AGENDA

PENINSULA CORRIDOR JOINT POWERS BOARD

Due to COVID-19, this meeting will be conducted via teleconference only (no physical location) pursuant to the Governor's Executive Orders N-25-20 and N-29-20. Directors, staff and the public may participate remotely online via Zoom at the websites provided below for audio/visual capability or by calling the phone numbers listed below for audio only. The video live stream will be available after the meeting at http://www.caltrain.com/about/bod/video.html

Public Comments: Members of the public are encouraged to participate remotely. Public comments may be submitted to publiccomment@caltrain.com prior to the meeting's call to order so that they can be sent to the Board as soon as possible, while those received during or after an agenda item is heard will be included into the Board's weekly correspondence and posted online at http://www.caltrain.com/about/bod/Board_of_Directors_Meeting_Calendar.html.

Oral public comments will also be accepted during the meeting through Zoom or via the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Use the Raise Hand feature to request to speak. For public participants calling in, dial *67 if you do not want your telephone number to appear on the live broadcast. Callers may dial *9 to use the Raise the Hand feature for public comment. 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.

July 9, 2020 – Thursday

PART I OF MEETING: *8:30 a.m. (special start time)

Connect for audio/video capability at https://zoom.us/j/94476828247

Connect for audio capability only by calling 1-669-900-9128, Webinar ID: #944 7682 8247.

1. Call to Order / Pledge of Allegiance
2. Roll Call
3. General Counsel Report
   a. Closed Session: Conference with Legal Counsel – Anticipated Litigation. Initiation of litigation pursuant to Government Code Section 54956.9(d)(4): One potential case

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

PART II OF MEETING: 9:30 a.m. or upon the conclusion of Part I of the Meeting, whichever is later

Connect for audio/video capability at https://zoom.us/j/97522323449 . Connect for audio capability only by calling 1-669-900-9128, Webinar ID: #975 2232 3449

3. General Counsel Report, continued
   b. Report from Closed Session during Part I of Meeting

4. 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.

5. Consent Calendar

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

a.	Approve Regular Meeting Minutes of June 4, 2020	MOTION
b.	Receive Key Caltrain Performance Statistics - May 2020	INFORMATIONAL
c.	Receive State and Federal Legislative Update	INFORMATIONAL

Approved by the Finance Committee

d.	Accept Statement of Revenues and Expenditures for May 2020	MOTION
e.	Award of Contract for Caltrain Naming Rights and Sponsorship Consulting Services	RESOLUTION
f.	Authorize Amendment to Contract to Operate the San Francisco Caltrain Bicycle Parking Facility	RESOLUTION
g.	Authorize Execution of Funding Agreement with the Metropolitan Transportation Commission for Clipper START, the Regional Means-Based Fare Pilot Program	RESOLUTION
h.	Authorize Execution of Amendment 2 of the Amended and Restated Clipper Memorandum of Understanding	RESOLUTION
i.	Approve and Ratify Fiscal Year 2021 Insurance Program	RESOLUTION

Approved by the Work Program-Legislative-Planning Committee

j.	Approval of Amended and Restated Cooperative Agreement for Participation in Phase II of the San Jose Diridon Integrated Station Concept Plan	RESOLUTION
k.	Call for Public Hearing on August 6, 2020 on Potential Closure of the Atherton Station and Related Service Changes	MOTION

6.	Report of the Chair	INFORMATIONAL
	a. Local Policy Maker Group (LPMG)	INFORMATIONAL
7.	Report of the Executive Director	INFORMATIONAL
	a. Caltrain Positive Train Control (PTC) Project Update – June 2020	INFORMATIONAL
	b. Monthly Peninsula Corridor Electrification Project (PCEP) Report	INFORMATIONAL
8.	Report of the Citizens Advisory Committee	INFORMATIONAL
9.	SB 797 Update	INFORMATIONAL
10.	COVID Update – Draft Equity, Connectivity, Recovery & Growth Framework	INFORMATIONAL
11.	Governance Update - Report of the Special Counsel	INFORMATIONAL

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12.	Report of the Finance Committee	INFORMATIONAL
	a. Award of Contract for Marin and Napoleon Street Bridge Replacement Project for $8,907,901	RESOLUTION
13.	Report of the Work Program-Legislative–Planning (WPLP) Committee	INFORMATIONAL
14.	Correspondence	
15.	Board Member Requests	
16.	General Counsel Report	
17.	Date/Time of Next Regular Meeting: Thursday, August 6, 2020 at 9:00 am via Zoom	
18.	Adjourn	

INFORMATION FOR THE PUBLIC

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

If you have questions on the agenda, please contact the JPB Secretary at 650.508.6242. Agendas are available on the Caltrain website at www.caltrain.com. Communications to the Board of Directors can be e-mailed to board@caltrain.com.

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

Date and Time of Board and Committee Meetings

JPB Board: First Thursday of the month, 9:00 am; JPB Finance Committee: Fourth Monday of the month, 2:30 pm. Date, time and location of meetings may be changed as necessary. Meeting schedules for the Board and committees are available on the website.

Location of Meeting

Due to COVID-19, the meeting will only be via teleconference as per the information provided at the top of the agenda. the Public may not attend this meeting in person.

Public Comment*

Members of the public are encouraged to participate remotely. Public comments may be submitted to publiccomment@caltrain.com prior to the meeting's call to order so that they can be sent to the Board as soon as possible, while those received during or after an agenda item is heard will be included into the Board's weekly correspondence and posted online at http://www.caltrain.com/about/bod/Board_of_Directors_Meeting_Calendar.html . Oral public comments will also be accepted during the meeting through Zoom or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM and each commenter will be automatically notified when they are unmuted to speak for two minutes or less. the Board Chair shall have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

Accessible Public Meetings/Translation

Upon request, the JPB will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least at least 72 hours in advance of the meeting or hearing. Please direct requests for disability-related modification and/or interpreter services to the Title VI Administrator at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or email titlevi@samtrans.com; or request by phone at 650-622-7864 or
TTY 650-508-6448.

Availability of Public Records

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that the public records are distributed or made available to the legislative body.

AGENDA ITEM #5a
JULY 9, 2020

Peninsula Corridor Joint Powers Board
Board of Directors Meeting
1250 San Carlos Avenue, San Carlos CA

MINUTES OF JUNE 4, 2020

MEMBERS PRESENT: D. Pine (Chair), C. Chavez, D. Davis, J. Bruins, R. Collins, S. Heminger, C. Stone, S. Walton, M. Zmuda

MEMBERS ABSENT: None

STAFF PRESENT: J. Hartnett, C. Mau, J. Cassman, M. Bouchard, A. Chan, J. Funghi, D. Hansel, S. Murphy, M. Jones, S. Petty, D. Seamans, S. Wong

1. CALL TO ORDER / PLEDGE OF ALLEGIANCE
Chair Dave Pine called the meeting to order at 9:01 am and led the pledge of allegiance.

2. ROLL CALL
District Secretary Seamans confirmed for the record that all Board Members were in attendance.

3. GENERAL COUNSEL REPORT
a. Closed Session: Conference with Legal Counsel – Anticipated Litigation. Initiation of litigation pursuant to Government Code Section 54956.9(d)(4): One potential case

Joan Cassman, General Counsel, explained that the Board would convene in Closed Session for a matter of anticipated litigation.

<u>Public Comment</u>
Roland LeBrun, San Jose, commented on procedures for adjourning to closed session, Brown Act violations, Wabtec, and Parson's Transportation Group. He also commented on separating gate warning time contracts from electrification contracts.

The meeting adjourned to closed session at 9:07 a.m.
The meeting reconvened into open session at 10:29 a.m.

3. GENERAL COUNSEL REPORT, CONTINUED
b. Report from May 7, 2020 Closed Session
Ms. Cassman reported that the Board received an update and no action was taken.

c. Report from Closed Session during Part I of Meeting
Ms. Cassman reported that the Board received an update and no action was taken on this anticipated litigation matter.

4. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA
Roland Lebrun, San Jose, commented on reaching out to BART to provide Caltrain administrative services, appointing an interim chief executive, and to look for a new building for Caltrain in Mountain View or Sunnyvale station.

Adina Levin, Friends of Caltrain, commented on the regional transit recovery task force, an integrated regional approach to transit safety, and safety communication.

Raymond Chang, San Francisco, commented on reducing excessive idling at the Fourth and King station.

Andy Chow, Redwood City, commented on his current experience riding Caltrain, remote workers' concerns, and discount incentives.

Aleta Dupree, Oakland, expressed support for audible public Zoom comments, updating Clipper mobile app, updating vending machines for contact-less payment, Caltrain as a life-line, and keeping the Clipper differential.

5. CONSENT CALENDAR

a. **Approve Meeting Minutes of May 7, 2020**
b. **Receive Key Caltrain Performance Statistics – April 2020**
c. **Receive State and Federal Legislative Update**
d. **Accept Support Barack Obama Boulevard Rename**
e. **Award Capital Projects Quarterly Status Report – 3rd Quarter Fiscal year 2020**
f. **Caltrain Business Plan – Update Covering April 2020**
g. **Provide an Extension of the Current Go Pass Term for all Current Go Pass Participants Impacted by the COVID-19 Mandatory Shelter-in-Place Order**
h. **Award of Contract for Law Enforcement Services**
i. **Award of Contracts for Provision of Investment Management and Custody and Safekeeping Services**
j. **Execution of Contracts for Information Technology Licenses, Maintenance Services, and Professional Services**
k. **Execution of Contracts for Technology-Related Products and Services through Piggybacking Contracts and Cooperative Purchasing Programs**
l. **Authorize Amendments to Contracts for On-Call Railroad Business Operations and Systems Support Services**
m. **Authorize Amendment to On-Call Electrification Support Services Contract for the Peninsula Corridor Electrification Project (PCEP)**
n. **Authorize Amendment to On-Call Program Management Support Services Contract for the Peninsula Corridor Electrification Project (PCEP)**
o. **Caltrain Business Plan - Update Covering May 2020**

Chair Pine thanked the Finance Committee for their review and pulled Item 5h (Law Enforcement Services) from the calendar for further discussion.

Motion/Second: Davis/Zmuda moved approval of the consent calendar (Items 5a to 5o with the exclusion of Item 5h)
Ayes: Bruins, Chavez, Collins, Heminger, Stone, Walton, Zmuda, Davis, Pine
Noes: None
Absent: None

Regarding Item 5h, Concepcion Gayotin, Procurement Manager, provided a presentation on the procurement process; highlights included the request for proposal, law enforcement agency outreach, the agreement for a 5-year base term, 19 total personnel, JPB taking on 78 percent of the contract, and the San Mateo County Transit District (SMCTD) taking on 22 percent of the contract.

Vickie O'Brien, Safety and Security Deputy Director, explained the scope of work and details; highlights included personnel, operating costs, services for special events, and important contract provisions.

Board members had a discussion and staff provided further clarification in response to the Board comments and questions; topics included resolution revision, cost & personnel adjustment flexibility, and comparing operation and personnel costs.

Public Comment
Roland LeBrun, San Jose, commented on having multiple one-year options, South San Jose transit support, and multiple-tiered (private, then county) security.

Motion/Second: Stone/Davis moved approval of the updated Item 5h for Contracts for Law Enforcement Services
Ayes: Collins, Heminger, Stone, Walton, Zmuda, Davis, Pine
Noes: None
Absent: Bruins, Chavez

6. ADOPTION OF FISCAL YEAR 2021 INTERIM OPERATING BUDGET AND FISCAL YEAR 2021 CAPITAL BUDGET

Derek Hansel, Chief Financial Officer, presented the proposed interim budgets; highlights included challenges, mitigating measures, proposed actions, finalizing member agency investments, key assumptions, operating revenues, operating expenses, proposed capital budget, and capital funding sources. Next steps included presention of the preliminary Fiscal Year 2021 budget to the July Finance Committee and August JPB meeting.

Board members had a discussion and staff provided further clarification in response to the Board comments and questions, which included the following: overtime freezes; insurance placeholder in the budget differing from the line item amount; positive train control litigation; the amount of uncommitted capital budget; refilling essential positions when employees who leave; CARES funding tranche coverage; status of the current contract between employees and the district; status of fund balance in August; participation in additional federal funding efforts.

Public Comment
Roland LeBrun, San Jose, commented on line 21 of the budget, Metrolink Peer Review, and capital funding budget.

Aleta Dupree, Oakland, commented on the budget, ticket vending machine projects, and the importance of incentivizing Clipper.

Adina Levin, Friends of Caltrain, commented on federal funding, the second tranche of CARES act funding, and means based fares.

Director Shamann Walton left the meeting at 11:28 am.

Motion/Second: Heminger/Davis
Ayes: Bruins, Chavez, Collins, Heminger, Stone, Zmuda, Davis, Pine
Noes: None
Absent: Walton

7. REPORT OF THE CHAIR

a. Report of the Governance Ad-Hoc Committee

Chair Pine reported on the meeting May 29th that allowed members to ask additional questions regarding the Remcho Law firm foundational agreements, amendments, and reports. He said there were additional questions on the amounts of the amendments and extending Samtrans' rights to serve as the managing agency. Chair Pine reported that the next steps would be to finalize the report this month, discuss accountability measures in evaluating the CEO (chief executive officer) of Caltrain, codifying actions taken this year, and discussing how a new CEO would be hired. He stated that a comprehensive report would be made available to the public as part of the Board's July meeting packet.

In response to Director Jeannie Bruins' request to receive the report in advance of the July meeting, Chair Pine replied that they would like members to receive the report in advance and that it would be an information item to review the work done to date.

b. Report of the Local Policy Maker Group (LPMG)

Director Bruins reported that they met on May 28th with record attendance using Zoom and highlights included the following: the staff report on ridership projects and funding; Caltrain pursuing SB 797 positioning for ballot; LPMG members commenting on the sales tax amount; other measures on the November ballot; how large employers were managed; Go Pass survey; furloughed Caltrain workers; BART's 15-point plan for re-opening; a regional approach to safety; update on Caltrain Business Plan; recovery planning; Caltrain electrification project; a high speed rail update. Director Bruins recommended using Zoom for this particular body going forward.

<u>Public Comment</u>

Roland Lebrun, San Jose, commented on receiving next month's Governance ad-hoc report at the same time as the Board.

8. REPORT OF THE EXECUTIVE DIRECTOR

Jim Hartnett, Executive Director, reported that the report was in the packet. He commended Michelle Bouchard and the organization for their dedicated service, and stated that the Blue Ribbon Task Force (Federal Funding committee) will be meeting June 8th and near the end of June for Metropolitan Transportation Commission (MTC) recommendation.

Michelle Bouchard, Chief Rail Operating Officer, reported agile action in an uncertain future by Caltrain and Transit America Services, Inc. (TASI) workers, ridership decreases, regional and national coordination, future re-opening plans, and critical recovery framework.

Director Chavez left the meeting at 12:01 pm.

a. COVID-19 Status Update

Sebastian Petty, Director of Policy Development, outlined the near and mid-term outlook for response and recovery. He displayed the phases of the crises (triage, surviving, preparing for the next reality), and summarized the near term outlook for service, operating funding and operating costs. Mr. Petty presented the current financial outlook, plans for initial re-opening (expansion from 42 to 70 trains per weekday), pausing and pivoting the Caltrain Business Plan, recovery planning, and next steps.

Board members had a discussion and staff provided further clarification in response to Board comments and questions; topics included skip stop service, ride duration comparisons between skip stop service and baby bullets, definition of peak hours, and equity and connectivity growth strategies.

b. Caltrain Positive Train Control (PTC) Project Update – June 2020

Ms. Bouchard stated that the project was progressing well, they would be submitting their safety plan at the end of this month for certification, and the end of this year is the federal deadline. She explained that they were working to identify options to support operations and maintenance from more than one group and would be more self-reliant after three to five years.

Board members had a discussion and staff provided further clarification in response to a Board question about reducing the budget for this item in future quarter reports.

Public Comment

Roland LeBrun, San Jose, commented on governance, the one-eighth sales tax measure, decrease in riders, customer confidence, possible filtration systems, bus usage, lock-stepping with BART's schedule, and working with employers to eliminate peak through flex commuting.

Jeff Carter, Millbrae, commented on providing raw data for charts and statistics presented in the Caltrain Key Performance Statistics in the consent calendar, and Clipper statistics.

Doug DeLong, Mountain View, lauded Ms. Bouchard's recovery process in the PTC (positive train control) implementation, and commented on unintended frequent braking issues between Control Point (CP) Stockton and CP Coast.

Von commented on capacity improvement versus skip stop, the mismatch in suggesting BART solutions for Caltrain (, and the possible disadvantages of sales tax revenues.

Drew, San Mateo, commented on expanding peak hour assumptions for later shifts in multiple industries.

Adina Levin, Friends of Caltrain, commented on connecting connectivity needs to equity.

Director Dev Davis left the meeting at 12:36 pm.

9. REPORT OF THE FINANCE COMMITTEE

Director Zmuda stated that they were doing diligent work.
Chair Pine commended the Committee for digging into the reports.

10. INCREASE DISCOUNT FOR CALTRAIN MEANS BASED FARE PILOT PROGRAM

Derek Hansel, Chief Financial Officer, presented the staff proposal to increase the discount to 50 percent through Clipper START for 18 months. He saidd the next steps would be to enter into a funding agreement with Metropolitan Transportation Commission (MTC) which would be subsidizing up to 10 percent of the fare revenue, and launching around late summer of 2020. Mr. Hansel stated that the four participants in the program (BART, MTC, SF Municipal Transportation Agency, and Golden Gate Transit) would be observing ridership recovery and shelter in place orders.

Board members expressed their support for this effort.

Public Comment
Edwardo Lalo-Gonzalez, San Mateo County Youth Leadership Institute, expressed support for this program, commented on referencing other levels of poverty besides the federal poverty level and suggested Caltrain consider other transit bus passes as fare.

Doug DeLong, Mountain View, expressed support for this proposal.

Roland Lebrun, San Jose, expressed support for the means based fare pilot program, but also expressed concerns for this proposal. He commented on farebox bonds and concerns with overcrowding.

Adina Levin, Friends of Caltrain, expressed support for this discount, commented on broadening Caltrain's ridership and honoring other transit passes to un-crowd local buses.

Ian Griffith, Seamless Bay Area, expressed support for this discount and commented on changing fare policy for low-income commuters, and crowding on current Samtrans buses running parallel to Caltrain.

Adrian Brandt, San Mateo County, expressed support of the proposal and encouraged distance-based fares.

Jeff Carter, Millbrae, expressed support for this proposal and suggested a Clipper accumulator system and distance-based fares.

Aleta Dupree, Oakland, expressed support for this proposal and its Clipper-based system (regional efforts).

Hailey Courier, Transform, expressed support for this proposal and suggested extending the discount to everyone and encouraged Caltrain to accept bus passes.

Cliff Bargar expressed support for the fare discount and suggested extending the discount to accept other transit passes.

Motion/Second: Bruins/Collins
Ayes: Bruins, Collins, Heminger, Stone, Zmuda, Pine
Noes: None
Absent: Chavez, Walton, Davis

Director Bruins left the meeting at 1:04 pm.

11. MONTHLY PENINSULA CORRIDOR ELECTRIFICATION PROJECT (PCEP) REPORT – OCS (OVERHEAD CONTACT SYSTEM) FOUNDATION COMPLETION STATUS
John Funghi, CalMod Chief Officer, provided the presentation. He stated areas where Balfour Beatty Infrastructure (BBI) were under performing, explained the PCEP contract completion schedule, and listed important program milestone dates, including foundation and poles dates. He stated that Stadler achieved a significant milestone by putting trainset one on the test track.

Public Comment
Roland LeBrun, San Jose, commented on the prototype in Salt Lake City and grade crossing elevation.

Aleta Dupree, Oakland, commented on increased production, depth of process of foundations, and project completion.

Adrian Brandt, San Mateo County, expressed concern regarding constant grade warning times with Balfour Beatty's dual speed check solutions that may potentially cause longer rider wait times.

Director Stone left the meeting at 1:08 pm.

12. REPORT OF THE CITIZENS ADVISORY COMMITTEE (CAC)
Brian Shaw, CAC Chair, provided an update. He reported that their May meeting included discussions on grade crossing, the status of solar powered lights, painting one of the intersections red, the new type of crossing technology, and the hazard analysis report. He stated that public comment included comments on grade separation hazards in San Mateo, the new electric multiple unit (EMUs), placement of power outlets at passenger knees, signs inside cars to indicate current stations, signs outside be high enough to read, train cars have labelling so passengers can spot bike cars, etc., COVID delays in manufacturing, and Caltrain door replacement. Mr. Shaw reported that public comment included level boarding at 25 inches and concerns with one bathroom per train. He stated that the next meeting is June 17th where they would discuss distance based fares.

Director Collins left the meeting at 1:14 pm.

13. CORRESPONDENCE
Correspondence was made available on line.

14. BOARD MEMBER REQUESTS
Director Zmuda requested the status of any fund balance (if any) for the upcoming nine month budget for the August Board meeting.

Director Bruins requested considering using Zoom for future productive LPMG meetings.

14. GENERAL COUNSEL REPORT
None.

15. DATE/TIME OF NEXT REGULAR MEETING: Thursday, July 9, 2020 at 9:00 am, via Zoom or at San Mateo County Transit District Administrative Building, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA

16. ADJOURN

The meeting adjourned at 1:21pm.

An audio/video recording of this meeting is available online at www.caltrain.com. Questions may be referred to the Board Secretary's office by phone at 650.508.6242 or by email to board@caltrain.com.

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Michelle Bouchard
Chief Operating Officer, Rail

SUBJECT: **KEY CALTRAIN PERFORMANCE STATISTICS – MAY 2020**

ACTION
Staff Coordinating Council recommends that the Board receive the Performance Statistics Report for May 2020.

