminated in a plan to reduce the duration of construction from three dry seasons to two dry seasons, thereby avoiding additional costs. The team is in the process of preparing two contract change orders to address: (1) the amount due to Walsh based on incurred costs as validated by staff and Caltrain's construction cost estimator, and (2) the cost to complete the remainder of the work, which will be informed by on-going negotiations with Walsh. The second change order is also highly dependent on the environmental permits. Assuming the permits are issued in May, staff plans to present the contract change orders to the TOPS Committee and the Board in May and June, respectively, along with a revised Project budget, schedule and funding plan.

Project Budget:

The environmental challenges, proactive measures to address environmental concerns, design and sequencing changes, construction access challenges, additional and restrictive permit conditions, and additional environmental mitigation, have significantly impacted the Project

schedule and cost at completion. Notwithstanding the team's efforts to find savings where possible, staff anticipates that a **very significant increase** to the original Project budget will be required to complete the Project as a result of the challenges discussed above. The team is reviewing potential funding sources to address the anticipated increase in costs, including re-prioritizing other capital projects. Once the Project budget and schedule refinements are complete, staff will revise the funding plan and present a revised Project budget, a new baseline schedule, and a funding plan to the TOPS Committee and Board prior to resuming major onsite construction activities. The proposed funding plan is anticipated to balance Caltrain's current and future needs and to ensure that customers continue to experience seamless and resilient reliable passenger service and to enable reliable freight service.

Project budget challenges are also going to be further impacted to account for recent federal policy changes, such as tariffs and counter-tariffs, labor shortages, constrained government resources, and redistribution of funds to other infrastructure initiatives to name a few. Staff will attempt to account for some of these changes through contingencies, but the uncertainty in the market is going to elevate the cost risk levels for this, and other, in-progress projects.

Required Service Changes:

The construction of MT-1 will require the use of large cranes, earth-moving equipment, and deep foundation equipment, necessitating the de-energization of the overhead contact system (OCS) to ensure safety. Additionally, the resources agencies' prohibition of night work, combined with the operation of the hourly electric service to Tamien Station, provides insufficient time to provide the necessary protective measures between trains to proceed with continuous construction operations. As a result, construction will have an impact on service. Cognizant of the need to minimize services impacts while reducing the duration and cost of construction, staff have analyzed options to provide service while expanding the available construction work windows. These options include bus bridging, providing diesel service between Tamien and San Jose, or reducing service to Tamien.

After careful analysis, the team is working with Santa Clara Valley Transportation Authority to provide bus bridge service between San Jose Diridon and Tamien stations that will replace electric train service. This will allow Caltrain to de-energize the OCS, maintain the existing South County Connector service, and replace hourly electric train service between San Jose Diridon and Tamien during peak construction months (currently anticipated to be approximately 8 months) with a bus bridge. This service change will affect approximately 210 daily weekday riders and 60 daily weekend riders. The team is developing a robust service change communications plan, which will include the use of station ambassadors to facilitate passengers' wayfinding and use of the bus bridge. Efforts are underway to minimize the overall duration of the service disruption, and any remaining heavy civil work requiring OCS shutdown following the initial 8-month period may be scheduled on specific weekends during low-ridership periods, during which a bus bridge may also be utilized.

Project Organizational Review and Changes:

Following the pause in construction, Executive Director Bouchard designated an executive oversight committee to assess and oversee the Project, evaluate potential organizational

changes, and make recommendations to enhance Caltrain's ability to deliver the Project as efficiently and effectively as possible. To date, the team has implemented Project and contractor personnel changes, improved environmental, site, and permit-specific compliance training, mandated a daily pre-construction environmental check-in once construction resumes, and scheduled regular meetings and an escalation ladder with the resource agencies to ensure coordination and to address Project challenges.

The team is also working with the resource agencies to address previous environmental challenges. To support this effort, Caltrain has retained special counsel with environmental compliance expertise, Troutman Pepper LLP. Special counsel is working with the team on the revised permits and Caltrain's response to the resource agencies' review of compliance issues, including a review being conducted by the Environmental Protection Agency. Staff plan to present a contract amendment with Troutman Pepper to the TOPS Committee and the JPB in May and June, respectively.