SIGNIFICANCE
Staff will provide monthly updates to Key Caltrain Performance Statistics, Caltrain Shuttle Ridership, Caltrain Promotions, Digital Metrics, Social Media Analytics and News Report Coverage. It should be noted that this report reflects impacts from the COVID-19 pandemic.

BUDGET IMPACT
There is no budget impact.

MONTHLY UPDATE
The coronavirus (COVID-19) pandemic has continued to have drastic impacts to Caltrain ridership and revenue. The temporary methodology to estimate the ridership starting in April 2020 was used in May 2020. Staff estimated systemwide daily boardings by comparing requested daily conductor counts at 14 key stations and Clipper tag-ons at these 14 key stations and then estimated the number of the non-Clipper customers at other stations where the conductor counts are not performed using the Clipper tag-on counts.

In May 2020, Caltrain's Average Weekday Ridership (AWR) decreased by 97.2 percent to 1,936 from May 2019 AWR of 68,326. Average weekday ridership slightly increased by 389 from April 2020 to May 2020. The total number of passengers who rode Caltrain in May 2020 decreased by 97.0 percent to 48,771 from 1,618,825 May 2019 ridership. Caltrain continued to experience a significant decrease in ridership due to the COVID-19 pandemic and the implementation of the Bay Area wide and Statewide shelter-in-place orders starting in mid-March 2020 to prevent the spread of the virus. In late May 2020, state and local counties updated shelter-in-place orders and revealed reopening plans to be implemented in various stages. In order to mitigate significant ridership and fare revenue losses while still providing essential transit services to all stations, Caltrain continued to operate reduced weekday service with weekday hourly local service.

With reduced weekday service, additional track access continued to be provided to capital projects, including 24-hour single tracking for the 25th Avenue Grade Separation Project and the South San Francisco Caltrain Station Improvement Project, to support progress of the capital project delivery and continued to be provided to maintenance activities to catch up with delayed and/or previously deferred maintenance.

This month ticket sales decreased from May 2019 for:

- One Way tickets: 95.7 percent
- ED One Way tickets: 90.9 percent
- Day Passes: 97.3 percent
- ED Day Passes: 94.6 percent
- Monthly Passes: 97.3 percent
- ED Monthly Passes: 93.7 percent

Caltrain Mobile Ticketing accounted for approximately 6.4 percent (3,112 rides) of May 2020 rides and 0.7 percent ($19,324) of May 2020 monthly ticket sales revenue. The number of Eligible Go Pass Employees increased to 87,225 from 85,101 from May 2019. The number of participating Go Pass Companies decreased to 121 from 128 from May 2019. Total Farebox Revenue decreased by 71.6 percent to $2,845,054 from $10,017,921 in May 2019. The decrease in farebox revenue was primarily due to the Bay Area and Statewide shelter-in-place orders as response to the COVID-19 pandemic resulting in significant reductions in ridership.

On-time performance (OTP) for May 2020 was 95.8 percent compared to 95 percent OTP for May 2019. In May 2020, there were 278 minutes of delay due to mechanical issues compared to 351 minutes in May 2019.

Looking at customer service statistics, the number of complaints per 100,000 passengers in May 2020 is not provided since numbers are skewed with the significant decrease in ridership due to COVID-19 pandemic.

Shuttle ridership for May 2020 decreased 92.5 percent from May 2019. When the Marguerite shuttle ridership is removed, the impact to ridership was decrease of 93.5 percent. For station shuttles:

- Millbrae-Broadway shuttle: 11 average daily riders
- Weekend Tamien-San Jose shuttle: 3 average daily riders

Due to ongoing service issues with the Shuttle Contractor (MV Transportation) as a result of staffing shortage, there were a total of 340 DNOs (Did Not Operate) trips for Caltrain shuttles in May 2020. There is continued service loses beyond previously implemented service reductions and suspensions to match available operator counts. The Menlo Park Midday Shuttle and one of the two Belle Haven vehicles remain temporarily discontinued.

In addition, due to the COVID-19 pandemic and Bay Area wide and Statewide shelter-in-place orders, the following Caltrain shuttles were suspended/partially suspended in March, April and May 2020 which also impacted May 2020 shuttle ridership:

- Bayshore – East – Mountain View: suspended 3/16/2020
- Bayshore – West – Mountain View: suspended 3/16/2020
- Bayside – Burlingame: partially suspended 4/20/2020

- Belmont/Hillsdale: suspended 3/28/20
    - The shuttle resumed service when the Hillsdale station closed for construction on 5/16/2020
- Bowers/Walsh – Sunnyvale: suspended 4/13/2020
- Electronic Arts – Redwood Shores: suspended 3/16/2020
- Marsh Road – Menlo Park: (1 of 2 vehicles) suspended 4/2019, partially suspended 3/28/2020
- Mission College – Sunnyvale: suspended 4/13/2020
- Norfolk – San Mateo: suspended service resumed 5/18/2020
- Oracle – Redwood Shores: suspended 3/17/2020
- Pacific Shores – Redwood City: suspended 3/19/2020
- Twin Dolphin – Redwood Shores: (1 of 2 vehicle) suspended 11/2017, suspended 4/13/2020

Table A

May 2020

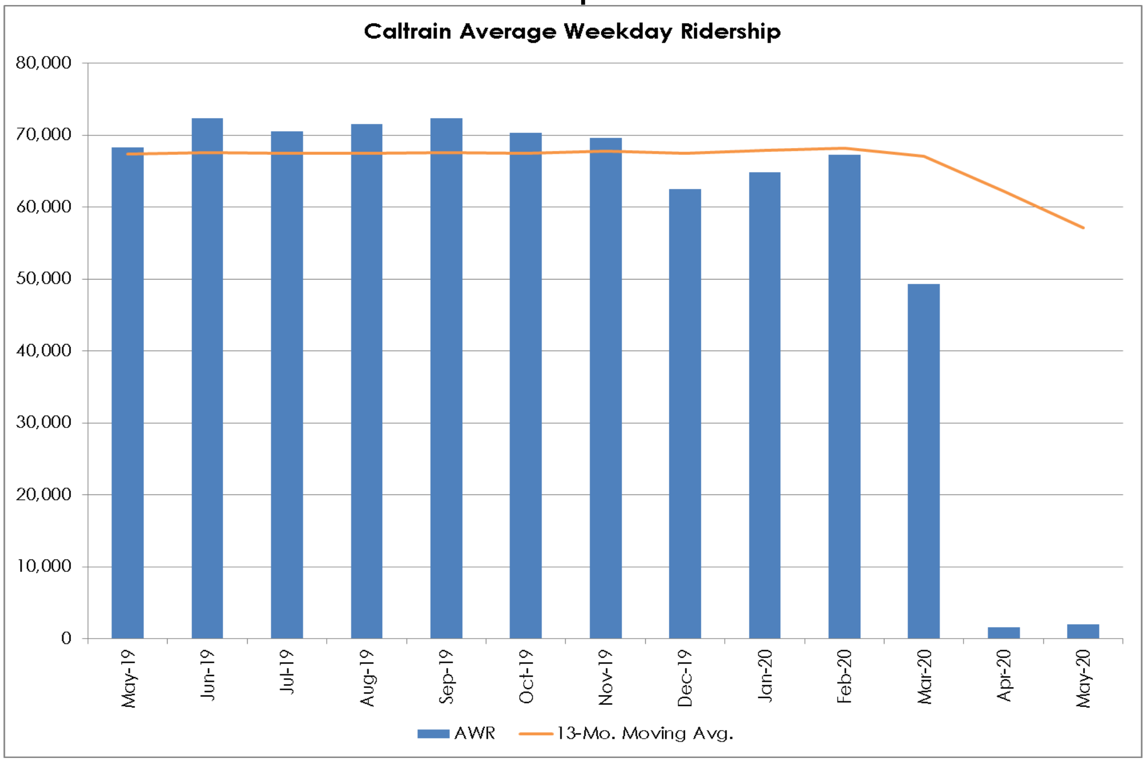
	FY2019	FY2020	% Change
Total Ridership	1,618,825*	48,771	-97.0%
Average Weekday Ridership	68,326*	1,936	-97.2%
Total Farebox Revenue	$ 10,017,921	$ 2,845,054	-71.6%
On-time Performance	95.0%	95.8%	0.8%
Average Weekday Caltrain Shuttle Ridership	8,267	621	-92.5%

Fiscal Year to Date

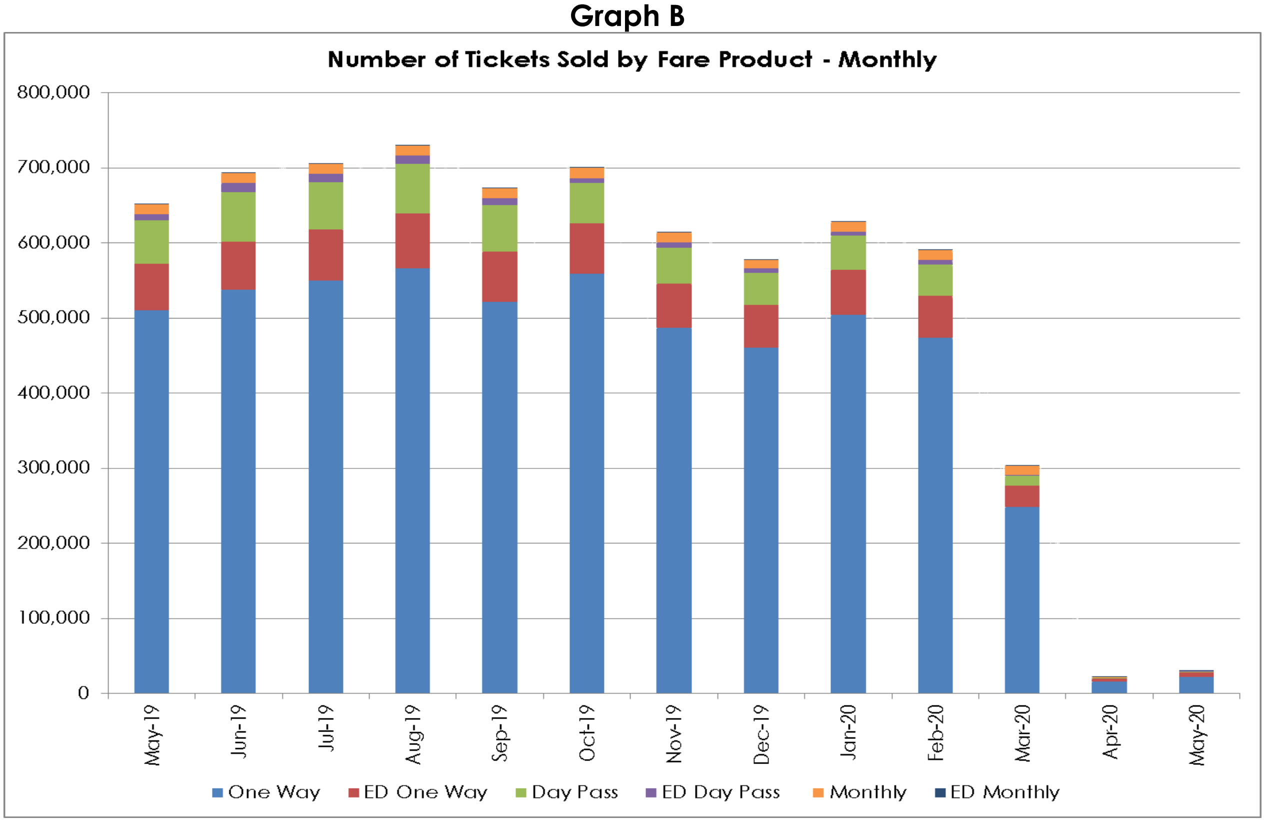
	FY2019	FY2020	% Change
Total Ridership	16,774,836*	13,778,965*	-17.9%
Average Weekday Ridership	73,360*	60,167*	-18.0%
Total Farebox Revenue	$ 94,811,471	$ 82,193,482	-13.3%
On-time Performance	93.3%	94.0%	0.7%
Average Weekday Caltrain Shuttle Ridership	8,356	6,823	-18.3%

** = Items revised due to calibration to the ridership model*

Graph A

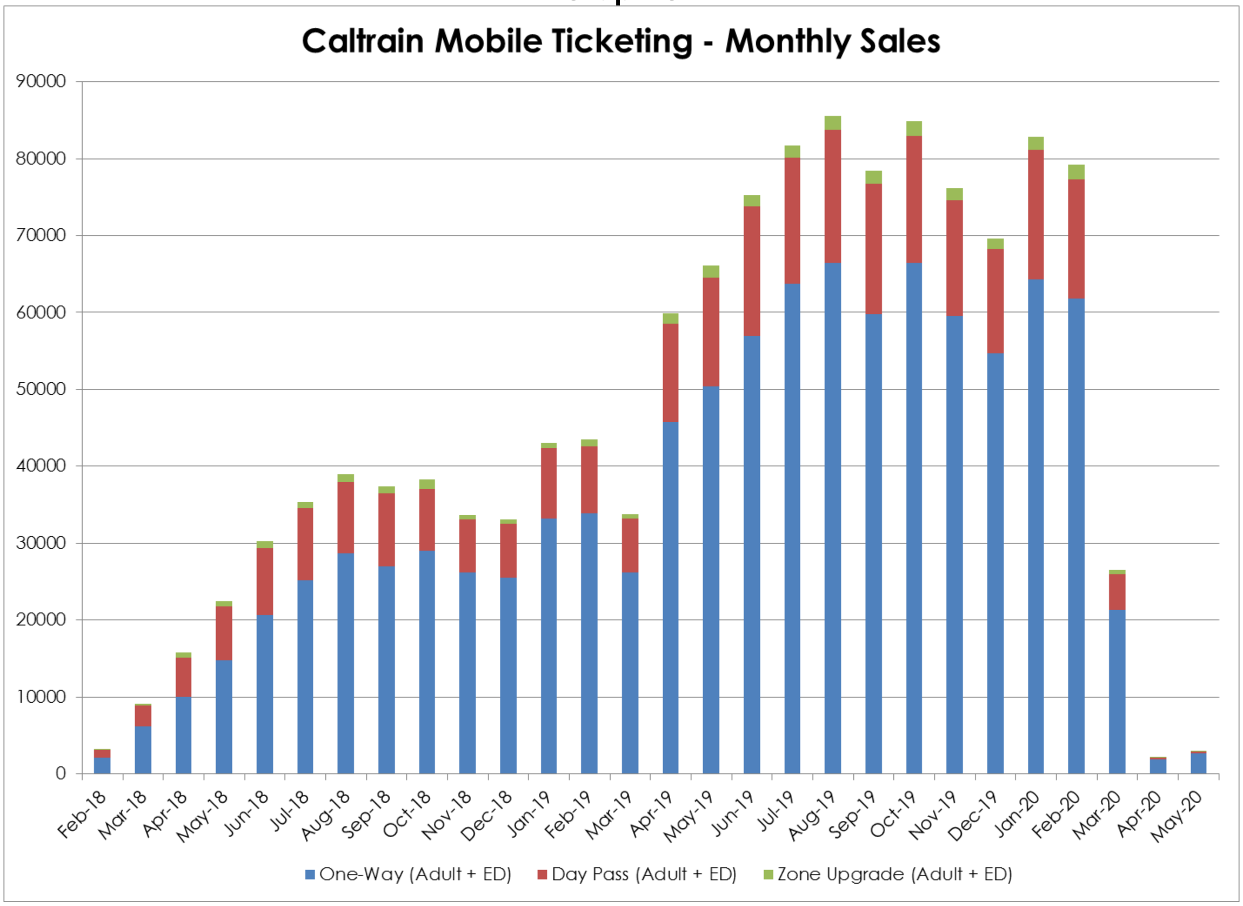


Graph B

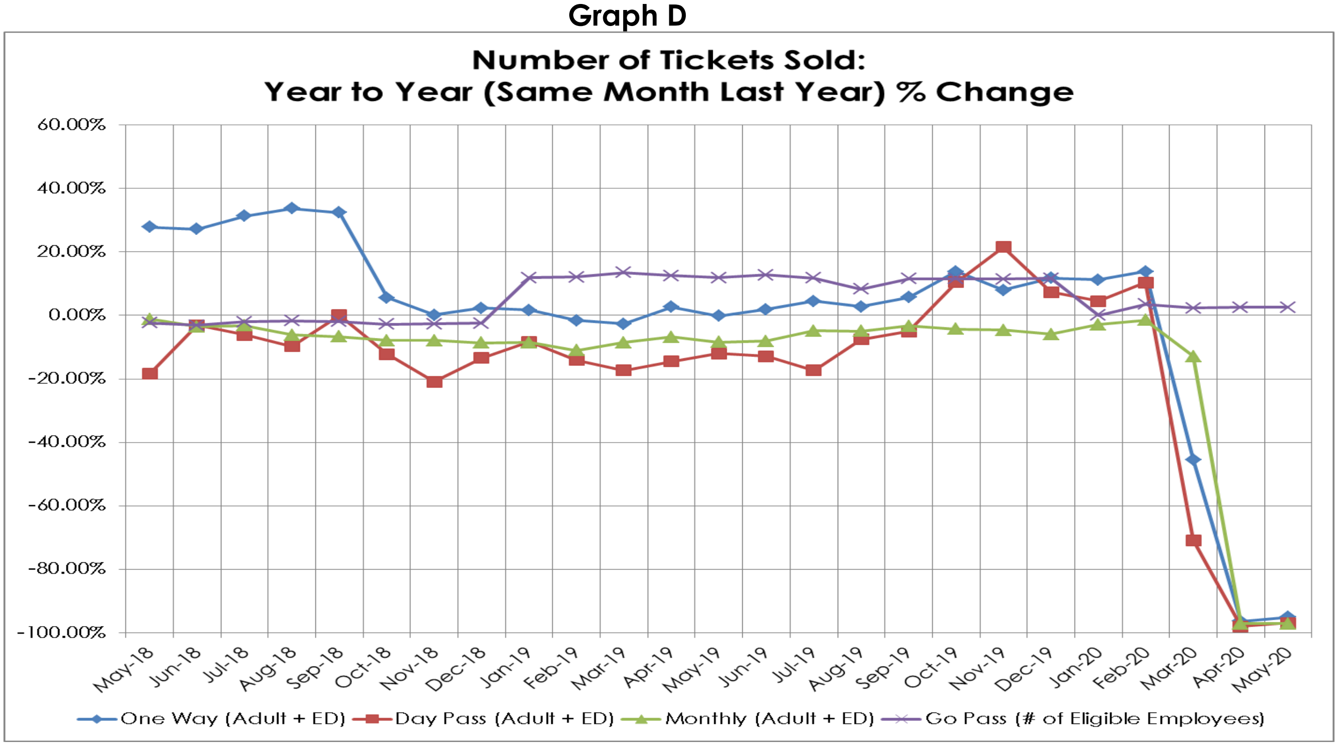


**Go Passes tracked by Monthly Number of Eligible Employees (not by Sales)*

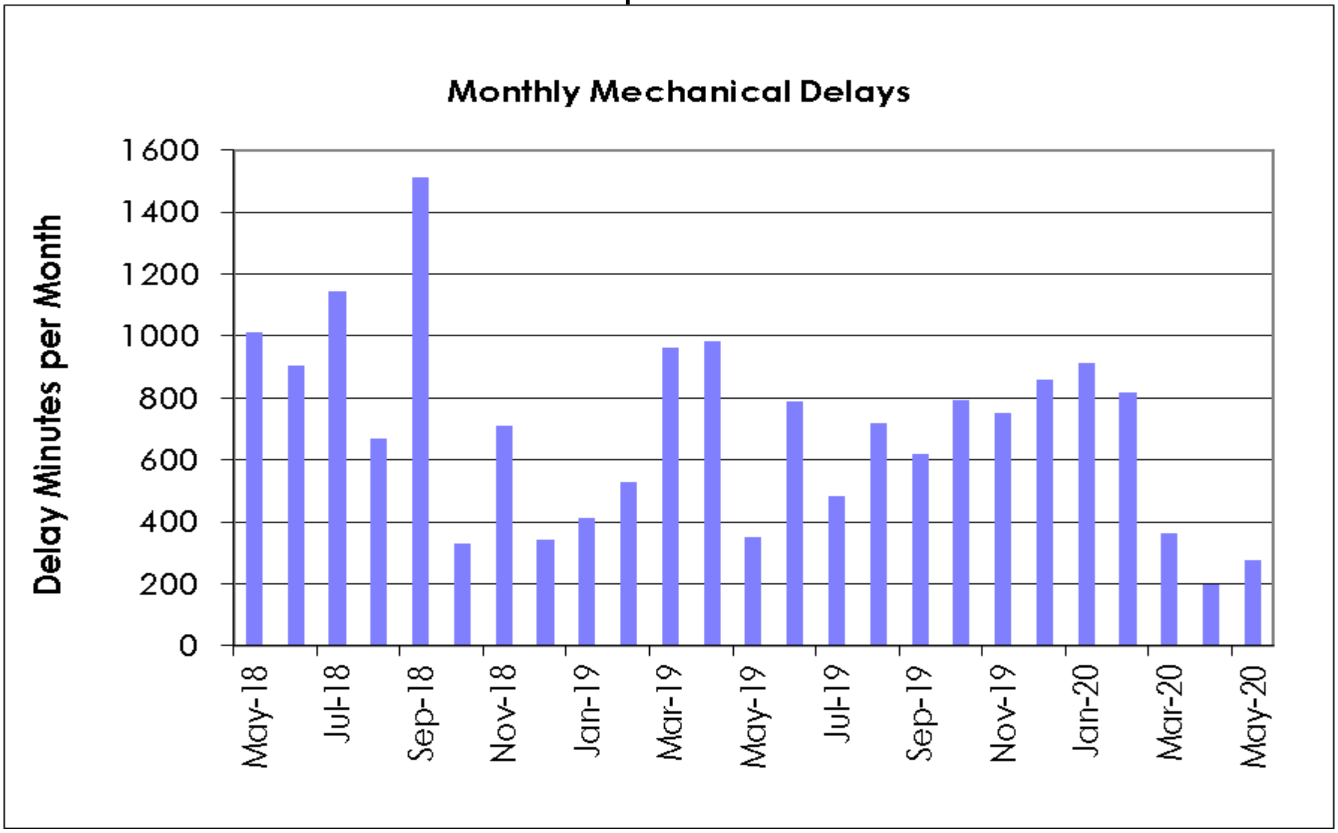
Graph C



Graph D



Graph E



Caltrain Promotions – May 2020

Due to the Bay Area wide and Statewide shelter-in-place orders and significant reductions in ridership resulting from the coronavirus (COVID-19) pandemic, marketing and promotional activities have been suspended.

Caltrain Digital Metrics - MAY 2020

New Followers

-425

May 20 - 179,122

Apr 20 - 179,547

May 19 - 177,955

Top Tagged Issues

1. **COVID** (89)
2. **Hillsdale** (27)
3. **Noise Complaint** (21)
4. **Millbrae Transfer** (12)
5. **Caltrain Complaint** (7)

Caltrain.com Sessions

May 20 - 94,116

Apr 20 - 84,648

May 19 - 851,341

Social Engagement

Video Views

746,881 (April - 881K)

Content Impressions

1,206,325 (April - 1.5M)

Interactions

24,794 (April - 24,188)

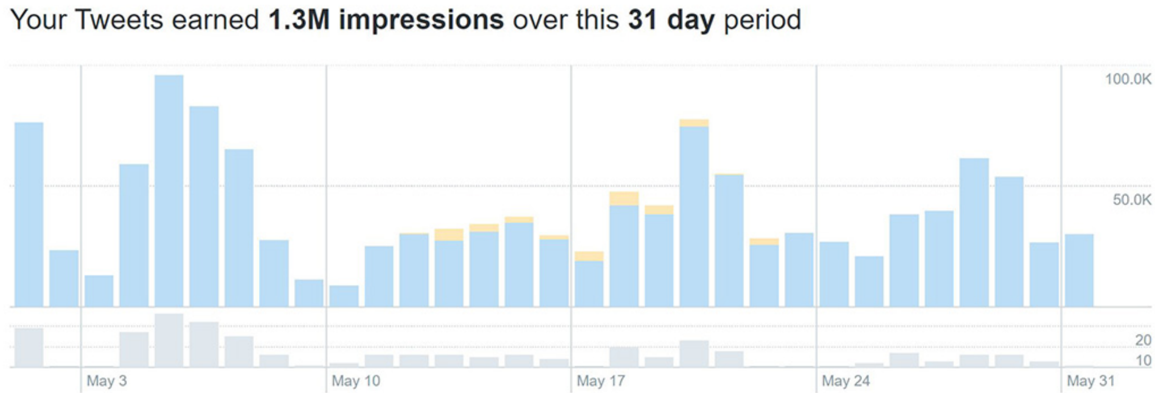
Monthly Yelp & FB Rating

(4.0 out of 5)

(2 May reviews)

@caltrain, @gocaltrain **@gocaltrain** **@caltrain**

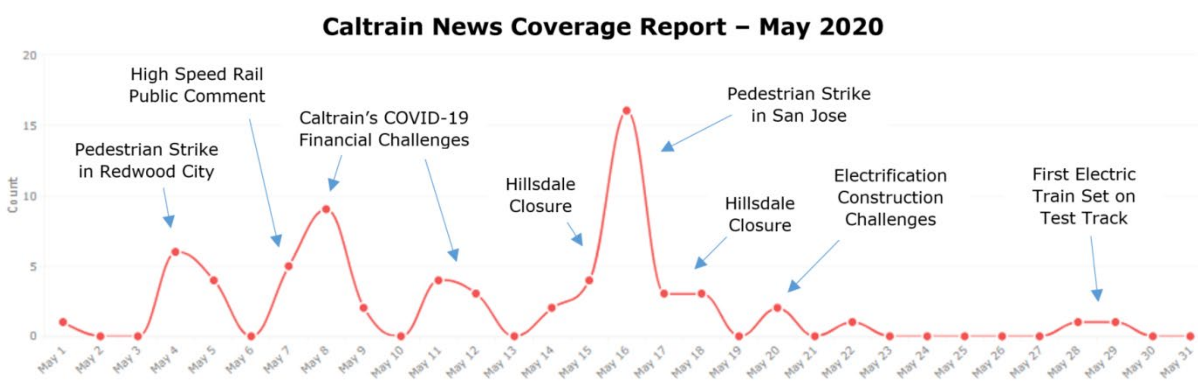
Twitter Impression Spikes
May, 2020



No service related spikes in May

Impressions of Tweets
Paid Impressions
Tweets Sent

Impressions sometimes appear the day after an incident as Twitter users view the post the next day.



Total # of articles: 67 (compared to 56 in April)

Prepared by:	Patrice Givens, Administrative Analyst II	650.508.6347
	James Namba, Marketing Specialist	650.508.7924
	Jeremy Lipps, Social Media Officer	650.622.7845

AGENDA ITEM #5c
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Seamus Murphy
Chief Communications Officer

SUBJECT: **STATE AND FEDERAL LEGISLATIVE UPDATE**

ACTION
Staff Coordinating Council recommends the Board receives the attached memos. Staff will provide regular updates to the Board in accordance with Legislative Program.

SIGNIFICANCE
The 2020 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.

Prepared By: Casey Fromson, Government and Community Affairs Director 650-508-6493

SHAW/YODER/ANTWIH, inc.
LEGISLATIVE ADVOCACY • ASSOCIATION MANAGEMENT

EDELSTEIN GILBERT ROBSON & SMITH LLC

June 12, 2020

TO: Peninsula Corridor Joint Powers Board Members

FROM: Mike Robson and Trent Smith, Edelstein Gilbert Robson & Smith, LLC
Joshua W. Shaw and Matt Robinson, Shaw / Yoder / Antwih, Inc.

RE: **STATE LEGISLATIVE UPDATE – June 2020**

General Update

The Legislature has been back in session since early/mid May. Both houses have wrapped up their policy committees for bills in their house of origin and are in the midst of the Appropriations process where bills are analyzed for their fiscal impact to the state. The Assembly Appropriations Committee held their hearings the week of June 1, while the Senate Appropriations Committee hearings started this week and will continue until the Senate Appropriations Committee suspense hearing the following week.

During each house's Appropriations Committee suspense hearing, the committee hears a high volume of bills that surpass the price tag threshold of $50,000 for the Senate and $150,000 for the Assembly. Given the $54 billion deficit the state is facing due to COVID-19, clearing the Appropriations Committees in each house is a steeper challenge this year than in previous years.

The Assembly House of Origin Deadline is June 19, where all bills introduced in the Assembly need to be pass from the Assembly. The same deadline for the Senate is June 26th. After each house's respective deadline, they will adjourn for summer recess. The Assembly is taking a three-week summer recess while the Senate is taking two weeks. Upon return on July 12, policy committees will begin hearing bills from the other house.

Legislation of Interest

SB 288 (Wiener) – CEQA Exemptions. This bill was recently amended to provide additional CEQA exemptions for certain projects, including rail projects. The bill is already in the Assembly and should be set for hearing in July.

AB 3213 (L. Rivas) – High Speed Rail Authority Project Priorities. This bill would require the HSRA to prioritize projects that meet certain criteria, including providing the most overall benefit to the state, increasing ridership, and replacing car trips with rail trips.

While this bill passed the Assembly Transportation Committee unanimously, it was pulled from the Assembly Appropriations Committee without a hearing and is now dead for the year. On the floor this week, the author noted that she pulled the bill based on commitments from the Authority to engage the concerns over the project raised by the Legislature.

AB 3116 (Irwin) – Mobility Devices. This bill would have authorized a public agency that issues a permit to an operator for mobility services to require that operator to periodically submit anonymized trip data and would clarify that trip data is electronic device information, as defined in the Electronic Communications Privacy Act. The intent of the bill was to clarify that CalECPA applies to city use of mobility data.

The bill was held in the Assembly Appropriations Committee suspense file due to fiscal costs. While the legislative vehicle is dead, there are ongoing discussions that might result in the bill language being inserted into another bill that is still moving in the process.

SB 902 (Wiener) – Housing Density Near Public Transit and Jobs. This bill would allow a local government to pass an ordinance to zone any parcel up to 10 units of residential density per parcel, at a height determined by the local government, if the parcel is located in a transit-rich area, a jobs-rich area, or an urban infill site.

As with SB 50, the bill is supported by housing advocacy groups and opposed by local government entities.

The bill passed out of the Senate Housing Committee 9-0 and will be heard in the Senate Appropriations Committee on June 18th.

High Speed Rail

The Assembly Transportation Committee held an oversight hearing on the High Speed Rail Authority's 2020 Draft Business Plan on May 27th. Brian Kelly, CEO of HSRA, fielded questions and criticism from legislators on the authority's $2.5 billion budget request, the ridership numbers included in the report, the cost of 30-year contracts, and the cost figures for the project continuing to fluctuate. We testified on behalf of Caltrain in support of the 2020 Draft Business plan including electrification in the Valley and the bookends. Several other local government entities also voiced support for the Plan.

Not long after the hearing, the Assembly Transportation Committee Chair, Assemblymember Frazier published a letter opposing the 2020 Draft Business Plan.

On June 3rd, Assemblymember Frazier introduced **House Resolution 97** that calls on the HSRA to not proceed with the execution of track, systems or train set procurements, or with the acquisition of the right-of-way along the City of Merced and the City of Bakersfield extensions, until the Assembly has considered and approved an appropriation of the remaining state bond funds.

The resolution came up for a vote on the Assembly Floor on Thursday and passed unanimously. Several more Assemblymembers joined on as coauthors, bringing the total to 63. The comments made by members echoed the frustrations that were voiced during the Assembly Transportation Committee's oversight hearing last month and emphasized the Legislature's dissatisfaction. The Speaker spoke in support of the resolution and Assemblymember Obernolte raised that the Legislature should consider pulling the Authority's Greenhouse Gas Reduction Fund allocation in the future.

On its face HR 97 simply states something that is already a matter of law – the HSRA cannot spend bond money unless the Legislature acts for it do so. But the political and policy implications are significant, as a bipartisan contingent of 63 members of the Legislature, including the Speaker of the Assembly, signed on as co-authors of the resolution. It is evidence of the growing legislative dissatisfaction with High Speed Rail and the Authority.

<u>Statewide Competitive Grant Programs</u>
Below is a list of major competitive grant programs administered by the State from which transit and rail projects are eligible/can be funded.

Transit and Intercity Rail Capital Program (TIRCP)
The TIRCP was created to fund capital improvements to modernize California's intercity rail, bus, ferry, and rail transit systems to reduce emissions, expand and improve transit service and ridership, integrate rail services and improve transit safety. Funds available are estimated at $450-500 million for Cycle 4 but could change on auction proceeds and changing cash flow requirements of already awarded projects.

Important Dates:
January 2020 – Applications Due
April 2020 – CalSTA Award Announcement

Solutions for Congested Corridors Program (SCCP)
The SCCP provides funding to achieve a balanced set of transportation, environmental, and community access improvements to reduce congestion throughout the state. The program makes $250 million available annually (programmed in 2-year increments) for projects that implement specific transportation performance improvements.

Important Dates:
October 2019 – Guidelines Adopted
January 2020 – Applications Due
June 2020 – Program Adoption

Local Partnership Program (LPP)
The LPP is intended to provide local and regional transportation agencies that have passed sales tax measures, developer fees, or other imposed transportation fees with a continuous appropriation of $200 million annually from the Road Maintenance and Rehabilitation Account to fund road maintenance and rehabilitation, sound walls, and

other transportation improvement projects. The Competitive program is funded at $100 million annually.

Important Dates:
October 2019 – Guidelines Adopted
January 2020 – Applications Due
June 2020 – Program Adoption

Trade Corridor Enhancement Program (TCEP)
The TCEP provides funding for infrastructure improvements on federally designated Trade Corridors of National and Regional Significance, on the Primary Freight Network as identified in California Freight Mobility Plan, and along other corridors that have a high volume of freight movement. There is approximately $300 million provided per year (programmed in 2-year increments) for the competitive program.

Important Dates:
January 2020 – Guidelines Adopted
March 2020 – Applications Due
June 2020 – Program Adoption

Grade Separation Funding
Below is a list of the funding sources that we are aware of and/or that have been used to fund grade separations in the recent years. The funding sources below are managed across various state agencies and departments, including the Public Utilities Commission (PUC), the California State Transportation Agency (CalSTA), the California Transportation Commission (CTC), and Caltrans.

PUC Section 190 Grade Separation Program – The Program is a state funding program to grade separate crossings between roadways and railroad tracks and provides approximately $15 million annually, transferred from Caltrans. Agencies apply to the PUC for project funding.

State Transportation Improvement Program – The STIP, managed by Caltrans and programmed by the CTC, is primarily used to fund highway expansion projects throughout the state, but also supports grade separations. The STIP is programmed every two years (currently the 2018 STIP added $2.2 billion in new funding). Local agencies receive a share of STIP funding, as does the State. The STIP is funded with gasoline excise tax revenues.

Transit and Intercity Rail Capital Program – The TIRCP is managed by CalSTA and is available to fund rail and transit projects that reduce greenhouse gas emissions. The program receives funding from Cap and Trade and the recently created Transportation Improvement Fee to the tune of approximately $500 million per year. The TIRCP is programmed over 5 years, with the most recent cycle beginning in May 2018. Caltrain received $160 million for the CalMod project.

Proposition 1A – This $9.9 billion Bond Act is the primary funding source for the high-speed rail project and has been used to fund a very limited number of grade separation projects in the past, including in the City of San Mateo.

Caltrain

State Legislative Matrix 6/11/2020

Active Bills			
Bill Number (Author)	Summary	Location	Position
AB 145 (Frazier D) High-Speed Rail Authority: Senate confirmation.	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 provide that the members of the authority appointed by the Governor are subject to appointment with the advice and consent of the Senate. Introduced: 12/13/2018	Senate Rules	Watch
AB 664 (Cooper D) Workers' compensation: injury: communicable disease.	Existing law establishes a workers' compensation system, administered by the Administrative Director of the Division of Workers' Compensation, to compensate an employee for injuries sustained in the course of employment. Existing law creates a disputable presumption that specified injuries sustained in the course of employment of a specified member of law enforcement or a specified first responder arose out of and in the course of employment.This bill would define "injury," for certain state and local firefighting personnel, peace officers, certain hospital employees, and certain fire and rescue services coordinators who work for the Office of Emergency Services to include being exposed to or contracting, on or after January 1, 2020, a communicable disease, including coronavirus disease 2019 (COVID-19), that is the subject of a state or local declaration of a state of emergency that is issued on or after January 1, 2020. The bill would create a conclusive presumption, as specified, that the injury arose out of and in the course of the employment. The bill would apply to injuries that occurred prior to the declaration of the state of emergency. The bill would also exempt these provisions from the apportionment requirements.This bill contains other related provisions and other existing laws. Amended: 5/18/2020	Senate L., P.E. & R.	Watch

Active Bills			
Bill Number (Author)	Bill Number (Author)	Bill Number (Author)	Bill Number (Author)
AB 1112 (Friedman D) Shared mobility devices: local regulation.	Existing law generally regulates the operation of bicycles, electric bicycles, motorized scooters, and electrically motorized boards. Existing law allows local authorities to regulate the registration, parking, and operation of bicycles and motorized scooters in a manner that does not conflict with state law.This bill would define a "shared mobility device" as a bicycle, electric bicycle, motorized scooter, electrically motorized board, or other similar personal transportation device, that is made available to the public for shared use and transportation, as provided. The bill would require shared mobility devices to include a single unique alphanumeric ID. The bill would allow a local authority to require a shared mobility device provider to provide the local authority with deidentified and aggregated trip data and operational data, including as a condition for operating a shared mobility device program. The bill would prohibit the sharing of individual trip data, except as provided by the Electronic Communications Privacy Act. The bill would allow a local authority to enact reasonable regulations on shared mobility devices and providers within its jurisdiction, including, but not limited to, requiring a shared mobility service provider to obtain a permit. The bill would allow a local authority to ban persons from deploying and offering shared mobility devices for hire on its public right of way, subject to the California Environmental Quality Act.This bill contains other related provisions. Amended: 6/19/2019	Senate 2 year	Watch
ACA 1 (Aguiar-Curry D) Local government financing: affordable housing and public infrastructure: voter approval.	(1)The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions.This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements. The measure would specify that these provisions apply to any city, county, city and county, or special district measure imposing an ad valorem tax to pay the interest and redemption charges on bonded indebtedness for these purposes that is submitted at the same election as this measure.This bill contains other related provisions and other existing laws. Amended: 3/18/2019	Assembly Reconsideration 6/11/2020 #2 ASSEMBLY MOTIO N TO RECONSIDER	Watch

Active Bills			
Bill Number (Author)	Bill Number (Author)	Bill Number (Author)	Bill Number (Author)
SB 288 (Wiener D) California Environmental Quality Act: exemptions.	(1)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 includes exemptions from its environmental review requirements for numerous categories of projects, including, among others, projects for the institution or increase of passenger or commuter services on rail or highway rights-of-way already in use and projects for the institution or increase of passenger or commuter service on high-occupancy vehicle lanes already in use, as specified. This bill would revise and recast the above-described exemptions and further exempt from the requirements of CEQA certain projects for the institution or increase of bus rapid transit and regional rail services on public rail or highway rights of way, as specified, whether or not it is presently used for public transit, as specified, and projects for the institution or increase of passenger or commuter service on high-occupancy vehicle lanes or existing roadway shoulders. The bill would additionally exempt projects for rail, light rail, and bus maintenance, repair, storage, administrative, and operations facilities; and projects for the repair or rehabilitation of publicly-owned local, major or minor collector, or minor arterial or major arterial bridges, as specified. The bill would require those exempt projects to meet additional specified criteria. The bill would require the lead agency to certify that those projects will be carried out by a skilled and trained workforce, except as provided.This bill would exempt from the requirements of CEQA projects for zero-emission fueling stations and chargers and projects for pedestrian and bicycle facilities. By requiring a lead agency to determine the applicability of this exemption, this bill would impose a state-mandated local program.(2)CEQA, until January 1, 2021, exempts from its requirements bicycle transportation plans for an urbanized area for restriping of streets and highways, bicycle parking and storage, signal timing to improve street and highway intersection operations, and related signage for bicycles, pedestrians, and vehicles under certain conditions.This bill would extend the above exemption until January 1, 2030.(3)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. Amended: 6/3/2020	Assembly Elections and Redistricting	Watch

Active Bills			
Bill Number (Author)	Bill Number (Author)	Bill Number (Author)	Bill Number (Author)
SB 902 (Wiener D) Planning and zoning: housing development: density.	The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its boundaries that includes, among other things, a housing element. Existing law requires an attached housing development to be a permitted use, not subject to a conditional use permit, on any parcel zoned for multifamily housing if at least certain percentages of the units are available at affordable housing costs to very low income, lower income, and moderate-income households for at least 30 years and if the project meets specified conditions relating to location and being subject to a discretionary decision other than a conditional use permit. Existing law provides for various incentives intended to facilitate and expedite the construction of affordable housing. This bill would authorize a local government to pass an ordinance, notwithstanding any local restrictions on adopting zoning ordinances, to zone any parcel for up to 10 units of residential density per parcel, at a height specified by the local government in the ordinance, if the parcel is located in a transit-rich area, a jobs-rich area, or an urban infill site, as those terms are defined. In this regard, the bill would require the Department of Housing and Community Development, in consultation with the Office of Planning and Research, to determine jobs-rich areas and publish a map of those areas every 5 years, commencing January 1, 2022, based on specified criteria. The bill would specify that an ordinance adopted under these provisions is not a project for purposes of the California Environmental Quality Act.This bill contains other related provisions. Amended: 5/21/2020	Senate Appropriations Suspense File 6/18/2020 Upon adjournment of Session - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS SUSPENSE, PORTANTINO, Chair	Watch

Inactive Bills			
Bill Number (Author)	Summary	Location	Position
AB 1350 (Gonzalez D) Free youth transit passes: eligibility for state funding.	Existing law declares that the fostering, continuance, and development of public transportation systems are a matter of state concern. Existing law authorizes the Department of Transportation to administer various programs and allocates moneys for various public transportation purposes.This bill would require transit agencies to offer free youth transit passes to persons 18 years of age and under in order to be eligible for state funding under the Mills-Deddeh Transit Development Act, the State Transit Assistance Program, or the Low Carbon Transit Operations Program. The bill would also require a free youth transit pass to count as a full price fare for purposes of calculating the ratio of fare revenues to operating costs. Amended: 1/15/2020	Failed passage in the Senate Transportation Committee*	Watch
AB 1991 (Friedman D) Transit and Intercity Rail Capital Program: passenger tramways.	Existing law establishes the Transit and Intercity Rail Capital Program, which is funded in part by a continuously appropriated allocation of 10% of the annual proceeds of the Greenhouse Gas Reduction Fund, to fund transformative capital improvements that will modernize California's intercity, commuter, and urban rail systems and bus and ferry transit systems to achieve certain policy objectives. Existing law requires the Transportation Agency to evaluate applications for funding under the program and to approve a multiyear program of projects, as specified, and requires the California Transportation Commission to allocate funding to applicants pursuant to the program of projects approved by the agency.This bill would expand the purpose of the program to authorize funding for passenger tramway transit systems. By expanding the purposes for which continuously appropriated moneys may be used, the bill would make an appropriation. Introduced: 1/27/2020	Failed passage in the Assembly Transportation Committee*	Watch