Next Steps:

The team will continue working with the resource agencies to obtain the necessary permits in time to begin construction this summer and to ensure compliance with environmental conditions. Because there is a risk that Caltrain will not obtain the permits in time, the team is also planning for potential resumption of construction in 2026. Once we know whether construction will resume this summer, Caltrain will engage in a robust communications effort to advise passengers of the service change required to complete construction. Finally, staff will continue to refine the cost estimate, complete negotiations with Walsh, and present two proposed contract change orders and a revised budget, schedule and funding plan to the TOPS Committee and the Board in May and June, respectively, along with a plan for on-going Project oversight and reporting and an amendment to the Troutman Pepper, LLP, contract.

Budget Impact

There is no impact on the budget associated with receiving this informational update.

Prepared By: Sherry Bullock

Program Director

04/18/2025

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Board of Directors
Through: Michelle Bouchard, Executive Director
From: Li Zhang, Chief, Commercial and Business Development
For: May 2025 JPB Board of Directors Meeting
Subject: **Receive Caltrain Non-Fare Revenue Strategy Study Initial Results**

Finance Committee Recommendation Technology, Operations, Planning, and Safety Committee Recommendation Advocacy and Major Projects Committee Recommendation

Purpose and Recommended Action

This report presents the initial results of Caltrain’s Non-Fare Revenue Strategy Study as an information item for the Finance Committee’s review and discussions. Comments from the Finance Committee members will be incorporated into the final presentation to the Board.

Discussion

Prior to the COVID-19 pandemic, Caltrain's farebox recovery ratio was a nation-leading 73 percent, with ticket sales contributing \$103 million to operating needs annually. The COVID-19 pandemic resulted in a sharp decline in farebox recovery, with farebox recovery ratio dropping to 24 percent in Fiscal Year (FY) 2024, and ticket sales revenue decreasing to \$43 million, equaling a loss of \$60 million per year compared to pre-pandemic levels. Fare revenue loss together with the increased operating costs of the electrified system, Caltrain's latest 10-year Strategic Financial Plan (January 2025) projected an average \$75 million annual deficit beginning FY2027 through FY2034.

Like many transit agencies across the country, Caltrain faces serious financial difficulties in both the near and long term without new or increased operational funding. To overcome these challenges, Caltrain has been actively working with all regional transportation partners to explore and advocate for a viable regional measure with the goal of establishing a reliable long term funding source to address the fiscal cliffs many of the transit operators in the region are facing. In parallel, over the past year, staff has focused on key initiatives to improve operational efficiency, cut costs, increase ridership, and explore diverse non-fare revenue generation strategies to help the agency achieve financial sustainability.

While none of the above cost-saving and revenue generating initiatives individually would provide significant and immediate relief to Caltrain’s financial stress, all together they would help Caltrain build stronger financial resilience and enable more nimble responses to abrupt changes in ridership.

Staff engaged the consultant team from Hatch to conduct the Non-Fare Revenue Generation Strategy Study in October 2024. Extensive effort has been invested in this study over the last

five months with the engagement of agency staff and subject matter experts (SME). A comprehensive baseline report – documenting current conditions of all relevant assets, existing revenue generating efforts, as well as related policies – was prepared and circulated for internal review and validation. Based on the baseline report, and the various high-level initial research conducted by the Hatch team, a set of recommendations – a roadmap for future implementation – has been developed for the Board’s review and discussion. The recommendations focus on five major areas:

- Fiber Optic Cable and Telecommunications Leasing
- Transit Oriented Development (TOD) and Commercial Leasing
- Special Events
- Advertising and Naming Rights
- Solar, Energy Storage Systems, EV (electric vehicle) Charging Leasing

Note that careful prioritization of limited resources will be necessary for implementation while allowing for continued delivery of service and safety. It is important to acknowledge that while these strategies alone will not fully solve Caltrain's immediate financial issues or create significant near-term impacts, they are crucial for long-term stability. Diversifying revenue sources through non-fare revenue strategies will enhance fiscal resilience and essential for Caltrain's longevity. The Board's thoughtful trade-off discussions and policy guidance are crucial for staff to effectively implement the recommended non-fare revenue strategies and maximize their financial benefits, while also allowing for timely responses to market needs.