Inactive Bills			
Bill Number (Author)	Summary	Location	Position
AB 1992 (Friedman D) Transportation: transportation infrastructure: climate change.	Existing law vests the Department of Transportation with full possession and control of the state highway system. Existing law requires the department, in consultation with the California Transportation Commission, to prepare a robust asset management plan that assesses the health and condition of the state highway system and with which the department is able to determine the most effective way to apply the state's limited resources.This bill would state the intent of the Legislature to enact legislation that would establish a new program to fund climate change adaptation planning for transportation impacts, data collection, modeling, and training. The bill would require the department, in consultation with the commission, to update the asset management plan on or before December 31, 2022, and every 4 years thereafter, and for the updates to take into account the forecasted impacts of climate change on transportation infrastructure. The bill would require the updates to the California Transportation Plan and the Strategic Growth Council's report to include a forecast of the impacts of climate change on transportation infrastructure and measures to address those impacts. The bill would require the commission's revisions to the guidelines for the preparation of regional transportation plans to include a requirement that designated transportation planning agencies take into account the forecasted transportation infrastructure impacts of climate change. By requiring regional transportation plans to take into account this additional factor, the bill would impose a state-mandated local program.This bill contains other existing laws. Amended: 3/11/2020	Failed passage in the Assembly Transportation Committee*	Watch
AB 2012 (Chu D) Free senior transit passes: eligibility for state funding.	Existing law declares that the fostering, continuance, and development of public transportation systems are a matter of state concern. Existing law authorizes the Department of Transportation to administer various programs and allocates moneys for various public transportation purposes. This bill would require transit agencies to offer free senior transit passes to persons over 65 years of age in order to be eligible for state funding under the Mills-Deddeh Transit Development Act, the State Transit Assistance Program, and the Low Carbon Transit Operations Program. The bill would require those free senior transit passes to count as full price fares for purposes of calculating the ratio of fare revenues to operating costs. Introduced: 1/28/2020	Failed passage in the Assembly Transportation Committee*	Watch

Inactive Bills			
Bill Number (Author)	Summary	Location	Position
AB 2057 (Chiu D) San Francisco Bay area: public transportation.	(1)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 relative to providing public transit services. Existing law establishes the Transportation Agency consisting of various state agencies under the supervision of an executive officer known as the Secretary of Transportation, who is required to develop and report to the Governor on legislative, budgetary, and administrative programs to accomplish comprehensive, long-range, and coordinated planning and policy formulation in the matters of public interest related to the agency.This bill would declare the intent of the Legislature to enact subsequent legislation that would create a transportation network manager for the 9-county San Francisco Bay area to, among other things, integrate all aspects of public transit within the 9-county San Francisco Bay area and provide leadership and accountability in planning, coordinating, and financing the transportation network. The bill would establish a 19-member Bay Area Seamless Transit Task Force to recommend to the Legislature the structure, governance, and funding of the transportation network manager and the organizational structure, governance, and funding for San Francisco Bay area transportation agencies, and other reforms to the San Francisco Bay area's local, regional, and state public agencies, that should be enacted in future legislation to maximize the effectiveness of the public transit system in the San Francisco Bay area. The bill would require the Secretary of Transportation to convene the task force by April 1, 2021. The bill would require the Metropolitan Transportation Commission to provide staffing to the task force to aid it in the performance of its duties, and would require the Legislative Analyst's Office to advise the task force in the performance of its duties. The bill would require the task force to submit a report to the Legislature on or before January 1, 2023, of its findings and recommendations and a summary of its activities. The bill would repeal these provisions on January 1, 2027.This bill would require the commission, in consultation with transit agencies, on or before January 1, 2022, (A) to create standardized discount categories and eligibility requirements for fare discount programs for seniors, students, youth, and other rider categories, and (B) to create a multimodal, multiagency pilot program to implement an accumulator pass that may be used with one regional rail agency and at least one transit agency. The bill would require the regional rail agency and the transit agency or agencies selected to participate in the pilot program to offer the accumulator pass to the public on or before July 1, 2022. The bill would require the commission to prepare a plan, on or before July 1, 2023, to deploy the Clipper card payment system on passenger trains operated on the Capitol Corridor and on passenger trains operated by the Altamont Corridor Express. The bill would require the commission, in the next upgrade to the Clipper card payment system, to enable customers to pay for paratransit, parking at transit stations, and employer and educational institution transit discount programs.This bill contains other related provisions and other existing laws. Amended: 5/4/2020	Failed passage in the Assembly Transportation Committee*	Watch

Inactive Bills			
Bill Number (Author)	Summary	Location	Position
AB 2176 (Holden D) Free student transit passes: eligibility for state funding.	Existing law declares that the fostering, continuance, and development of public transportation systems are a matter of state concern. Existing law authorizes the Department of Transportation to administer various programs and allocates moneys for various public transportation purposes.This bill would require transit agencies to offer free student transit passes to persons attending the California Community Colleges, the California State University, or the University of California in order to be eligible for state funding under the Mills-Alquist-Deddeh Act, the State Transit Assistance Program, or the Low Carbon Transit Operations Program. The bill would also require a free student transit pass to count as a full price fare for purposes of calculating the ratio of fare revenues to operating costs.This bill contains other related provisions and other existing laws. Introduced: 2/11/2020	Failed passage in the Assembly Transportation Committee*	Watch
AB 2237 (Berman D) San Francisco Bay area county transportation authorities: contracting.	The Bay Area County Traffic and Transportation Funding Act authorizes each of the 9 counties in the San Francisco Bay area to impose a 1/2 of 1% or 1% sales tax for transportation purposes, subject to voter approval. Existing law provides for the establishment of a county transportation authority in each county imposing a sales tax under these provisions, requires the development of a county transportation expenditure plan, and specifies the powers and duties of a county board of supervisors and the county transportation authority in this regard. Existing law requires each county transportation authority to award contracts for the purchase of supplies, equipment, and materials in excess of $75,000 to the lowest responsible bidder after competitive bidding, except in an emergency declared by the vote of 2/3 of the voting membership of the county transportation authority.This bill would require each county transportation authority to award contracts for the purchase of supplies, equipment, and materials in excess of $150,000, rather than $75,000, either to the lowest responsible bidder or to the responsible bidder whose proposal provides the best value, as defined, on the basis of the factors identified in the solicitation, except in a declared emergency, as specified. The bill would specify that the requirement does not apply to construction contracts. Amended: 5/4/2020	Failed passage in the Assembly Transportation Committee*	Watch

Inactive Bills			
Bill Number (Author)	Summary	Location	Position
AB 2249 **(Mathis R)** High-speed rail: legislative oversight.	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. Existing law requires the authority, on or before March 1, 2017, and every 2 years thereafter, to provide 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.This bill would create the Joint Legislative Committee on High-Speed Rail Oversight consisting of 3 Members of the Senate and 3 Members of the Assembly and would require the committee to ascertain facts, review documents, and take action thereon, and make recommendations to the Legislature concerning the state's programs, policies, and investments related to high-speed rail, as specified. The bill would require the authority and any entity contracting with the authority to give and furnish to the committee upon request information, records, and documents as the committee deems necessary and proper to achieve its purposes. The bill would require the authority to submit to the committee on a monthly basis certain information relating to the authority's ongoing operations in the development and implementation of intercity high-speed train service, as provided.This bill contains other related provisions and other existing laws. Introduced: 2/13/2020	Failed passage in the Assembly Transportation Committee*	Watch
AB 2943 **(Ting D)** Surplus property: disposal.	Existing law prescribes requirements for the disposal of surplus land, as defined, by a local agency, as defined. Existing law requires land to be declared surplus land or exempt surplus land, as supported by written findings, before a local agency takes any action to dispose of it consistent with the agency's policies or procedures.This bill would provide that the provisions regulating the disposal of surplus land shall not be construed to require a local agency to dispose of land that is determined to be surplus. Introduced: 2/21/2020	Failed passage in the Assembly Local Government Committee*	Watch
AB 2987 **(Flora R)** Local agency public contracts: bidding procedures.	The Uniform Public Construction Cost Accounting Act authorizes a public agency to elect to become subject to uniform construction cost accounting procedures. The act authorizes bidding procedures for public projects, as specified. Those bidding procedures include procedures for the publication or posting and electronic transmission of notice inviting formal bids.This bill would authorize a public agency, as an alternative to the publication or posting requirement, to meet the notice inviting formal bids requirement by transmitting notice electronically, as specified, and publishing the notice electronically in a prescribed manner on the public agency's internet website at least 14 calendar days before the date of opening the bids.This bill contains other related provisions and other existing laws. Introduced: 2/21/2020	Failed passage in the Assembly Local Government Committee*	Watch

Inactive Bills			
Bill Number (Author)	Summary	Location	Position
AB 3116 (**Irwin** D) Mobility devices: personal information.	Existing law, the California Consumer Privacy Act of 2018, grants a consumer various rights with respect to personal information, as defined, that is collected or sold by a business, as defined, including the right to opt out of the sale of a consumer's personal information.This bill would authorize a public agency, defined as a state or local public entity that issues a permit to an operator for mobility services or that otherwise regulates an operator, to require an operator to periodically submit to the public agency anonymized trip data and the operator's mobility devices operating in the geographic area under the public agency's jurisdiction and provide specified notice of that requirement to the operator. The bill would authorize a public agency to share anonymized trip data with a contractor, agent, or other public agency only if specified conditions are met, including that the purpose of the sharing is to assist the public agency in the promotion and protection of transportation planning, integration of mobility options, and road safety. The bill would prohibit a public agency from sharing trip data with a contractor or agent.This bill contains other existing laws. Amended: 5/12/2020	Assembly Dead – Held in Appropriations Committee	Watch
AB 3128 (**Burke** D) Electricity: deenergization events: fuel cells.	Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. Existing law requires each electrical corporation to annually prepare a wildfire mitigation plan and to submit its plan to the commission for review and approval, as specified. Existing law requires the wildfire mitigation plan to include, among other things, protocols for disabling reclosers and deenergizing portions of the electrical distribution system, also known as public safety power shutoffs, that consider the associated impacts on public safety.This bill would provide that it is the intent of the Legislature to enact legislation that would incentivize the use of fuel cells to address reliability issues associated with public safety power shutoffs. Introduced: 2/21/2020	Failed passage in the Assembly Natural Resources Committee*	Watch
AB 3213 (**Rivas, Luz** D) High-Speed Rail Authority: high-speed rail service: priorities.	Existing law establishes the High-Speed Rail Authority within the state government with various powers and duties related to developing and implementing high-speed passenger rail service. Existing law requires the authority to direct the development and implementation of intercity high-speed rail service that is fully integrated with specified forms of transit. This bill would require the authority, in directing the development and implementation of intercity high-speed rail service, to prioritize projects based on specified criteria. Introduced: 2/21/2020	Assembly Dead – Failed Fiscal Committee Deadline	Watch
SB 43 (**Allen** D) Carbon intensity and pricing: retail products.	The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to approve a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020 and to ensure that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by 2030.This bill would require the state board, no later than January 1, 2022, to submit a report to the Legislature on the findings from a study, as specified, to determine the feasibility and practicality of assessing the carbon intensity of all retail products subject to the tax imposed pursuant to the Sales and Use Tax Law, so that the total carbon equivalent emissions associated with such retail products can be quantified.This bill contains other existing laws. Amended: 7/1/2019	Failed passage in the Assembly Revenue and Taxation Committee*	Watch

Inactive Bills			
Bill Number (Author)	Summary	Location	Position
SB 50 (**Wiener** D) Planning and zoning: housing development: streamlined approval: incentives.	(1)Existing law authorizes a development proponent to submit an application for a multifamily housing development that satisfies specified planning objective standards to be subject to a streamlined, ministerial approval process, as provided, and not subject to a conditional use permit.This bill would authorize a development proponent of a neighborhood multifamily project located on an eligible parcel to submit an application for a streamlined, ministerial approval process that is not subject to a conditional use permit. The bill would define a “neighborhood multifamily project” to mean a project to construct a multifamily structure on vacant land, or to convert an existing structure that does not require substantial exterior alteration into a multifamily structure, consisting of up to 4 residential dwelling units and that meets local height, setback, and lot coverage zoning requirements as they existed on July 1, 2019. The bill would also define “eligible parcel” to mean a parcel that meets specified requirements, including requirements relating to the location of the parcel and restricting the demolition of certain housing development that may already exist on the site.This bill contains other related provisions and other existing laws. Amended: 1/6/2020	Failed passage on the Senate Floor	Watch

Inactive Bills			
Bill Number (Author)	Summary	Location	Position
SB 146 (Beall D) Peninsula Rail Transit District.	Existing law, operative under certain conditions, redesignates the Peninsula Corridor Study Joint Powers Board as the Peninsula Rail Transit District, comprised of 9 members appointed from various governing bodies situated in the City and County of San Francisco and the Counties of San Mateo and Santa Clara, with specified powers.This bill would repeal the provisions relating to the Peninsula Rail Transit District. Introduced: 1/18/2019	Failed passage in the Assembly Transportation Committee*	Watch
SB 147 (Beall D) High-Speed Rail Authority.	The California High-Speed Rail Act creates the High-Speed Rail Authority to develop and implement a high-speed train system in the state, with specified powers and duties. Existing law authorizes the authority, among other things, to keep the public informed of its activities.This bill would revise that provision to instead authorize the authority to keep the public informed through activities, including, but not limited to, community outreach events, public information workshops, and newsletters posted on the authority's internet website. Introduced: 1/18/2019	Failed passage in the Assembly Transportation Committee*	Watch
SB 278 (Beall D) Metropolitan Transportation Commission.	The Metropolitan Transportation Commission Act creates the Metropolitan Transportation Commission as a local area planning agency to provide comprehensive regional transportation planning for the region comprised of the 9 San Francisco Bay area counties. The act requires the commission to continue to actively, on behalf of the entire region, seek to assist in the development of adequate funding sources to develop, construct, and support transportation projects that it determines are essential.This bill would also require the commission to determine that those transportation projects are a priority for the region.This bill contains other related provisions and other existing laws. Amended: 3/28/2019	Failed passage in the Assembly Transportation Committee*	Watch

*This bill is not moving forward due to limitations in place on bills under consideration due to COVID-19.

Caltrain
As of June 15, 2020 Federal Transportation Report

Status of COVID Relief Package

It has been over three weeks since House Democrats passed a sweeping $3 trillion relief bill, the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act that would provide $915 billion for state and local governments, provide rent and mortgage relief, and expand unemployment and food assistance programs. The legislation would also provide $15 billion in highway formula funds and $15.75 billion in operating assistance grants related to COVID-19 response at 100% federal share.

President Trump confirmed in June 5 remarks that the White House "will be asking for additional stimulus money." There are reports that the White House is considering an extension to additional unemployment payments, but lowering them to $250 or $300 a week.

Senate Republicans are planning to push for liability protections for businesses as many states begin to reopen; and President Donald Trump is advocating for a payroll tax cut, as well as additional stimulus funding.

Members of both the Senate and the House of Representatives are expected to begin considering the next COVID response bill after the July 4th recess as some of the benefits enacted under the CARES Act, like increased unemployment insurance payments, are set to expire. Unclear at this time if the bill will include funding for transit and highways.

FY 2021 Appropriations Update

Congress needs to pass a dozen of spending bills for fiscal year (FY) 2021 before the current FY 2020 ends on September 30. The House and Senate's consideration of these bills has been delayed as coronavirus has consumed the legislative agenda and complicated committee work on Capitol Hill as many members and staff have been and will continue to work remotely. Congress will most likle have to pass continuing resolution (CR) to continue to fund federal agencies through the Election Day, November 3.

The Senate Appropriations Committee will begin markups for FY 2021 spending bills the week of June 22. Senate appropriators are aiming to start markups before the Fourth of July recess with floor votes to follow.

House appropriators will hold subcommittee and full committee markups on FY 2021 appropriations bills, including Transportation/HUD, during the weeks of July 6 and July 13, with floor votes as soon as the weeks of July 20 and July 27.

The House and Senate Appropriations Subcommittees will conference the FY 2021 appropriations bills during the August recess and the congressional recess leading up election day.

House Introduces Transportation Reauthorization INVEST Act
****Memo on INVEST Act is attached****

On June 3, the Democratic leadership of the House Transportation & Infrastructure (T&I) Committee introduced the five-year $494 surface transportation authorization bill, the Investing in a New Vision for the Environment and Surface Transportation (INVEST) in America Act. House Republicans were not included in the bill writing process, and are unlikely to support the measure.

On July 30, 2019, the Senate EPW Committee approved its five-year highway reauthorization bill, America's Transportation Infrastructure Act (S. 2302), authorizing $287 billion in Highway Trust Fund contract authority and an additional $5.7 billion from the Treasury general fund which is a 27% increase over the FAST Act. The Senate Banking Committee that oversees transit and the Senate Commerce, Science, and Transportation Committee that oversees rail still need to pass their bills.

Neither the House or Senate have identified a way to pay for surface transportation authorization bill. The current authorization bill, the FAST Act, expires on September 30; therefore, Congress will pass an extension of the FAST Act to continue current funding levels for transportation programs. The T&I Committee plans to consider the bill on June 17. The measure is scheduled for a vote on the House floor the week of June 29.

The bill provides a total of $494 billion over five years—FY 2021 to FY 2025:

- $411 billion from the Highway Trust Fund
- $83 billion is authorized for appropriations from the Treasury's general fund (i.e. the funding will have to be provided through the annual Transportation Appropriations bills)

The bill includes the following funding levels for each of the transportation modes:

- $319 billion for the federal-aid highway program under the Federal Highway Administration (FHWA)—27% increase over FAST Act
- $105 billion for transit programs under the Federal Transit Administration (FTA)—54% increase over FAST Act
- $4.6 billion for highway safety programs under the National Highway Traffic Safety Administration (NHTSA)
- $5.3 billion for motor carrier safety programs under the Federal Motor Carrier Safety Administration (FMCSA)
- $60 billion for passenger rail programs under the Federal Railroad Administration (FRA)

Senate Committee on Commerce, Science, and Transportation Hearing: "The State of Transportation and Critical Infrastructure: Examining the Impact of the COVID-19 Pandemic"

On June 3, the Senate Committee on Commerce, Science and Transportation held a hearing entitled "The State of Transportation and Critical Infrastructure: Examining the Impact of the COVID-19 Pandemic." During opening statements, members and witnesses commended transportation workers and businesses for keeping the supply chain moving. Multiple Senators discussed the importance of the Senate Commerce Committee bill, the Critical Infrastructure Employees Protection Act, which would ensure that critical infrastructure workers have access to testing and PPE. All of the witnesses showed support for this legislation either in their opening statement or in their answers to member questions. During the question and answer session, Democrats emphasized the need for enforceable worker protections from the federal government. On the other hand, Republicans focused their questions on ways that Congress can support the fluidity of the supply chain. Both parties showed an interest in creating public-private partnerships to ensure that essential goods are effectively distributed across the nation.

Witnesses:

- Mr. John Bozzella, President and Chief Executive Officer, Alliance for Automotive Innovation
- Mr. Randy Guillot, Chairman of the Board, American Trucking Association
- Mr. Ian Jefferies, President and Chief Executive Officer, Association of American Railroads
- Mr. Alex Oehler, Interim President and Chief Executive Officer, Interstate Natural Gas Association of America
- Mr. Larry Willis, President, Transportation Trades Department, AFL-CIO

Senate Committee on Environment and Public Works (EPW): "Infrastructure: The Road to Recovery"

On June 4 the Senate EPW Committee held a hearing entitled "Infrastructure: The Road to Recovery." The hearing began by Chairman John Barroso (R-WY) addressing three challenges that the nation currently faces: the coronavirus pandemic, nationwide anti-racism protests, and the looming economic crisis. He affirmed that infrastructure investment is a unique vehicle that can provide solutions to all three of these problems. The Chairman, Ranking Member Tom Carper (D-DE), and most committee members concurred with this notion. Many emphasized that long-term infrastructure investment will provide a stable lifeline for the American economy to recover. The witness panel offered insights into how infrastructure investment can benefit the economy in its road to recovery as well as how it can provide new opportunities for micro-economies of lower-income communities across the country. Witnesses and Senators also emphasized that the Highway Trust Fund is nearing insolvency quicker than anticipated and that rescue funds must be allocated to it in order to ensure the critical services it provides can be maintained.

Witnesses:

- Steve McGough, Chairman, American Road & Transportation Builders Association/President and Chief Financial Officer, HCSS
- Dr. Doug Holtz-Eakin, President, American Action Forum
- The Honorable Greg Fischer, Mayor, Louisville, KY / Incoming President, U.S. Conference of Mayors

Grant Opportunities

- **CRISI:** $311.8 million available. Applications due June 19.
- **Real-Time Transit Infrastructure and Rolling Stock Condition Assessment Demonstration Program**: $1.25 million available. Applications due July 17.

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House Surface Transportation Authorization Bill: Investing In A New Vision for the Environment and Surface Transportation in America (INVEST) Act

Timing

- On June 3, the Democratic leadership of the House Transportation & Infrastructure (T&I) Committee introduced the five-year $494 surface transportation authorization bill, the Investing in a New Vision for the Environment and Surface Transportation (INVEST) in America Act. The INVEST Act will require Congress to identify $140 billion for the Highway Trust Fund. House Republicans were not included in the bill writing process, and are unlikely to support the measure.

- On July 30, 2019, the Senate EPW Committee approved its five-year highway reauthorization bill, America's Transportation Infrastructure Act (S. 2302), authorizing $287 billion in Highway Trust Fund contract authority and an additional $5.7 billion from the Treasury general fund which is a 27% increase over the FAST Act. The Senate Banking Committee that oversees transit and the Senate Commerce, Science, and Transportation Committee that oversees rail still need to pass their bills.

- Neither the House or Senate have identified a way to pay for surface transportation authorization bill. The current authorization bill, the FAST Act, expires on September 30; therefore, Congress will likely pass an extension of the FAST Act to continue current funding levels for transportation programs. The T&I Committee plans to consider the bill on June 17. The House is scheduled to consider the bill on the floor the week of June 29th.