Budget Impact

Budget impact of each of the specific strategies will be evaluated during actual implementation and brought forward to the board for consideration.

Prepared By: Li Zhang Chief, Commercial and Business Development

4/9/2025

Citizens Advisory Committee (CAC)
Peninsula Corridor Joint Powers Board (JPB)
San Mateo County Transit District Administrative Building
Bacciocco Auditorium, 2nd Floor
1250 San Carlos Avenue, San Carlos CA 94070

Draft Minutes of April 16, 2025

Members Present: D. Albohm, R. Kutler, K. Linqvist, R. Sarathy, P. Leung (Vice Chair), A. Brandt (Chair), M. Pagee (Alternate)

Members Absent: A. Kulkarni (Alternate), P. Wickman (Alternate)

Staff Present: J. Brook, S. Bullock, J. Hogan, M. Jones, A. Marx, M. Meader, S. Sargent

1. Call to Order

Chair Adrian Brandt called the meeting to order at 5:43 pm.

2. Roll Call

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

3. Pledge of Allegiance / Safety Briefing

Member Davis Albohm led the Pledge of Allegiance. Chair Brandt delivered the Safety Briefing.

4. Consideration of Requests, if any, of Committee Members to Participate Remotely Due to Emergency Circumstances – There were none.

5. Approval of Meeting Minutes of March 19, 2025

Member Kristopher Linqvist made a correction indicating the Pledge of Allegiance was led by Member Peter Wickman.

Motion/Second: Pagee/Leung

Ayes: Albohm, Kutler, Linqvist, Pagee, Sarathy, Leung, Brandt

Absent: Kulkarni, Wickman

6. Public Comment for Items Not on the Agenda

Jeff Carter, Millbrae, requested more information about Clipper use and ticket purchase trends.

Doug DeLong, Mountain View, commented on statutory change for Caltrain to receive credit for braking regeneration, battery storage, and the strategic financial plan.

Helene Grossman, Palo Alto, proposed each train have a quiet car that prohibits phone use.

Aleta Dupree commented on cell reception in tunnels and Clipper 2.

Roland commented on a Palo Alto community meeting on a quiet zone at Churchill, Meadow, and Charleston, and Caltrain partnerships with cities.

7. Report of the Chair

Chair Brandt reported on the following:

- Growing ridership; conductors' union reached an agreement with TASI (TransitAmerica Services, Inc.) for retroactive pay increase
- New station Throne bathrooms – one currently taken out of service; close at midnight while trains are still running
- Train washers need adjustment to clean trains below the taper
- Redwood City Council approved an MOU (memorandum of understanding) with Caltrain to do a project study report on a new four-track station and fully grade separating Redwood City

8. Safety Quarterly Update

Mike Meader, Chief Safety Officer, provided the presentation, which included the following:

- Enhancing safety culture – recognition programs, survey, roadshows
- Reportable injuries declining – zero injuries this year
- Vehicle track incursions declining
- Grade crossing enhancements – RailSentry, pavement markings, solar lane markers, delineators, signage, lighting, technology, trespasser panels
- Technology and enforcement – CCTV (closed circuit television), partnerships with law enforcement; suicide prevention – partnerships with mental health groups
- Tree management – completed meetings with cities, now working with private property owners; electrified service safety – trains are quieter and quicker, high-voltage environment
- Community partnerships and outreach – mitigate station safety issues
- Security – reevaluating passenger Code of Conduct, fare evasion appeals process, camera towers, bike theft investigations; transit police calls for service slightly increased due to increased reporting

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

- Trespasser panels on ground – makes it impossible for people to walk on the tracks
- 5 to 10 percent of trespasser strikes were unintentional; audible warning announcement activates when not near the tracks
- Safety statistics from previous quarter in future presentations; Sequoia station camera tower – monitored by Security team at Central; can contact transit police as needed
- Public service announcements to prevent unintentional trespasses

Public Comment

Doug DeLong, Mountain View, commented on the lack of meeting video in the Auditorium and successful tree removal.