Funding

- Total of $494 billion over five years—FY 2021 to FY 2025
  - $411 billion from the Highway Trust Fund
  - $83 billion is authorized for appropriations from the Treasury's general fund (i.e. the funding will have to be provided through the annual Transportation Appropriations bills)

- Funding for Transportation Modes:
  - $319 billion for the federal-aid highway program under the Federal Highway Administration (FHWA)—27% increase over FAST Act
  - $105 billion for transit programs under the Federal Transit Administration (FTA)—54% increase over FAST Act
  - $4.6 billion for highway safety programs under the National Highway Traffic Safety Administration (NHTSA)
  - $5.3 billion for motor carrier safety programs under the Federal Motor Carrier Safety Administration (FMCSA)

- $60 billion for passenger rail programs under the Federal Railroad Administration (FRA)

Funding for the State of California

Program	FAST Act	INVEST Act	Funding Increase
National Highway Surface Performance	$10,032,529,736	$12,170,572,732	$2,138,042,996
Surface Transportation Program	$5,057,774,101	$6,256,459,531	$1,198,685,430
Highway Safety Improvement	$1,017,592,522	$1,343,269,584	$325,677,026
Railway Crossings	$82,135,958	$83,637,560	$1,501,602
CMAQ	$2,406,968,478	$2,886,217,556	$479,249,078
Metropolitan Planning	$259,831,965	$368,341,540	$108,509,575
National Freight Program	$582,360,087	$757,135,948	$174,775,861
Apportioned Total	$19,439,192,847	$25,131,533,433	$5,692,340,586

Major Changes to FAST Act

- **Before building any new highway capacity with National Highway Performance Program (NHPP) funds, states are required to demonstrate "progress in achieving a state of good repair on the National Highway System".**
- Requires states to spend 20 percent of their NHPP and Surface Transportation Block Grant Program (STBGP) funding (excluding suballocation) on bridge repair and rehabilitation projects—$28 billion FY 2022-FY2025. Increases the off-system bridge set-asides to $1 billion per year compared to the FAST Act $770 million set-aside.
- Mandates that the Department of Transportation (DOT) establish new greenhouse gas emissions performance measure based on carbon emissions per capita on all public roads and creates a new $8.4 billion formula program to incentivize carbon emission reductions for highway, transit, and rail projects. Top-performing states are provided funding flexibility while low-performing states are required to provide 10 percent of their STBGP funds (excluding suballocation) to carbon reduction.
- Creates a new $6.3 billion formula program to fund resilience and emergency evacuation needs—states and MPOs must develop an "infrastructure vulnerability assessment" to guide investments via this new program.

Rail Safety

Sec. 1204. Railway crossings. (pages 156-163)
- $1.225 billion (FAST Act: $1.3 billion; **$75 million decrease**)

- Establishes a standalone railway crossing program, based on the railway-highway grade crossing set aside, raising the overall level of investment. Requires railroads to contribute the share for projects that provide a benefit to the railroad. Expands eligibilities to include projects to mitigate lost access from a crossing closure and strategies to prevent or reduce trespasser fatalities and injuries along railroad rights-of-way. **Allows railway crossing funds to be used toward the cost of projects selected for the FRA's Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant program**.

Sec. 9103. Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grants. (pages 764-768)

- $7 billion; this program is subject to appropriations so funding varies year to year (FAST Act: $1.103 billion; $5.897 billion increase)
- Reauthorizes the FRA's discretionary grant program, CRISI. **Commuter rail authorities are newly eligible, and project eligibilities are extended to commuter rail transportation improvement projects, maintenance and upgrades of railroad safety technology (including positive train control), and the establishment of new quiet zones**. The section reserves 15% of the funding for rural projects, establishes a 50 percent set-aside for projects over $100 million, and removes a preference for projects with a lower percentage of Federal funding. Grants awarded to commuter rail authorities are transferred to the FTA for grant administration, and commuter railroad authorities must provide protective arrangements to employees covered by railroad labor and retirement statutes who are adversely affected by grant-funded projects.

Sec. 9551. Grade Crossing Separation Grant. (pages 852-856)—NEW PROGRAM

- $2.5 billion
- **Creates a new grant program to build or improve grade crossing separations**. Right-of-way owners must contribute at least 10% of the total project costs. No more than 50% of the funds can go to projects that cost $100 million or more. For projects over $40 million, the cost-share is 65%, and for projects under $40 million, the cost-share is 85%.

Sec. 9552. Rail Safety Public Awareness Grant. (pages 856-858)—NEW PROGRAM

- $30 million
- Authorizes a new FRA grant program with a focus on reducing rail-related accidents and improving safety along railroad rights-of-way and highway-rail grade crossings. Eligible programs include public service announcements and media campaigns, school and driver education safety presentations, and dissemination of safety information to communities.

Metropolitan Planning

Sec. 1205. Surface Transportation Program (STP). (pages 163-173):

- $65.3 billion (FAST Act: $58.268 billion; $7.032 billion increase)
- Revises the suballocation to four population bands: 200,000 and above; 50,000-200,000; 50,000-5,000; and under 5,000. Establishes a technical assistance program for areas with a population of 200,000 and above to ensure efficient project delivery and facilitate compliance with applicable requirements.

Sec. 1206. Transportation Alternatives Program (TAP). (pages 173-186)

- $6,853.5 billion (FAST Act: $4.22 billion; $2.633 billion increase)
- Provides funding for the Transportation Alternatives Program (TAP) as a 10 percent set-aside out of STP. Increases the share of the program's funds that must be suballocated to areas of the State based on population from 50 percent to 66 percent.
- Allows a State to use HSIP funds to cover the non-Federal share of the cost of a TAP project, and places restrictions on the ability of the State to transfer TAP funds out of the program. Provides flexibility for a State to meet the non-Federal match on a multiple-project or programmatic.

Sec. 1210. Congestion Mitigation and Air Quality Improvement Program (CMAQ). (pages 208-210)

- $14.478 billion (FAST Act: $12.022 billion; $2.456 billion increase)
- Adds eligibility for shared micromobility projects, including bikeshare and shared scooters. Adds eligibility for projects to mitigate seasonal or temporary traffic congestion from travel or tourism. Allows hydrogen fueling stations as an eligible activity. Modifies the eligibility of program funds to be used for operating assistance, including providing additional assistance for projects that continue to demonstrate net air quality benefits.

Sec. 1305. Metro performance program. (pages 275-288)—NEW PROGRAM

- $750 million
- New program to allow direct allocations to MPOs to advance locally-selected projects. Authorizes the Secretary to designate a high-performance tier of MPOs based on technical capacity to manage Federal-aid highway funds. Provides between $10 and $50 million per year for the MPOs designated. Projects are subject to all Federal-aid highway requirements, including environmental laws, labor projections, and Buy America.

Environmental Requirements/Programs

Sec. 1202. Increasing the resilience of transportation assets. (pages 134-151)—NEW PROGRAM

- Requires the MPO and State-prepared long-range transportation plans to include strategies to mitigate and reduce climate impacts and a vulnerability assessment of critical transportation assets, evacuation routes, and facilities repeatedly damaged by disasters. The MPO and State must identify projects to address identified vulnerabilities, and these projects are eligible for funding under the newly established pre-disaster mitigation program.
- Establishes a pre-disaster mitigation program, which receives $6.25 billion in apportioned funds over the life of the bill for resilience projects identified in the State and MPO vulnerability assessments. Construction of resilience improvements, including construction of natural infrastructure or protective features, are eligible on any existing highway or transit asset eligible under titles 23 or 49. In addition, funds can be used to relocate or construct alternatives to transportation infrastructure that are repeatedly damaged by extreme weather events, or to address current and future vulnerabilities to evacuation routes designated in an MPO or State's vulnerability assessment. Projects eligible for funding under this section must be designed to ensure resilience over the life

of the facility and take into consideration current and projected changes in flooding based on climate science and projected land use.

<u>Sec. 1213. Carbon pollution reduction. (pages 213-221)—NEW PROGRAM</u>

- $8.34 billion
- Creates a new carbon pollution reduction apportionment program. Provides broad flexibility to the States to fund projects eligible under title 23 or chapter 53 of title 49, provided that the projects reduce greenhouse gas emissions. Includes eligibility for intercity passenger rail projects that reduce greenhouse gas emissions and improve mobility on public roads. Requires the Secretary to annually evaluate carbon dioxide emissions per capita on public roads in each State and issue an accompanying progress report. States that achieve the most significant reductions in carbon dioxide emissions will receive additional flexibility in project Federal share and program transferability. States making the least progress in emissions reduction are required to dedicate additional Federal funds to projects that will reduce emissions.

<u>Sec. 1303. Grants for electric vehicle charging and hydrogen fueling infrastructure to modernize and reconnect America for the 21st century. (pages 246)—NEW PROGRAM</u>

- $1.4 billion
- Establishes a $350 million annual competitive grant program to deploy electric vehicle charging and hydrogen fueling infrastructure. The program will prioritize projects that demonstrate the highest levels of carbon pollution reductions and that are installed on designated alternative fueling corridors.

<u>Sec. 1304. Community climate innovation grants. (pages 269-275)—NEW PROGRAM</u>

- $1 billion
- Establishes a new $250 million per year competitive grant program to support local investments in innovative strategies to reduce greenhouse gas emissions. Provides broad flexibility to grantees to fund projects eligible under title 23 or chapter 53 of title 49, provided the project reduces greenhouse gas emissions. Includes eligibility for intercity passenger rail projects that reduce greenhouse gas emissions and improve mobility on public roads. Prioritizes projects that show the most promise in reducing greenhouse gas emissions, and provides further consideration for a project’s cost-effectiveness, provision of diverse transportation choices, accessibility, equity and environmental justice impacts, benefits to low-income communities, and use of innovative materials.

<u>Bridges</u>

- Requires states to spend 20 percent of their NHPP and Surface Transportation Block Grant Program (STBGP) funding (excluding suballocation) on bridge repair and rehabilitation projects.
- Increases the off-system bridge set-asides to $1 billion per year compared to the FAST Act $770 million set-aside.

Transit

Sec. 2104. Miscellaneous Provisions. (pages 420-423)

- Increases Federal cost share to 90 percent for ADA accessibility in state of good repair projects. Authorizes FTA to provide technical assistance on the impacts of a new census count. Ensures reimbursements continue in the event of a government shutdown. Requires transit agencies collect data on the assault of transit workers. Relaxes the phase out of the Special Bus Rule to provide more flexibility.

Sec. 2201. Multi-jurisdictional bus frequency and ridership competitive grants. (pages 424-428)—NEW PROGRAM

- $415 billion
- Creates a new competitive program, funded at $100 million annually, to increase bus frequency, ridership and total person throughput by redesigning urban streets and corridors to efficiently move transit vehicles in congested major urban areas. The program is structured to require a partnership between transit agencies and State or local government agencies responsible for roadways.

Sec. 2202. Incentivizing frequency in the urban formula. (pages 429-433)

- **Replaces the current incentive formula based on low operating costs with a formula based on vehicles per hour during peak service in the highest 25 percent of routes by ridership.** This will incentivize ridership rather than low-cost bus operations. This formula change begins in 2023, providing time to collect the data and improve frequency on the highest ridership routes.

Sec. 2402. Bus facility and fleet expansion grants. (pages 470-472)

- $1.944 billion (FAST Act: $1.244 billion; $700 million increase)
- Modifies the competitive bus program to focus on large one-time needs for bus garages, bus stations, and fleet expansions. Grant considerations are limited to age and condition of facilities, resilience, and multimodal connections at stations.

Sec. 2403. Zero-emission bus grants (former Low-No). (pages 472-476)

- $1.78 billion (FAST Act: $275 million; $1.505 billion increase)
- Sets procurement minimums to ensure transit agencies are investing appropriately in zero-emission bus fleets and the necessary charging infrastructure. Directs the funding to areas of the largest need to resolve Clean Air Act compliance issues. Requires an agency plan for long term zero-emission bus needs and a fleet transition study. Will incentivize projects with batteries made in the U.S.A.

Sec. 2911. Fixed guideway capital investment grants. (pages 525-537)

- $21.509 billion; this program is subject to appropriations so funding varies year to year (FAST Act: $11.509 billion; $10 billion increase)
- Small Starts: The Federal cost cap for small starts projects increases to $320 million and the total cost cap increases to $400 million,

- Core Capacity: Adds station expansion eligibility to core capacity projects. Allows these projects to start planning additional capacity 10 years before the corridor reaches capacity.
- Engineering phase: Increases to 3 years the time projects have to move through the engineering phase.
- Project Development phase: Cost and risk assessments may not be required in the project development phase, but applicants may choose to do their own assessments and FTA can provide technical assistance.
- Federal Cost Share: Reestablishes an 80 percent CIG cost cap for all CIG projects. Replaces the requirement on FTA to minimize Federal cost share, with an option for a transit agency to choose a CIG cost share under 60 percent. Transit agencies that remain under 60 percent cost share are subject to less strenuous requirements for project approval by allowing the applicant to: determine the amount of the contingency funds; certify that local resources are available to continue running their current service; and secure only 75 percent of the local financial commitment to sign the Full Funding Grant Agreement (FFGA), with the remaining 25 percent budgeted, but not committed.
- Contingency Funds: For projects that seek the higher cost share, FTA will now provide 50 percent of the contingency amount required.
- Project Rating Incentives: Expands the use of incentives (warrants) for projects with a total cost under $1 billion or projects that selected the lower cost share. This allows more projects to get automatic ratings when they meet certain criteria.
- Transparency: Provides an opportunity for applicants to seek clarification, at several key stages of the approval process, of what information FTA still requires from the applicant to secure project approval. Requires FTA to create a publicly-accessible CIG dashboard to post monthly updates on the status of each CIG project in the approval process or under construction including the status of pending approvals.
- Congressional Notification: Reduces the number of days before a project can be signed after Congressional notification to accelerate project approval.
- Interrelated Projects: Allows a rating improvement in mobility for projects that have another related project in the planning process that has secured initial NEPA guidance and will boost ridership on the current project seeking a rating.

Transit Oriented Development

Sec. 2701. Transit-supportive communities. (pages 500-506)—NEW PROGRAM

- $124.7 billion
- Transit Oriented Development Planning grant program will provide grants for eligible grantees who are designing or building a fixed guideway transit line, or serving an existing fixed guideway transit line, a station that is part of a fixed guideway transit system, or the immediate corridor surrounding a high-frequency transit line.

Sec. 2702. Property disposition for affordable housing. (pages 506-509)—NEW PROGRAM

- Allows a grantee to transfer property no longer needed to a local government authority, non-profit, or other third party for the purpose of transit-oriented development and releases the Federal interest in that asset. Requires that at least 15 percent of the housing units in such a project be offered as affordable housing.

Sec. 2703. Affordable housing incentives in capital investment grants. (pages 509-511)—NEW PROGRAM

- Provides multiple incentives in the CIG ratings process if the project preserves or encourages higher density affordable housing near the project. Allows Economic Development Administration (EDA) Public Works grants and Department of Housing and Urban Development (HUD) Community Development Block Grants (CDBG) to be counted as part of the local share, provided that the funds are used in conjunction with an affordable housing development.

Freight/Goods Movement

Sec. 1301. Projects of national and regional significance. (pages 227-246)

- $10.050 billion (FAST Act: $4.5 billion; $5.55 billion increase)
- Formerly known as the INFRA program in FAST Act
- Establishes a Projects of National and Regional Significance (PNRS) program, which provides more than $9 billion over the life of the bill for large highway, transit, and passenger and freight rail projects that reduce congestion on roadways and that cannot be funded through annual apportionments or other discretionary sources. Includes the authority for the Secretary to award large grants over multiple years. Directs the Secretary to make grant selections based on merit criteria specified in statute, including the extent to which a project contributes to a state of good repair; cost savings generated by the project over the life of the asset; safety, mobility, economic, resilience, and environmental benefits generated by the project; benefits to all users of the project; and the average number of people or volume of freight supported by the project. The Secretary is also directed to consider whether the project serves an area of persistent poverty; the degree to which the project utilizes innovative technologies or construction techniques; and whether the project improves connectivity between modes of transportation.

New Grant Programs (not mentioned above)

Sec. 1302. Community transportation investment grants. (pages 246-255)—NEW PROGRAM

- This program is the new BUILD program proposed in the INVEST Act.
- $3 billion
- Establishes a $600 million per year grant program to support local investments in projects to improve safety, state of good repair, accessibility, and environmental quality through infrastructure investments. Based on the state of Virginia's Smart Scale Program. Requires the Secretary to evaluate projects on their benefits to transportation safety, including reductions in traffic fatalities and serious injuries; to state of good repair, including improved condition of bridges and pavements; to transportation system access, including improved access to jobs and services; and in reducing greenhouse gas emissions, and to rate each project based on these criteria. Allows the Secretary to use different weighting of these criteria based on project type, population served by the project, and other context-sensitive considerations.

Sec. 1306. Gridlock reduction grants. (pages 288-299)—NEW PROGRAM

- $250 million
- New grant program to reduce traffic gridlock in large metropolitan areas. T&I staff stated this program is based on the Obama era, Smart City grant program. Supports projects to reduce and mitigate the adverse impacts of traffic congestion; make better use of existing capacity; and employ innovative, integrated, and multimodal solutions to reducing gridlock. Includes eligibility for intelligent transportation systems, real-time traveler information, transportation demand management, and multimodal solutions. Dedicates half of program funds for freight-specific projects including first-mile and last-mile delivery solutions, use of centralized delivery points, curb space management, and real-time freight parking and routing. Prioritizes projects in areas that are experiencing a high degree of recurrent congestion.

AGENDA ITEM #5d
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDING MAY 31, 2020**

ACTION

Staff proposes that the Board of Directors accept and enter into the record the Statement of Revenues and Expenses for the month of May 2020.

This staff report provides a brief discussion of significant items and trends on the attached Statement of Revenues and Expenses through May 31, 2020. The statement has been designed to follow the Agency-wide line item rollup as included in the adopted budget. The columns have been designed to provide easy comparison of year-to-date prior to current actuals for the current fiscal year including dollar and percentage variances.

SIGNIFICANCE

Year to Date Revenues: As of May year-to-date actual, the Total Revenue (page 1, line 17) is $7.0 million lower than the prior year. This is primarily driven by Farebox Revenue (page 1, line 1) and partially offset by increases in Operating Grants including CARES ACT relief fund (page 1, line 11) and JPB Member Agencies Contributions (page 1, line 12). In May, Go Pass revenues were adjusted down by $6.2 million to reflect the Go Pass contract extension approved by the Board at its June 4, 2020 meeting.

Year to Date Expenses: As of May year-to-date actual, the Grand Total Expense (page 1, line 49) is $2.7 million higher than the prior year-to-date actual. This is primarily due to increases in Rail Operator Service (page 1, line 23), Wages and Benefits (page 1, line 38), Professional Services (page 1, line 41), and Long Term Debt Expense (page 1, line 47). The increases are partially offset by decreases in Fuel and Lubricants (Page 1, line 27), Claims, Payments, and Reserves (page 1, line 30), Managing Agency Admin OH Cost (page 1, line 39), and Other Office Expenses and Services (page1, line 43).

Other Information: Starting in January 2019, the Agency modified the basis of reporting from accrual basis to modified cash basis (only material revenues and expenses are accrued) in monthly financial statements. The change in the accounting basis is not retroactively reflected in the prior year actual. As such, the monthly variance between the prior year and the current year actual may show noticeable variances for some line items on the financial statements.

Due to the impact of Covid-19 pandemic in the farebox revenues and other major line items in the financial statements, the forecast column was eliminated from the reports until more information are available for accurate revenue and expense forecast.

BUDGET IMPACT
There are no budget amendments for the month of May 2020.

STRATEGIC INITIATIVE
This item does not achieve a strategic initiative.

Prepared By :	Thwe Han, Accountant II	650-508-7912
	Jennifer Ye, Manager, General Ledger	650-622-7890

PENINSULA CORRIDOR JOINT POWERS BOARD

STATEMENT OF REVENUE AND EXPENSE

Fiscal Year 2020

May 2020

				% OF YEAR ELAPSED		91.7%
	YEAR TO DATE					ANNUAL
	PRIOR ACTUAL	CURRENT ACTUAL	$ VARIANCE	% VARIANCE	CURRENT YTD as a % OF BUDGET	APPROVED BUDGET
REVENUE						
OPERATIONS:						
Farebox Revenue	94,811,471	75,893,843	(18,917,628)	(20.0%)	71.6%	106,000,000
Parking Revenue	4,755,930	3,700,893	(1,055,037)	(22.2%)	69.4%	5,335,000
Shuttles	1,809,228	1,777,877	(31,350)	(1.7%)	71.0%	2,503,200
Rental Income	1,745,590	1,925,184	179,594	10.3%	93.4%	2,060,540
Other Income	2,550,164	2,978,386	428,222	16.8%	169.9%	1,753,450
TOTAL OPERATING REVENUE	105,672,383	86,276,183	(19,396,200)	(18.4%)	73.3%	117,652,190
CONTRIBUTIONS:						
AB434 Peninsula & TA Shuttle Funding	1,584,607	2,288,830	704,222	44.4%	131.7%	1,737,950
Operating Grants	6,023,056	14,594,711	8,571,655	142.3%	274.0%	5,327,497
JPB Member Agencies	23,806,500	26,912,923	3,106,423	13.0%	89.9%	29,921,971
Use of Reserves	-	-	-	0.0%	0.0%	1,064,614
TOTAL CONTRIBUTED REVENUE	31,414,164	43,796,464	12,382,300	39.4%	115.1%	38,052,032
GRAND TOTAL REVENUE	**137,086,547**	**130,072,647**	**(7,013,900)**	(5.1%)	83.5%	**155,704,222**
EXPENSE						
OPERATING EXPENSE:						
Rail Operator Service	77,832,887	79,688,335	1,855,448	2.4%	87.7%	90,817,696
Positive Train Control	63,394	437,471	374,077	590.1%	18.2%	2,400,000
Security Services	5,422,516	5,333,875	(88,641)	(1.6%)	81.5%	6,544,183
Shuttles Services	3,668,111	3,696,265	28,154	0.8%	69.9%	5,290,100
Fuel and Lubricants	9,465,197	8,605,479	(859,718)	(9.1%)	78.2%	11,003,417
Timetables and Tickets	87,245	137,610	50,365	57.7%	95.9%	143,500
Insurance	3,845,922	3,971,450	125,528	3.3%	88.1%	4,506,064
Claims, Payments, and Reserves	428,520	(113,149)	(541,669)	(126.4%)	(11.9%)	951,794
Facilities and Equipment Maint	2,107,089	2,101,283	(5,807)	(.3%)	62.9%	3,339,391
Utilities	1,742,363	1,716,583	(25,780)	(1.5%)	81.5%	2,105,422
Maint & Services-Bldg & Other	1,312,282	1,205,203	(107,079)	(8.2%)	76.9%	1,567,930
TOTAL OPERATING EXPENSE	**105,975,525**	**106,780,404**	**804,879**	0.8%	83.0%	**128,669,496**
ADMINISTRATIVE EXPENSE						
Wages and Benefits	9,305,588	10,713,066	1,407,477	15.1%	88.9%	12,047,389
Managing Agency Admin OH Cost	6,127,613	3,973,449	(2,154,164)	(35.2%)	77.9%	5,098,065
Board of Directors	17,799	10,028	(7,771)	(43.7%)	68.7%	14,600
Professional Services	2,262,449	4,586,727	2,324,278	102.7%	107.3%	4,275,583
Communications and Marketing	238,448	254,014	15,566	6.5%	84.3%	301,500
Other Office Expenses and Services	2,956,283	1,615,177	(1,341,106)	(45.4%)	60.8%	2,657,816
TOTAL ADMINISTRATIVE EXPENSE	**20,908,180**	**21,152,460**	**244,281**	1.2%	86.7%	**24,394,953**
Long Term Debt Expense	778,648	2,412,211	1,633,564	209.8%	91.4%	2,639,773
GRAND TOTAL EXPENSE	**127,662,352**	**130,345,076**	**2,682,723**	2.1%	83.7%	**155,704,222**
NET SURPLUS / (DEFICIT)	**9,424,194**	**(272,429)**	**(9,696,623)**	(102.9%)		**(0)**

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PENINSULA CORRIDOR JOINT POWERS BOARD

INVESTMENT PORTFOLIO

AS OF MAY 31, 2020

TYPE OF SECURITY		MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET RATE
Local Agency Investment Fund (Unrestricted)	*	Liquid Cash	1.363%	36,616	36,616
County Pool (Restricted)		Liquid Cash	1.462%	549,572	549,572
Other (Unrestricted)		Liquid Cash	0.050%	81,315,832	81,315,832
Other (Restricted)	**	Liquid Cash	0.050%	12,624,488	12,624,488
				$ 94,526,507	$ 94,526,507

Interest Earnings for May 20	$ 2,562.50
Cumulative Earnings FY2020	$ 360,771.19

* 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.

AGENDA ITEM #5e

JULY ~~9~~, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Board of Directors

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel
Chief Financial Officer

Seamus Murphy
Chief Communications Officer

SUBJECT: **AWARD OF CONTRACT FOR CALTRAIN NAMING RIGHTS AND SPONSORSHIP CONSULTING SERVICES**

ACTION

Staff Coordinating Council recommends the Board:

1. Award a contract to Elevate Sports Ventures, LLC (Elevate) of Santa Clara, California for provision of naming rights and sponsorship consulting services (Services) for a five-year base term (Phases 1-3).

2. Approve up to an aggregate total of $840,000 for additional discrete services or tasks not contemplated during or arising after Elevate's completion of Phase 1 and 2 work.

3. Authorize the Executive Director, or his designee, to execute a contract with Elevate in full conformity with the terms and conditions of the solicitation documents and negotiated agreement.

~~4. Authorize the Executive Director, or his designee, to exercise up to one, additional five-year option term, for provision of additional Services, if deemed in the best interest of the Peninsula Corridor Joint Powers Board (JPB).~~

SIGNIFICANCE

The Peninsula Corridor Joint Powers Board (JPB) is continually exploring opportunities to secure additional revenue to support Caltrain's ongoing capital and operating needs, maximize the values of its transit assets, and facilitate improved customer experience with new technology and amenities. Staff has determined there exists an opportunity to leverage certain Caltrain stations and assets to generate additional revenue from negotiation of naming and sponsorship rights.

Approval of the above actions will provide the JPB with a qualified firm to carry out consulting services to identify, evaluate and prioritize assets, naming rights and sponsorship opportunities; create and implement a marketing and sales strategy; and negotiate naming rights and sponsorship contracts which will be presented to the Board of Directors (Board) for approval. Services will be delivered in four phases:

- Phase 1: a) identification, evaluation, and prioritization of assets, naming rights and sponsorship opportunities; ~~and~~ b) creation and Board consideration ~~implementation~~ of a detailed marketing and sales strategy for identified assets, naming rights and sponsorship opportunities; and c) implementation of Board-approved strategy.

- Phase 2: Sales effort and negotiation of contracts for naming rights and sponsorship opportunities. All naming rights and sponsorship contracts will be presented to the Board for final approval prior to contract execution.

- Phase 3: Provision of the Services for new or revalued assets, naming rights and sponsorship opportunities not contemplated in Phases 1 or 2, or identified subsequent to completing Phases 1 and 2. These services and tasks may include, but are not limited to, identification and evaluation of new assets or amenities, assistance with contract issues or disputes, and other discrete tasks not contemplated in Phases 1 and/or 2.

- Phase 4: If approved by the Board, and if deemed in the best interest of the JPB, the Executive Director or his designee will exercise one, five-year option term for ongoing provision of the Services.

The JPB will compensate Elevate for Phases 1 and 2 on a success-fee basis calculated as a percentage of the contract value of naming rights and/or sponsorship contracts it successfully negotiates and which are approved by the Board:

COMPENSATION		
TIER	**NEGOTIATED NAMING RIGHTS OR SPONSORSHIP CONTRACT VALUE**	**SUCCESS FEE PERCENTAGE (%)**
1	$0 - $2M	15.0%
2	$2M+ to $3.5M	17.5%
3	$3.5M+	20.0%

The JPB will issue Task Orders for Phase 3 and 4 work and will compensate Elevate based on negotiated hourly billing rates and/or a success fee basis in accordance with the percentages listed above.

This contract will provide the JPB with innovative, revenue-producing naming rights and sponsorship opportunities.

BUDGET IMPACT
As this contract is a revenue-producing contract, the net proceeds realized from multi-year, naming rights and sponsorship contracts will help fund future JPB operating and/or capital budgets.

BACKGROUND
This is the first time the JPB has solicited these Services. Staff issued a Request for Proposals (RFP) for the Services. A solicitation notice was also sent to Small and Disadvantaged Business Enterprises (SBEs/DBEs) registered in the JPB's database. Staff received three proposals, none of which were from SBE/DBE certified firms.

A Selection Committee (Committee) composed of qualified staff representing the Finance, Communications, Market Research and Development, and Rail Infrastructure & Maintenance departments reviewed and scored the proposals in accordance with the following weighted criteria:

• Company Qualifications, Experience and References	30 points
• Qualifications and Experience of Key Personnel	20 points
• Approach Understanding and Management Plan	25 points
• Reasonableness of Cost	25 points
• SBE Preference	5 points

Following proposal review, the Committee found the three firms to be within the competitive range, and invited all three firms for interviews. Upon completion of interviews, review of Best and Final Offers from all three firms, and final scoring of proposals, the Committee came to a consensus and identified Elevate as the highest-ranked proposer.

JPB staff completed negotiations with the highest ranked firm, Elevate, which demonstrated a strong understanding of the requirements of the project, and has committed to providing an experienced and qualified team to deliver the Services as required in the contract. Staff therefore recommends award of a contract to this firm.

Procurement Administrator: Luis F. Velásquez	650.622.8099
Project Manager: Megan Larocque, Contract Administrator, Market Research and Development	650.508.7978

RESOLUTION NO. 2020 - 32

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

* * *

AWARDING CONTRACT TO ELEVATE SPORTS VENTURES, LLC FOR PROVISION OF NAMING RIGHTS AND SPONSORSHIP CONSULTING SERVICES FOR A FIVE-YEAR TERM

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) issued a Request for Proposals (RFP) for naming rights and sponsorship consulting services (Services); and

WHEREAS, the Services consist of three phases: (1) a) Identification, evaluation, and prioritization of assets, naming rights and sponsorship opportunities; and b) Creation, Board of Directors consideration, and implementation of a detailed marketing and sales strategy for identified assets, naming rights and sponsorship opportunities; (2) Sales effort and negotiation of contracts for naming rights and sponsorship opportunities; and (3) Provision of the Services for new or revalued assets, naming rights and sponsorship opportunities not contemplated in Phases 1 or 2 nor identified subsequent to completing Phases 1 and 2; and

WHEREAS, in response to the RFP, the JPB received three proposals; and

WHEREAS, none of the proposers are from Small Business Enterprise/Disadvantaged Business Enterprise firms; and

WHEREAS, a Selection Committee (Committee) composed of qualified JPB staff evaluated and ranked the proposals according to the evaluation criteria set forth in the RFP, and determined the three proposals were in the competitive range for interviews; and

WHEREAS, after interviews, the Committee determined all three firms remained in the competitive range, held additional interviews with all three firms, and requested Best and Final Offers from all three firms; and

WHEREAS, the Committee completed its evaluation process and determined that Elevate Sports Ventures, LLC (Elevate) of Santa Clara, California possesses the necessary qualifications and requisite experience to successfully perform the Services, and has agreed to perform the Services at fair and reasonable prices including a success fee capped at twenty percent (20%) of the value of negotiated naming rights and/or sponsorship agreements; and

WHEREAS, staff and legal counsel have reviewed the Elevate proposal and determined the proposal complies with the requirements of the solicitation documents; and

WHEREAS, Staff Coordinating Council recommends, and the Executive Director concurs, that the Board of Directors (Board) (1) award a contract to Elevate for provision of naming rights and sponsorship consulting services for a five-year term; (2) approve up to an aggregate total of $840,000 for additional discrete tasks not contemplated during or arising after Elevate's completion of Phase 1 and 2 work; and (3) authorize the Executive Director, or his designee, to execute the contract; and~~exercise up to one additional five-year option term, if it is in the best interest of the JPB~~

WHEREAS, the Finance Committee recommends, and the Executive Directors concurs, that staff must return to the Board before exercising the five-year option term included in the contract.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract for naming rights and sponsorship consulting services to Elevate Sports Ventures for a five-year term including up to an aggregate total of $840,000 for additional discrete services or tasks not contemplated during or arising after Elevate's completion of Phase 1 and 2 work; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is authorized to execute a contract on behalf of the JPB with Elevate in full conformity with the terms and conditions of the solicitation documents and negotiated agreements, and in a form approved by legal counsel.~~; and~~

~~**BE IT FURTHER RESOLVED** that the Board authorizes the Executive Director, or his designee, to exercise up to one, additional five-year option term, for provision of additional Services, if deemed in the best interest of the JPB.~~

Regularly passed and adopted this 9th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

____

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

____

JPB Secretary

16598580.2

AGENDA ITEM #5f
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Michelle Bouchard
Chief Operations Officer, Rail

SUBJECT: **AUTHORIZE AMENDMENT TO CONTRACT TO OPERATE THE SAN FRANCISCO CALTRAIN BICYCLE PARKING FACILITY**

ACTION

Staff Coordinating Council recommends the Board approve and authorize the Executive Director, or his designee, to execute a second amendment to the contract with BikeHub, a certified disadvantaged business enterprise formerly known as Alameda Park Street Bicycles, Inc., to operate the San Francisco Caltrain Bicycle Parking Facility (Contract) to~~:~~

increase the not-to-exceed total contract amount by $150,000, from $635,000 to $785,000 and, more specifically, to:

1. Increase the base compensation amount by $70,000, from $635,000 to $705,000, to provide additional contract capacity to offset unanticipated scope of work changes early in the contract performance period that were necessitated by the Peninsula Corridor Joint Powers Board's (JPB) direction to increase bike parking capacity.
2. Extend the Contract term for an additional one-year period at a monthly cost of $6,351.66, for a one-year amount not to exceed $76,220.
~~3.~~ Add sidewalk space as part of the property devoted to the Bicycle Parking Facility.
~~4.~~3. ~~Authorize the Executive Director, or designee, to execute a contract amendment to increase the not-to-exceed total contract amount by $150,000, from $635,000 to $785,000, in a form approved by legal counsel.~~

SIGNIFICANCE

Execution of Amendment 2 will provide the ~~Peninsula Corridor Joint Powers Board (~~JPB~~)~~ with uninterrupted services at the 4th and King Bike Parking Facility as staff works with consultants on a bike parking vendor Request for Proposals to potentially expand the scope of the current Contract, including the possibility of expanding to more stations along the corridor. Seven-hundred and fifteen square feet of sidewalk space will be used to organize shared micromobility devices and make them more readily available to Caltrain customers. BikeHub will receive financial compensation from various micromobility vendors, keeping the JPB's subsidy slightly lower.

BUDGET IMPACT

Funds for the proposed Contract amendment are available in the current-year Board-approved interim operating budget and will be included in the operating budget proposed for the remainder of Fiscal Year 2021.

BACKGROUND

Pursuant to Resolution No. 2013-25, the Board of Directors (Board) awarded the Contract to Alameda Park Street Bicycles, Inc., consisting of an eighteen-month transition period for a not-to-exceed amount of $265,000 followed by a three-year base term for a not-to-exceed amount of $245,000 with two, one-year option terms for not-to-exceed amounts of $65,000 and $60,000 (see table below).

Pursuant to Amendment 1, the Contract was amended to:

1. Exercise the first and second one-year option terms and increase the maximum aggregate compensation amount of $510,000 by $125,000 for a revised not-to-exceed amount of $635,000.
2. Amend the days of operation of the Bicycle Parking Facility to allow for closure of the Facility from Christmas Day, December 25th through New Year's Day, January 1st each year.
3. Change the Alameda Park Street Bicycles, Inc. corporate name to BikeHub.

Unanticipated scope of work changes required to increase bike capacity, at the JPB's direction, during the build-out and transition periods resulted in an earlier-than-planned use of contract capacity, resulting in a contract overage ~~compensation increase in the amount~~ of $69,179 (shown in the following table as "Overcapacity").

Description	Start	End	Amount	Units (in months except as noted)	Total
Transition Period	5/2/2013	10/31/2014	$ 7,500	18	$ 135,000
Purchase of furnishings & equipment			$ 130,000	1 (one-time cost)	$ 130,000
Three-Year Base Term	11/1/2014	10/31/2017	$ 6,806	36	$ 245,000
1st Option-Year Term	11/1/2017	10/31/2018	$ 5,417	12	$ 65,000
2nd Option-Year Term	11/1/2018	10/31/2019	$ 5,000	12	$ 60,000
Amendment 1 1st Option-Year Term	1/1/2019	12/31/2019			
Amendment 1 2nd Option-Year Term	1/1/2020	12/31/2020			
Total					**$ 635,000**
Invoiced thru 12/31/19					$ 644,179
2nd Option-Year Term			$ 5,000	12	$ 60,000
Overcapacity					$ 69,179
Proposed Amendment 2 3rd Option-Year Term	1/1/2021	12/31/2021	$ 6,352	12	$ 76,220
Proposed Amendment 2 Amount (rounded)					$ 150,000
New Total					**$ 785,000**

Shared micromobility devices (bike and scooter share) have been used well by Caltrain customers in the last few years. The JPB supports the use of these devices, as they transport people to and from the stations in a sustainable way that is more space efficient than taking a bike on-board the train. At times, there are many of these devices scattered around the stations. At other times, there are no devices available for people to use. The sidewalk space included in this proposed amendment will be used to address both of those concerns by organizing the devices and increasing their availability for Caltrain customers. The 715 square feet of sidewalk space (see the picture below), which is on the north side of the Bicycle Parking Facility, currently leads to a dead end as a result of changes the City of San Francisco implemented to Townsend Street. Staff identified the sidewalk as an area that will work well for organizing shared micromobility devices, benefiting Caltrain customers and well as Caltrain, Bike Hub and shared micromobility operations, without negatively affecting pedestrian movements.

Project Manager:	Dan Provence, Principal Planner	650.339.0586
Contract Administrator:	Lawrence Leung, Manager, Rail Contracts & Budget	650.508.6328

RESOLUTION NO. 2020 – 33

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

* * *

AUTHORIZING THE SECOND AMENDMENT TO THE AGREEMENT TO OPERATE THE SAN FRANCISCO CALTRAIN BICYCLE PARKING FACILITY TO EXTEND THE CONTRACT TERM BY ONE YEAR, INCREASE THE AGREEMENT TOTAL AMOUNT BY $150,000, AND ADD SIDEWALK SPACE AS PART OF THE BICYCLE PARKING FACILITY OPERATED BY BIKEHUB

WHEREAS, pursuant to Resolution No. 2013-25, the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) awarded a contract (Contract) to Alameda Park Street Bicycles, Inc., now operating as BikeHub, consisting of an eighteen-month transition period in an aggregate not-to-exceed amount of $265,000 followed by a three-year base term in an aggregate not-to-exceed amount of $245,000 with two, one-year option terms for not-to-exceed amounts of $65,000 for the first option term and $60,000 for the second option term; and

WHEREAS, unanticipated scope of work changes to increase bike capacity, at the JPB's direction, resulted in earlier-than-planned use of Contract capacity, resulting in a ~~during the build-out and transition periods resulted in an increase in the compensation amount of~~ $69,179 cost overage, which now needs to be added to the base Contract amount; and

WHEREAS, extending the Contract for an additional one-year period allows staff to work with consultants on a bike parking vendor Request for Proposals to potentially expand the scope of the current Contract, including the possibility of expanding to more stations along the Caltrain corridor; and

WHEREAS, adding 715 square feet of sidewalk space as part of the Bicycle

Parking Facility operated by BikeHub will allow the more efficient organization of shared micromobility devices, making them more readily available to Caltrain customers; and

WHEREAS, the Executive Director recommends, and the Staff Coordinating Council concurs, that the Board authorize an amendment to~~:~~

~~1.~~ ~~I~~increase the not-to-exceed total C~~c~~ontract amount by $150,000, from $635,000 to $785,000, and, more specifically, to:

~~2.~~1. Increase the base compensation amount by $70,000, from $635,000 to $705,000.

~~3.~~2. Extend the Contract term for an additional one-year period with monthly amounts of $6,351.66, for a not-to-exceed amount of $76,220 for the third option year.

~~4.~~3. Add 715 square feet of sidewalk space as part of the property devoted to the Bicycle Parking Facility.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Joint Powers Board hereby authorizes an amendment to the Contract with BikeHub as detailed above; and

BE IT FURTHER RESOLVED that the Board authorizes the Executive Director, or his designee, to execute the amendment in a form approved by legal counsel.

Regularly passed and adopted this 9th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

AGENDA ITEM #5g
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Michelle Bouchard
Chief Operating Officer, Rail

SUBJECT: **RESOLUTION TO AUTHORIZE EXECUTIVE DIRECTOR TO ENTER INTO A FUNDING AGREEMENT WITH THE METROPOLITAN TRANSPORTATION COMMISSION FOR CLIPPER START, THE REGIONAL MEANS-BASED FARE PILOT PROGRAM**

ACTION

Staff Coordinating Council recommends the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) adopt a resolution to authorize the Executive Director to enter into a funding agreement with the Metropolitan Transportation Commission (MTC) for the regional means-based fare pilot program, Clipper START, which will supplement the agency's existing Master Agreement with MTC.

SIGNIFICANCE

An effort led by staff from the Metropolitan Transportation Commission (MTC) and regional transit operators, the Bay Area's means-based fare pilot program, now known as Clipper START, will provide a discount for low income transit riders. The four transit operators involved in Clipper START are Caltrain; the Bay Area Rapid Transit District (BART); Golden Gate Bridge, Highway and Transportation District (GGBHTD) for both its bus and ferry services; and San Francisco Municipal Transportation Agency (SFMTA).

The pilot program has long been anticipated to commence in spring 2020, but at this time, a precise launch date has not been set due to the variable conditions in the region with the coronavirus pandemic. MTC and transit operator staff continue to monitor these conditions and plan to launch Clipper START when the shelter in place orders have been lifted. Once the pilot program is launched, it is anticipated to run for 18 months in the region.

In February 2019, the Board adopted a resolution of support for Caltrain's continued participation in the regional means-based fare pilot program. The resolution of support also indicated that the JPB intends to formally approve Caltrain's participation in the pilot program in the months to come.

In order to complete this formal approval of participation, the JPB would need to change Caltrain's Fare Structure (formerly known as Caltrain's Codified Tariff) to add the new means-based fare discount for eligible persons, and authorize a formal agreement with MTC for pilot program participation, which would specify the revenue loss reimbursement distribution from MTC to Caltrain.

At its September 2019 meeting, the Board approved a series of changes to Caltrain's Fare Structure, including the addition of a 20 percent discount off of One-way Adult Clipper Card fares for eligible participants in the regional means-based fare pilot program, thus completing the first requirement for formally approving Caltrain's participation in Clipper START. At its June 2020 meeting, the Board approved increasing the discount amount offered on Caltrain through Clipper START, from 20 percent to 50 percent off of One-Way Adult Clipper Card fares.