Jeff Carter, Millbrae, commented on the Caltrain safety dashboard and tree removal.

Aleta Dupree commented on four-track stations and intrusion mitigation methods.

Chair Brandt announced the upcoming CAC recruitment.

9. Service Vision Update

Dahlia Chazan, Chief of Planning, provided a summary of the service vision. Melissa Jones, Deputy Director, Policy Development, provided the presentation, which included the following:

- Service vision is key output of Caltrain business plan process
- Maintain core service in current service area while expanding throughout region
- Plan for next decade; adoption planned for late summer or early fall 2025

Public Comment

Jeff Carter, Millbrae, commented on four-track stations with passing tracks and having shorter trains.

Aleta Dupree commented on the proposed frequency of eight trains per hour and four-track stations.

Adina Levin, Friends of Caltrain, Seamless Bay Area, commented on the frequency of updating the service plan and increasing ridership at a given level of service.

Item 11 was heard before Item 10

10. Wireless Crossing

Aaron Marx, Consultant, CalMod Program Management, provided the presentation, which included the following:

- Operations – communication between onboard computer, signal, and dispatch
- Reduces congestion and prioritizes safety; inhibit feature launched January 2025
- Manual start activation to launch early 2026; Amtrak to start using system mid-2025

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

- HMI (human/machine interface) negatively affected on-time performance; current on-time performance model does not include inhibit function; reconfigured inhibit feature expected early 2026
- Island spaces too wide, need adjustment; speed checks happen at beginning of circuit; 20 seconds minimum warning time

Public Comment

Jeff Carter, Millbrae, commented on reduction of gate downtime, Broadway station weekend service, and trains not pulling up far enough to activate gates.

Adina Levin, Friends of Caltrain, Seamless Bay Area, commented on gate downtime and unsafe passenger behavior at Menlo Park platform.

Andy Chow commented on improved safety of at-grade crossings and concerns with people being unable to board trains.

Roland commented on warning times.

11. Staff Report

11.a. Customer Experience Task Force Update

John Hogan, Chief Operating Officer, provided the staff report, which included the following:

- Better cooperation with transit police on trespasser strikes; one incident in March
- Partnerships with Chase Center, San Jose Earthquakes; wayfinding signs on trains showing restroom locations
- Update on flat spots – trains under warranty; Caltrain to receive reimbursement once responsible entities are determined

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

- Vibrations on trains at certain speeds may be flat-spot related; trains unintentionally going into emergency braking – issue mostly fixed; down to average of one incident per day
- Make last car a quiet car; some crew members lack Clipper readers to check fares – issue with Clipper 2
- Learning curve for conductors and mechanics working with EMUs (electric multiple units); no spare trains when one EMU is out of service
- Cleanliness of trains with heavy use following events such as Giants games
- Sliding doors not always working; bathroom doors not latching properly –new latches to be installed in coming months.

Public Comment

Doug DeLong, Mountain View, commented on Stadler delivery delays.

Adina Levin, Friends of Caltrain, Seamless Bay Area, commented on battery life of Clipper readers, passenger counters, and problems with power outlets.

Aleta Dupree, Team Folds, commented on power outlets, Clipper readers and restrooms on trains, WiFi, and flat spots.

Roland commented on flat spots, emergency braking, and acceleration testing.

11.b. JPB CAC Work Plan Update – There was none.

12. Committee Member Comments – There were none.

13. Date / Time / Location of Next Regular Meeting

May 21, 2025, at 5:40 pm, via Zoom teleconference or at the Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA.

14. Adjourn - The meeting adjourned at 8:16 pm.

DRAFT