To complete the second requirement to formally approve Caltrain's participation in Clipper START, the Board must authorize the Executive Director to add a supplemental funding agreement for the Clipper START pilot program to the agency's existing Master Agreement with MTC in a form approved by legal counsel. This resolution specifies that the authorization from the Board to the Executive Director will be valid for the duration of the pilot program; this is necessary to ensure that the agency can expediently complete routine updates to the funding agreement, such as the anticipated updates that will be required by MTC each fiscal year. The resolution also directs the Executive Director to ensure that the funding agreement specifies the revenue loss reimbursement distribution from MTC to Caltrain for the pilot program. Additionally, it directs the Executive Director to ensure that the funding agreement provides the JPB with the option to exit the pilot program at any point during its duration if directed by the Board.

BUDGET IMPACT

There is no budget impact associated with adopting this resolution. That said, the resolution will authorize the Executive Director to append an additional funding agreement to the agency's existing Master Agreement with MTC, and this funding agreement will ultimately have an impact on the budget by specifying the pilot program's revenue loss reimbursement distribution from MTC to the JPB.

MTC has agreed to fund half of the 20 percent per trip discount on adult fares for Clipper START participants (in excess of any existing Clipper discounts) offered to eligible persons. For transit agencies offering a discount that is more than 20 percent to Clipper START participants, the transit agencies are responsible for covering all of the revenue losses above the 20 percent regional discount level. MTC estimates that about $8 million will be available each year to offset transit agency revenue losses (with an anticipated $12 million available over the course of the 18-month pilot program), and a mathematical formula will establish the maximum amount of funding that could be available to each agency to offset revenue losses.

BACKGROUND AND ADDITIONAL INFORMATION

Substantial information has previously been provided to the JPB for this program at prior Board meetings, at the website links listed below. Much of the content in these staff reports remains valid for those seeking additional information on Clipper START, including on the background of the pilot program, information related to Caltrain (including Caltrain ridership and Caltrain's Fare Policy), an overview of the efforts that have been necessary to develop and implement the pilot program, and a summary of what will occur at the completion of the pilot program (including its evaluation by the JPB and MTC).

- August 2019 JPB Meeting – Item 3 (page 9 of the PDF): http://www.caltrain.com/Assets/__Agendas+and+Minutes/JPB/2019/2019-08-01+JPB+Board+packet.pdf
- February 2019 JPB Meeting – Item 10 (page 72 of the PDF): http://www.caltrain.com/Assets/__Agendas+and+Minutes/JPB/2019/2019-02-07+JPB+BOD+Agenda+Packet.pdf

Attached to this staff report is a presentation that provides an overview of Clipper START and on-going efforts to complete the development of the program and successfully launch it, which will be presented by staff at the July Board meeting.

NEXT STEPS

At this time, staff requests that the Board approve the resolution to complete the second requirement to formalize Caltrain's participation in Clipper START. As mentioned above, a precise launch date for the pilot program has not been set and depends on regional conditions related to the coronavirus pandemic; however, as soon as it is possible to do so, MTC and transit operator staff intend to launch the pilot program. After Clipper START launches, staff anticipates bringing updates and reports to the Board at a minimum of every six months to keep Board members apprised of the status, successes, and challenges of the region's first means-based fare pilot program.

Prepared by: Melissa Jones, Principal Planner, Caltrain Planning 650.295.6852

RESOLUTION NO. 2020 - 34

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

***

AUTHORIZING EXECUTION OF A
FUNDING AGREEMENT WITH THE METROPOLITAN TRANSPORTATION COMMISSION FOR
CLIPPER START, THE REGIONAL MEANS-BASED FARE PILOT PROGRAM

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq*.; and

WHEREAS, transit affordability has been highlighted as a regional issue in MTC's Coordinated Plan, Plan Bay Area, and other plans; and

WHEREAS, MTC has conducted a Regional Means-Based Fare Pricing Study, and on May 23, 2018, approved the implementation of a regional means-based fare pilot program, known now as "Clipper START," which would offer discounted transit rides to eligible low-income adults on participating transit systems in the Bay Area during the pilot period; and

WHEREAS, MTC has allocated approximately $11 million per year for Clipper START to first cover administrative costs and then defray participating transit operators' revenue losses, drawing on funds from the State Transit Assistance through SB-1, the Road Repair and Accountability Act of 2017, and funds from the Low Carbon Transit Operators Program; and

WHEREAS, the participating agencies in Clipper START, as planned by MTC, are the Golden Gate Bridge, Highway and Transportation District; Bay Area Rapid Transit District; Peninsula Corridor Joint Powers Board (JPB); and San Francisco Municipal Transportation Agency, with each agency's participation subject to its governing board's approval; and

WHEREAS, Clipper START, which will be centrally-administered on behalf of all participating agencies, is expected to begin in summer 2020, depending on regional conditions related to the coronavirus pandemic, and will then run for 18 months; and

WHEREAS, the Board of Directors (Board) adopted Resolution 2019-30, supporting the Caltrain's participation in Clipper START in February 2019; and

WHEREAS, following a public hearing and completion of a Title VI equity analysis, the Board adopted Caltrain fare changes by Resolution 2019-32, including a discount for Clipper START-eligible participants at 20 percent off of single-ride adult Clipper® Card fares; and

WHEREAS, on June 4, 2020, the Board adopted Resolution 2020-30 to increase the Caltrain discount associated with the Clipper START from 20 percent to 50 percent off single-ride adult Clipper fares; and

WHEREAS, Staff Coordinating Council recommends, and the Executive Director concurs, that, in order to participate in the regional means-based fare program, the Executive Director be authorized to enter into a Clipper START supplement to the JPB's Master Agreement with MTC.

NOW, THEREFORE, BE IT RESOLVED that the Peninsula Corridor Joint Powers Board hereby authorizes the Executive Director, or his designee, to enter into a funding agreement with MTC for the JPB to participate in Clipper START, which agreement will supplement the JPB's existing Master Agreement with MTC for the duration of Clipper START, subject to the following conditions:

1. the agreement will provide for MTC to distribute revenue loss reimbursements to the JPB;

2. the agreement must provide the JPB with the option to exit the Clipper START program if the Board determines that it is necessary to do so at any point during the duration of the Clipper START program; and
3. the funding agreement is in a form approved by legal counsel.

BE IT FURTHER RESOLVED, that the Executive Director, or his designee, is authorized to revise the funding agreement for the Clipper START program as needed during the duration of the Clipper START program, subject to the previously stated conditions, and to take any other actions that may be necessary to give effect to this resolution.

BE IT FURTHER RESOLVED, that staff will provide quarterly updates to the Board on the Clipper START program during the first six months of the program and semi-annually thereafter.

Regularly passed and adopted this 9th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

Caltrain

Update on Clipper START, the Bay Area's Means-Based Fare Pilot Program

July 9, 2020

Means-Based Fare Pilot Program

- Growing need for discounted transit fares for low-income adults
- 2015 MTC study determined desirability and viability of a means-based pilot
- Commitment to develop a discounted fare program making Bay Area public transit more accessible to low-income adults
- **Launching soon in 2020 as Clipper START!***

CLIPPER START

Caltrain

*The precise launch date for Clipper START will depend on regional conditions related to the coronavirus pandemic.

Clipper START Overview

PARTICIPATING AGENCIES AND DISCOUNT OFFERED*	• BART (20% discount) • Caltrain (50% discount) • Golden Gate Transit (50% discount) • SFMTA (50% discount) • *Discount applies to single-ride Clipper fares for adults
ELIGIBILITY	• Adults earning < 200% Federal Poverty Level (~$50k Annual income for household of 4)
IMPLEMENTATION	• Offered through Clipper and applied to Clipper Card single-ride fares only • Pilot duration: 18 Months • Centrally administered for the region

How Do Individuals Apply?

DESKTOP OR MOBILE OR BROCHURE

Requirements

- PROOF OF IDENTITY
- PROOF OF INCOME
- BAY AREA MAILING ADDRESS
- ANSWER SURVEY QUESTIONS

Once Enrolled…

RECEIVE CLIPPER START CARD

Each enrolled individual will receive their own Clipper START Card in the mail.

ADD CASH VALUE

Once they receive their Clipper START Card, individuals must add cash value to their card.

RIDE!

Individuals should use Clipper START like any other Clipper Card on BART, Caltrain, Golden Gate Bus/Ferry, and SFMTA.

On Caltrain, individuals must tag on <u>and tag off</u> with their Clipper START Card to receive the single-ride discount off of the regular adult Clipper fare.

Centralized Customer Service

Contact Clipper START Customer Service!

Forthcoming ways to contact customer service: www.clipperstartcard.com, phone number, email address, etc. *(anticipated to be available in coming weeks)*

Comprehensive Outreach Approach

Social Service Agencies

Advertising

Community Based Organizations

Participating Transit Agencies

Caltrain's Efforts to Promote Clipper START

- Along with other participating operators, Caltrain is promoting Clipper START with the following marketing outreach efforts:
  - Boosted organic social media post cross all platforms + retweet MTC posts
  - On Caltrain's website
  - Posters at Central Reception Desk
  - Brochures in English, Spanish and Chinese at stations and possibly onboard train (If space is available)
  - Outreach material at all upcoming senior events with Accessible Services

MTC's Evaluation of Pilot Program

IMPLEMENTATION

AWARENESS
Customers aware of program

POSITIVE EXPERIENCE
Easily accessible

FINANCIAL VIABILITY
Feasible for operators and region

ADMINISTRATIVE FEASIBILITY
Management feasible

IMPACT

AFFORDABILITY
Participants less burdened

INCREASED ACCESS
Access to opportunities

Caltrain's Evaluation of Pilot Program

- Caltrain will complete its own evaluation of Clipper START at end of pilot period, using data gathered by MTC for its evaluation and Clipper data, to assess impacts to Caltrain, such as the following:
  - Enrollees
    - For example: total number of enrollees who are current Caltrain users, total number of new Caltrain users
  - Enrollees' Caltrain Ridership
    - For example: weekday and weekend ridership from enrollees, frequency of Caltrain use, share of total ridership
  - Enrollees' Caltrain Trips
    - For example: top stations for boardings and alightings
  - Annual Revenue Impact for Caltrain
    - For example: gross revenue loss from enrollees' trips, subsidy provided by MTC, net revenue impact from enrollees' trips

To Finalize Caltrain's Participation…

- The JPB adopted a Resolution of Support for Caltrain's participation in the pilot program in February 2019
- Two actions were identified to finalize JPB participation:
  – Adopt fare changes to include the regional means-based fare discount in Caltrain's Fare Structure – *completed in September 2019, and discount was increased to 50% in June 2020.*
  – Enter into funding agreement with MTC for pilot program – *proposed today.*

Resolution Proposed for Adoption Today

- Authorizes the Executive Director to enter into a funding agreement with MTC for the regional means-based fare pilot program, Clipper START, which will supplement the agency's Master Agreement with MTC.
- Specifies that the authorization will be valid for pilot program's duration (to ensure that the JPB can expediently complete routine updates to the funding agreement each fiscal year, a known MTC requirement).
- Specifies that the funding agreement must include the revenue loss reimbursement distribution from MTC to the JPB.
- Specifies that the funding agreement must provide the JPB with the option to exit pilot program if the Board determines that is necessary.

Next Steps

- Complete last step to finalize Caltrain’s participation in pilot program – adopt Resolution
- Continue promoting Clipper START with our partners
- Launch soon in 2020 (depending on coronavirus pandemic):
  - Launch Clipper START enrollment process and begin accepting applications for enrollment (could be before discount goes live)
  - Launch discount live on transit operators, so Clipper START users can receive their discount on Caltrain, BART, Golden Gate Bus/Ferry, and SFMTA (could be after applications begin being accepted)

Thank you!

AGENDA ITEM #5h
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Carter Mau
Deputy GM/CEO

SUBJECT: **AUTHORIZE EXECUTION OF AMENDMENT 2 OF THE AMENDED AND RESTATED CLIPPER® MEMORANDUM OF UNDERSTANDING**

ACTION

The Staff Coordinating Council recommends the Board authorize the Executive Director, or his designee, to execute Amendment 2 of the Amended and Restated Clipper® Memorandum of Understanding (MOU) with the Metropolitan Transportation Commission (MTC) and other Bay Area transit operators who accept Clipper fare payment (Operators).

SIGNIFICANCE

Amendment 2 extends the term of the MOU through February 2026 and updates the regional cost-sharing agreement between MTC and the Operators for Clipper Operations and Maintenance (O&M) consistent with MTC's contracts with Cubic for the remaining years of the current Clipper card system, and for the development and operation of a new account-based Clipper system, known as Clipper Next Generation. Clipper Next Generation is expected to launch in 2023, with certain features, such as a mobile application, rolling out starting in late 2020 (Accelerated Deployment).

While MTC bears the capital costs of the current and Next Generation Clipper program, MTC and the Operators share responsibility for O&M costs based on a formula set forth in the MOU.

Amendment 2 adds new formulas for cost-sharing:

- during the third through fifth years of the current extension of the MTC-Cubic contract for the card-based Clipper system (starting November 2021)
- when MTC issues a notice-to-proceed for launch of the Clipper mobile app; and
- when MTC issues a notice-to-proceed for Cubic to procure and install equipment for Clipper Next Generation.

Under the new formulas, MTC will pay for 50 percent of its share of O&M costs and the Operators will pay for the other half. Each Operator's share will be based 50 percent on its percentage of unique cards used and 50 percent on its percentage of fee-generating transactions.

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O&M costs for Next Generation Clipper equipment will be split in largely the same fashion, except that BART's fee-generating transactions will be excluded from the total count as BART will not receive the same equipment upgrades as the other Operators.

Additionally, Amendment 2 provides that Operators will bear a portion of the fees associated with the use of virtual Clipper cards, based on each Operator's percentage of unique virtual cards used.

BUDGET IMPACT

Assuming that the market penetration of Clipper fare payment is similar to pre-COVID-19 levels, the Peninsula Corridor Joint Powers Board (JPB) will spend an estimated additional $94,000 annually on O&M costs for the Clipper mobile application, Clipper Next Generation equipment, and fees associated with the use of virtual cards. These expenses will be included in the Fiscal Year 2021 and future operating budgets.

BACKGROUND

The Clipper automated regional fare payment system administered by MTC was used by more than 20 million riders a month on 22 transit systems prior to the shelter in place orders issued is response to COVID-19.

MTC's original 1999 Clipper contract, issued to ERG, Ltd., was set to expire on November 2, 2019. The contract was assigned to Cubic Transportation Systems, Inc. in 2009, when Cubic purchased the Clipper-related assets of ERG. The contract was extended by two years to allow MTC to let a new contract for Clipper Next Generation. In September 2018, the Clipper Next Generation contract was awarded to Cubic.

MTC and seven transit agencies entered into the MOU effective November 10, 2011, under which MTC manages the Clipper electronic fare payment system. The MOU was amended and restated on February 19, 2016 to restructure the parties' roles and responsibilities. The amended and restated MOU establishes and defines the roles for a Clipper Executive Board, a Clipper Executive Director, and a Contracting Agency, in addition to clarifying the roles of MTC and the participating transit agencies. The MOU also revises the cost allocation formula and provides for review of the formula to ensure successful operation and maintenance of Clipper. The JPB's Executive Director, or his designee, serves on the Clipper Executive Board. The MOU was amended on April 17, 2017 (Amendment 1) to update the procedures manual and the terms of the Clipper Executive Board's chair and vice-chair.

MTC and the Operators will reconvene before the launch of Clipper Next Generation to establish an allocation formula for the new system's O&M costs.

Prepared by: Christiane Kwok, Manager, Fare Program Operations 650.508.7926

RESOLUTION NO. 2020 – 35

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

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AUTHORIZING EXECUTION OF AMENDMENT 2 TO THE AMENDED AND RESTATED CLIPPER® MEMORANDUM OF UNDERSTANDING WITH THE METROPOLITAN TRANSPORTATION COMMISSION AND BAY AREA TRANSIT OPERATORS

WHEREAS, Clipper® is the automated fare payment system for intra- and inter-operator transit trips in the San Francisco Bay Area that has been implemented and is currently being operated on 22 transit systems (Transit Operators); and

WHEREAS, the Metropolitan Transportation Commission (MTC) extended a contract with Cubic Transportation Systems, Inc. (Cubic) for the current Clipper card-based fare payment system through November 2, 2024; and

WHEREAS, the MTC entered into a contract in September 2018 with Cubic to design, develop, test, install, transition, and operate and maintain the Clipper Next-Generation account-based fare payment system; and

WHEREAS, in March 2016, an Amended and Restated Memorandum of Understanding (MOU) was developed between MTC and the Transit Operators, which MOU has since been amended once; and

WHEREAS, Amendment 2 of the Amended and Restated MOU adds new formulas for cost-sharing associated with:

1. the third through fifth years of the MTC-Cubic contract extension for the card-based Clipper system (starting November 2021);
2. a notice-to-proceed to be issued by MTC for launch of the Clipper mobile application; and

3. a notice-to-proceed to be issued by MTC for Cubic to procure and install equipment for Clipper Next Generation; and

WHEREAS, the Executive Director recommends, and the Staff Coordinating Council concurs, that the Board of Directors authorize the Executive Director, or his designee, to execute Amendment 2 to the Amended and Restated Clipper MOU, in a form approved by legal counsel, at an estimated additional cost to the Peninsula Corridor Joint Powers Board (JPB) of $94,000 per year.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board (JPB) hereby approves and authorizes the Executive Director, or his designee, to execute Amendment 2 to the Amended and Restated MOU with the MTC and Bay Area transit operators also using the Clipper fare payment system; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to take all necessary actions to implement the terms and conditions of Amendment 2 to the Amended and Restated MOU, consistent with the role of the JPB as a participating Transit Operator.

Regularly passed and adopted this 9th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

____

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

____

JPB Secretary

AGENDA ITEM #5i
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **APPROVAL AND RATIFICATION OF THE FISCAL YEAR 2021 INSURANCE PROGRAM**

ACTION

Staff Coordinating Council (SCC) recommends the Board approve and ratify the binding of commitments for the Peninsula Corridor Joint Powers Board's (JPB) insurance program for Fiscal Year (FY) 2021including:

- Purchase of $198 million of coverage for Railroad Liability, Commercial General Liability and Excess Automobile Liability, including terrorism coverage, with a $2 million self-insured retention at a premium of $3,648,900;
- Renewal of the Environmental insurance policy for a new two-year term at a $10 million limit with a $50,000 deductible at a premium of $78,981;
- Purchase of property insurance for real and personal property for limits of $400 million with a $100,000 deductible for an annual premium of $1,479,612, including coverage for Centralized Equipment Maintenance and Operations Facility (CEMOF) property, stations, tunnels, bridges, culverts, signals, railroad equipment, and rolling stock. This insurance also continues to provide coverage against terrorism, as well as boiler and machinery perils for real property and CEMOF sufficient to meet the State of California inspection requirements;
- Renewal of the $15 million Public Officials Liability policy at an annual premium of $128,721;
- Purchase of an annual Special Events and Emergency Drill Liability policy with a $2 million limit and deductible of $25,000 for a premium of $30,933; and
- Purchase of Railroad Protective Liability coverage at an annual premium of $44,941.

SIGNIFICANCE

Despite the very hard insurance market and uncertainty surrounding Covid-19, the FY2021 insurance program provides the JPB with coverage levels similar to those in the FY2020 insurance program. Railroad Liability, Commercial General Liability and Excess Automobile Liability coverage will remain the same at $198 million with a $2 million self-insured retention.

While the JPB is experiencing lower estimated ridership due to Covid-19, securing coverage has proven to be a challenge due to certain carriers dropping out of the market entirely and remaining carriers decreasing limits. With fewer carriers to place coverage with and reluctance from the remaining carriers to increase capacity to make up the difference, obtaining coverage has never been more difficult or expensive. A premium adjustment by carriers at year-end may be necessary depending on actual ridership numbers.

Limits on the JPB's Public Officials Liability program remain the same with limits of $15 million and a self-insured deductible of $75,000. The JPB was able to renew an annual Special Events and Emergency Drill Liability policy with a limit of $2 million. This coverage includes a $25,000 self-insured retention and protects the JPB during what are sometimes higher hazard operations for its annual special train events and emergency training exercises. The JPB maintains the blanket Railroad Protective Liability program with the same program limits.

The property insurance market has also proven to be very challenging with insurers reducing capacity while at the same time increasing premiums. Property catastrophes nationwide have been substantial in recent years, causing this market change. Consequently, some of the older JPB rolling stock will be insured at actual cash value rather than replacement cost, and the JPB has had to secure additional insurers to meet the $400 million limit.

Below is an overview of the JPB's FY2020 premiums and updates on the FY2021 premiums we have as of publication of this report:

Premium Element	FY2020	FY2021
Liability: Railroad, Commercial General, Excess Automobile	$3,247,412	$3,648,900
Liability: Environmental (2-year premium for FY2021)	$ 0	$ 78,981
Property Insurance	$ 886,758	$1,479,612
Public Officials, Special Events & Railroad Protective Liability	$ 191,779	$ 204,595
Totals	$4,325,949	$5,412,088

BUDGET IMPACT

Funding for the payment of premiums associated with the recommended program are included in the FY2021 Operating Budget for the first quarter adopted at the June 4, 2020 Board meeting.

BACKGROUND

The JPB's liability limits will remain at $200 million with an additional $100 million provided by Transit America Services, Inc. (TASI) for a total of $300 million in FY2021. Underwriters continue to focus on risk selection, adjusting pricing to reflect exposures and claims.

Prepared by: Marshall Rush, Insurance & Claims Administrator 650.508.7742

RESOLUTION NO. 2020 - 36

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

* * *

APPROVING AND RATIFYING THE INSURANCE PROGRAM FOR
FISCAL YEAR 2021

WHEREAS, the Executive Director of the Peninsula Corridor Joint Powers Board (JPB) has approved an insurance program for Fiscal Year (FY) 2021 with premiums totaling $5,412,088, which program was presented to the Staff Coordinating Council (SCC); and

WHEREAS, in conjunction with the expiration of the JPB's existing insurance program on June 30, 2020, JPB staff renewed its insurance program for FY2021 based on the plan approved by the Executive Director, with the following significant elements:

1. A self-insured retention in the amount of $2 million;
2. Railroad Liability, Commercial General Liability and Excess Automobile Liability policies, including Terrorism (TRIA) coverage, with a total limit of $198 million, in excess of the $2 million self-insured retention, at an annual premium of $3,648,900,
3. Property insurance, including Special Risk property policies, at an annual premium of $1,479,612 with limits of $400 million to cover real and personal property, including stations, the Centralized Equipment Maintenance and Operations Facility, tunnels, bridges, culverts, signals, railroad equipment, and rolling stock, as well as Boiler and Machinery insurance sufficient to meet the State of California inspection requirements;
4. Public Officials Liability coverage with $15 million limits at an annual premium of $128,721;

5. Annual Special Events and Emergency Drill liability with a $2 million limit at a premium of $30,933;
6. Railroad Protective Liability coverage with an annual premium of $44,941;
7. Pollution Liability insurance at a $10 million limit for a new two-year term for a premium of $78,981; and

WHEREAS, SCC recommends that the Board approve and ratify the renewal of the JPB's insurance program for FY2021, as delineated above.

NOW, THEREFORE, BE IT RESOLVED that the Peninsula Corridor Joint Powers Board hereby approves and ratifies the renewal of the JPB's insurance program for FY2021, including the types of coverage, limits and premiums recited above.

Regularly passed and adopted this 9th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Board of Directors

ATTEST:

JPB Secretary

AGENDA ITEM #5j
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Michelle Bouchard
Chief Operating Officer, Rail

SUBJECT: **APPROVAL OF AMENDED AND RESTATED COOPERATIVE AGREEMENT FOR PARTICIPATION IN PHASE II OF THE SAN JOSE DIRIDON INTEGRATED STATION CONCEPT PLAN**

ACTION

Staff Coordinating Council recommends the Board authorize the Executive Director, or his designee, to execute the amended and restated Cooperative Agreement for Phase II of the San Jose Diridon Integrated Station Concept Plan (Plan) project in full conformity with the terms and conditions set forth in the negotiated agreements, and in forms approved by legal counsel.

SIGNIFICANCE

In June 2018, the Peninsula Corridor Joint Powers Board (JPB) authorized the execution of the Cooperative and Funding agreements associated with Phase I of the Plan. The agreements allowed JPB staff to engage in the co-creation of the Plan, which developed a vision for the future of San Jose Diridon Station in partnership with the Santa Clara Valley Transportation Authority (VTA), the California High Speed Rail Authority (CAHSR) and the City of San Jose (City) (together, the "Partners").

The Cooperative Agreement between the Partners governed the roles and responsibilities of each entity in developing the Plan. The Funding Agreement established the terms under which the JPB contributed funds to VTA to pay for the consultant that assisted with the Plan. The VTA also entered into funding agreements with CAHSR and the City regarding their contributions.

The Partners subsequently engaged in an iterative planning process that produced a preferred Plan layout called the Concept Layout. The Concept Layout includes an elevated station with platforms south of San Carlos Street and concourses located at Santa Clara Street and San Fernando Street. The Concept Layout utilizes the existing rail alignment to the north and south. Additionally, the relocation of CEMOF would be a prerequisite to attaining the Concept Layout. By February 2020, most of the Partners' governing bodies provided concurrence on the Concept Layout (with VTA obtaining concurrence at its June Board meeting).

The Partners now desire to further the development of the Concept Layout in Phase II of the Plan. Next steps will likely include continuing planning, analysis of rail operations, and conceptual design work on the rail corridor and station facilities. Over the next year, a critical planning focus will be studying the best options to organize the Partners, building a viable financial plan, developing environmental strategies, and designing an implementation path to build and govern the future station. The design and implementation strategy work will be conducted in close coordination with interdependent project efforts happening around the station area.

The Partner Agencies continue to be committed to the partnership set forth by the Cooperative Agreement and seek to amend and restate the agreement. As part of the amended and restated agreement, the Metropolitan Transportation Commission (MTC) will join the partnership to help ensure the integration of the Plan into the regional transportation network, achieve the appropriate organizational structure, and to attract scarce regional, state and federal funds. Each of the Partners have agreed to jointly contribute funding for the next phase of study. Because the JPB will assume some consultant contracts from VTA in the short-term, an amended funding agreement with VTA is unnecessary at this point in time.

BUDGET IMPACT

The JPB's contribution would be up to $750,000 for its portion of the Phase II Plan consultant costs. The JPB's contribution is funded through VTA's Measure B program. The JPB's Phase I funding contribution was $630,000, made up of $130,000 in fiscal year 2018 Project Development Funds and $500,000 from the Transit and Intercity Rail Capital Program (TIRCP) grant.

The following table indicates the Partners' estimated funding commitments for Phase I and Phase II of the program under the current and prospective agreements.

Participating Agency ($x1000)	**Phase I**	**Phase II**	**Total**
City of San Jose	750	750	1,500
High Speed Rail	1,000	500	1,500
JPB	630	750	1,380
Grants (MTC)	1,300	2,000	3,300
VTA includes ($2.5 million from 2016 Measure B)	1,900	1,600	3,500
Totals	$ 5,580	$ 5,600	$ 11,180

BACKGROUND

San Jose Diridon Station is a major transit hub located within downtown San Jose, the nation's 10th largest city. It is a historic train depot with not only Caltrain service, but also train service provided by Amtrak, Capitol Corridor Joint Powers Authority (CCJPA), and Altamont Commuter Express (ACE), as well as VTA light rail and bus service. The JPB owns the historic station depot, the Caltrain parking lots, the bus loop area, and the tracks and platforms. As the landowner, the JPB has a vested stake in the planning process not just for potential shaping of the station itself, but also as it relates to development in the surrounding area.

With the planned addition of Bay Area Rapid Transit (BART) and California High Speed Rail service at the station, as well as expanded Caltrain, ACE, Capitol Corridor and Amtrak service, the station is expected to become one of the busiest intermodal stations in North America. To effectively accommodate such planned activity and future capacity needs, the station must be reconfigured in an integrated fashion that connects all transit services with each other and with the surrounding urban environment.

Private development of the surrounding area in conjunction with the City of San Jose is accelerating, providing opportunities to fully integrate development with the station itself. In recent months, Google has publically revealed concepts for development near the station.

By the Partners working together to prepare the Plan, they hope to maximize funding to implement the Plan and deliver a world-class destination and transportation hub that provides seamless customer experience for movement between transit modes within the station and into the surrounding neighborhoods and downtown.

Prepared by: Melissa Reggiardo, Manager, Caltrain Planning 650.508.6283

RESOLUTION NO. 2020 – 37

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

* * *

APPROVING AMENDED AND RESTATED COOPERATIVE FOR PARTICIPATION IN PHASE II OF THE SAN JOSE DIRIDON INTEGRATED STATION CONCEPT PLAN

WHEREAS, the Peninsula Corridor Joint Powers Boards (JPB), owner and operator of the Caltrain commuter rail system, also owns and controls the historic San Jose Diridon Station (Station), which, in addition to Caltrain transit service, also hosts train service provided by Amtrak, Capitol Corridor Joint Powers Authority (CCJPA), and Altamont Commuter Express (ACE), as well as Santa Clara Valley Transportation Authority (VTA) light rail and bus service; and

WHEREAS, with the addition of Bay Area Rapid Transit (BART) and California High Speed Rail service, and expanded Caltrain, ACE, and Amtrak Capitol Corridor and long-distance service, the Station is expected to become one of the busiest intermodal stations in North America; and

WHEREAS, in addition to expanded transportation services at the Station itself, major employers are planning to build space for tens of thousands of new workers adjacent to the station, which will transform the station district into a preeminent employment center in the Bay Area; and

WHEREAS, to effectively accommodate this planned activity and future capacity needs, the Station must be completely reconfigured in an integrated fashion that connects all of these transit services with each other and with the development surrounding the Station; and

WHEREAS, in June 2018, the JPB authorized the execution of the Cooperative and Funding agreements associated with Phase I of the Diridon Integrated Station Concept Plan, which developed a vision for the future of San Jose Diridon Station in partnership with the Santa Clara Valley Transportation Authority (VTA), the California High Speed Rail Authority (CAHSR) and the City of San Jose (City) (together, the "Partners"); and

WHEREAS, the Partners subsequently engaged in an iterative planning process that produced a preferred Concept Plan layout and as of June 2020, all of the Partners' governing bodies provided concurrence on the Concept Layout; and

WHEREAS, the Partners now desire to further the development of the Concept Layout and station planning process in Phase II of the Plan; and

WHEREAS, the Partners continue to be committed to the partnership set forth by the Cooperative Agreement and seek to amend the agreement to contribute funding for the next phase of study, extend the term, and to add the Metropolitan Transportation Commission (MTC) as a party to help ensure the integration of the Plan into the regional transportation network, achieve the appropriate organizational structure, and attract scarce regional, state and federal funds; and

WHEREAS, the estimated costs to be shared among the Partners under the 2018 Cooperative Agreement for Phase 1 of the Diridon Integrated Station Area Plan was $6,500,000.00, and the estimated costs under this Amended and Restated Cooperative Agreement will increase that total estimate to $11,800,000.00 to further advance and develop the Concept Layout and Station Area Plan.

WHEREAS, the JPB will contribute to Phase 2 up to an additional $750,000 that has been provided from the Santa Clara County Measure B Caltrain Category and included in the FY2020 JPB Capital Budget, for a total contribution of up to $1.38 million for its total contribution to the Plan costs; and

WHEREAS, the Executive Director recommends, and Staff Coordinating Council concurs, that the Board of Directors authorize the Executive Director, or his designee, to execute the Amended and Restated Cooperative Agreement to further develop the Concept Layout and implement Phase 2 of the Diridon Integrated Station Area Plan in in the form presented to the Board, and approved by legal counsel.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board authorizes the Executive Director, or his designee, to execute the Amended and Restated Cooperative Agreement to further develop the Concept Layout and implement Pase 2 of the San Jose Dirdidon Station Integrated Station Area Plan in the form presented to the Board and approved by legal counsel.

BE IT FURTHER RESOLVED that the Board of Directors authorizes the Executive Director, or his designee, to take any other actions that may be necessary to give effect to this resolution.

Regularly passed and adopted this 9th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

____
Chair, Peninsula Corridor Joint Powers Board

ATTEST:

____
JPB Secretary

AGENDA ITEM #5k
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Michelle Bouchard
Chief Operating Officer, Rail

SUBJECT: **CALL FOR PUBLIC HEARING ON THE PROPOSED CLOSURE OF THE ATHERTON STATION**

ACTION

Staff Coordinating Council recommends the Board of Directors (Board):

1. Receive a presentation regarding the proposed closure of the Atherton Station and associated service changes, and
2. Call a public hearing to be held on August 6, 2020 on the proposed station closure and associated service changes.

SIGNIFICANCE

Peninsula Corridor Joint Powers Board (JPB) staff has prepared the attached presentation describing ongoing work related to the proposed closure of Caltrain's Atherton Station. As closure of the station would result in a Major Service Change, a public hearing and Title VI equity analysis will be required before the Board considers taking action on the proposed closure.

BUDGET IMPACT

There is no financial impact associated with holding a public hearing.

BACKGROUND

The JPB suspended regular weekday Caltrain service to Atherton Station in 2005. At that time, average weekday ridership was approximately 122 passengers per day. Caltrain currently provides limited, weekend-only service to the Atherton Station, with trains in each direction stopping every 90 minutes. Before the COVID-19 pandemic and related shelter-in-place orders, the Atherton station was used by approximately 114 riders per average weekend day.

The Atherton Station has an older, "center-boarding" configuration that requires pedestrians to cross the tracks to access the boarding platform. This substandard configuration limits train operations through the station, as trains operating in the other direction must "hold out" while a train is boarding. Most "hold out rule" stations on the corridor have now been rebuilt. Atherton, along with Broadway and College Park, is one of the few remaining stations with this configuration still in place.

Subsequent to the suspension of weekday service to the station in 2005, the JPB made a policy commitment to restore regular weekday service to Atherton station following the electrification of the corridor. This commitment was documented in the 2015 Environmental Impact Report (EIR) for the Peninsula Corridor Electrification Project (PCEP).

In late 2019, Caltrain staff and representatives of the Town of Atherton (Town) initiated discussions concerning the potential closure of the station, resulting in a preliminary agreement.

In a January 8 2020 letter to the Town Manager, the JPB's Executive Director requested the Town's support for the full closure of the Atherton Caltrain station. The Atherton City Council considered and preliminarily approved the request at its January 15, 2020 meeting, subject to the JPB and the Town entering into a Memorandum of Understanding (MOU).

Closing the station would provide significant benefits to both the Town and Caltrain, including:

- Caltrain could re-allocate service to nearby stations where denser land uses will generate more ridership and provide a broader benefit to the public, potentially increasing daily ridership by 300-500 passengers.
- Caltrain would realize savings associated with operations and maintenance of the station.
- Closure of Atherton station would also obviate the need for a costly station upgrade to remove the holdout rule, estimated several years ago to cost $30 million.
- The Town could benefit from reduced noise and improved safety, as discussed below.
- Subject to an agreement with the JPB, the Town could also better integrate the excess station property into its Civic Center redevelopment project now under construction.

Potential Elements of the Memorandum of Understanding

While still under development, the proposed MOU would identify actions and commitments by the JPB and the Town to ensure the permanent closure of the station in a manner that is mutually satisfactory to both parties. Actions would potentially include:

- Caltrain modifications supporting the closure, including removal of the center boarding platform and construction of a fence separating the operating right-of-way from the rest of the station property and the adjacent Town Civic Center.
- Execution of a Maintenance and Use Agreement between the JPB and the Town covering the excess station property. With the JPB's support, the Town would proceed with plans to modify and repurpose the property to be better integrated with the Civic Center redevelopment. This proposed Maintenance and Use Agreement would allow this use, but would retain the JPB's ownership of

the property and would allow the JPB to terminate the agreement if and when the property were to be needed for railroad purposes.

- Installation of a new four-quadrant gate at the Watkins Avenue grade crossing to improve crossing safety.
- A joint Caltrain/Town study to explore the feasibility of a potential pedestrian and bicycle path extending south of Watkins Avenue to the City of Menlo Park. If feasible, this path could provide a connection from Atherton to the Menlo Park Caltrain station.

The JPB would be required to secure funding (estimated at $7-9 million) to support the above actions. Various grant-funding sources are currently being explored.

Next Steps

Closure of the Atherton Station would result in a major service change under the JPB's Major Service Change Policy. Accordingly, the Board cannot make a decision on whether to the close the station until it holds a public hearing and considers a Title VI Equity Analysis on the discontinuation of service at the Atherton station.

In addition, closure of the station would require the JPB to prepare an Addendum and Re-Evaluation of PCEP environmental documents required under the California Environmental Quality Act and National Environmental Policy Act, respectively. This environmental analysis is being conducted in the context of the PCEP EIR as the restoration of weekday service to Atherton was a component of the project description included in that document.

Concurrent with these steps, staff will continue negotiation of the MOU between the JPB and the Town.

Once each of these tasks is complete, a date would be set for the proposed end of Atherton weekend service and the official closure of the station. Removal of the center platform and interim fencing would be completed in conjunction with the closure to ensure safety. Other modifications identified in the MOU would follow on a schedule determined, in part, on funding availability.

Prepared by: Sebastian Petty, Deputy Chief, Caltrain Planning 650.622.7831

Caltrain®

Proposed Closure of the Atherton Station

July 9, 2020
Joint Powers Board

Background

- Weekend only service provided since 2005
- PCEP documented policy commitment to restore regular weekday service after electrification
- Station is one of few remaining “hold out” rule stations, due to older center platform configuration
- Jan. 8, 2020 letter to Town proposing closure
- Jan. 15, 2020 City Council tentative endorsement of closure subject to agreement on MOU (Memorandum of Understanding

Station Closure Benefits

- Service can be allocated to other stations resulting in an increase in daily riders (est. at 300-500 daily riders)
- Financial savings due to reduced operating/maintenance costs and elimination of need for station upgrades
- Town benefits from noise reduction and improved safety
- Potential for Town to integrate station property (outside of operating ROW) into Civic Center redevelopment

Potential Elements of the MOU - 1

- Caltrain would fund and implement actions supporting the station closure, including:
  - – Installation of a new right-of-way fence along current station area
  - – Removal of center boarding platform and other station facilities
  - – Installation of quad gates at Watkins Avenue to improve crossing safety
- Caltrain and the Town would enter into a Maintenance and Use Agreement for Town use of station property

Potential Elements of the MOU - 2

- Caltrain and the Town would cooperatively pursue funding to study and potentially implement additional improvements proposed by the Town:
  - Repurposing of the station property to integrate with the Civic Center redevelopment project
  - Study of a potential pedestrian and bike pathway that could improve access to the Menlo Park Caltrain station

Cost and Funding

- Preliminary cost for station closure cost est. at $7-9 million
- Other costs to be determined after further studies
- Possible funding sources include:
  - State Local Partnership Program
  - Transportation Authority funds for Caltrain projects
  - Other grant sources

Next Steps

- Complete Title VI analysis, including opportunity for public comments – action calling for public hearing
- Prepare and approve CEQA addendum and NEPA re-evaluation
- Finalize draft MOU terms with Town and agendize for JPB action
- Set date for station closure
- Execute Maintenance and Use agreement

Memorandum

Date: June 26, 2020

To: Board of Directors

From: Jim Hartnett, Executive Director

Subject: July 9, 2020 JPB Board Meeting Executive Director's Report

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- **On-time Performance –**
  - **Through June 25:** The preliminary June 2020 OTP was 96 percent compared to 90.7 percent for June 2019.
    - **Trespasser Strikes –** There were three trespasser strikes on June 8, 11 and 12, all resulting in fatalities.
  - **May:** The May 2020 OTP was 95.8 percent compared to 95 percent for May 2019.
    - **Trespasser Strikes –** There were two trespasser strikes on May 4 and 16, both resulting in fatalities.

- **Caltrain Weekday Service Increase –** Starting Monday June 15, 2020 Caltrain increased weekday service as Bay Area shelter-in-place restrictions began to ease. As travel throughout the Bay Area increases, Caltrain is committed to offering faster, user-friendly travel options to returning riders. The additional capacity accommodates more riders while also maintaining onboard physical distancing.

  Under the new schedule, Caltrain operates 70 trains per weekday, up from the 42 trains that have been operating since Monday, March 30, 2020. Service frequency increases to three trains per hour during the peak commute. Caltrain also brought back Limited trains that operate a newly designed skip-stop service with fewer stops to reduce travel times and increase passenger flow for high-traffic stations to avoid crowding. Under the new skip-stop system, limited trains travel closely together while alternating service to high-demand stations.

All trains are operating with six-car sets to maximize physical distancing onboard. Off-peak trains make local weekday stops every hour until end of service. The weekend timetable remains unchanged.

Caltrain continues working with neighboring transit agencies to ensure that the new schedule will support regional connections with neighboring rail operators like BART and VTA. Under the new timetable, most connections between Caltrain and BART at the Millbrae Transit Center allow approximately 10 minutes between transfers.

As ridership increases, Caltrain will continue to monitor conditions to ensure that passengers can maintain physical distancing in accordance with Centers for Disease Control and Prevention (CDC) guidelines and may implement additional service changes, as needed.

Facial coverings are required both onboard and at stations until further notice. Riders are also encouraged to take advantage of onboard restrooms to wash their hands.

Caltrain cleans and sanitizes its fleet and stations daily using hospital-grade disinfectant products. Station touchpoints are wiped down multiple times each day and cleaning crews use spray foggers on trains overnight and midday at the San Francisco Station.

Caltrain is assessing the impact that reduced ridership is having on the agency's ability to maintain operations in the coming months. With no other dedicated source of funding, Caltrain normally relies on fares to cover 70% of the system's operating costs. At this time, the agency is planning for a gradual return of ridership and will continue analyzing passenger data to track evolving trends.

For more information about Caltrain schedules and fares or for help planning your trip, call Caltrain Customer Service at 1.800.660.4287 (TTY 650.508.6448) or visit www.caltrain.com. For Caltrain's latest updates regarding the coronavirus (COVID-19) pandemic, visit www.caltrain.com/COVID-19.

- **Clipper Start Launch –** In collaboration with MTC, the Clipper START (Means-Based Fare Discount Pilot Program) launch will go live in the region on July 15, 2020 with single-ride discounts for low income transit riders on Caltrain, BART, SFMTA, and Golden Gate Bus/Ferry.

  On June 4, 2020 the Caltrain Board of Directors unanimously approved increasing the discount available to riders who qualify for the regional means-based fare pilot program from 20% to 50% off of single-ride adult Clipper fares.

The program will allow adults who live in the Bay Area and whose annual earnings are up to 200 percent of the federal poverty level to qualify for fare discounts. The Clipper START pilot will require riders to use Clipper for fare payment. Riders will be able to apply online or by submitting a paper application. Applicants will need to provide proof of identity and proof of income, and those approved will receive a personalized Clipper card that can be used for single-ride discounts on the participating transit agencies' systems.

Clipper START will be centrally administered on behalf of all participating transit operators; and will be subject to revision based on financial sustainability, efficiency and effectiveness.

- **CAC Meeting –** The Citizens Advisory Committee met on Wednesday, June 17 via teleconference. Derek Hansel, Chief Financial Officer, provided a presentation on Caltrain's Financial Overview. Melissa Jones, Principal Planner – Caltrain Modernization, provided a presentation on Regional Fare Coordination & Integration Study. Joe Navarro, Deputy Chief – Rail Operations, provided the Staff Report. The next CAC meeting is scheduled for Wednesday, July 15, via teleconference or in San Carlos.

- **BAC Meeting –** The next Bicycle Advisory Committee meeting is scheduled for Thursday, July 16, via teleconference or in San Carlos.

- **Special Event Train Service –** Caltrain is not operating special event service due to the cancellation of events.

<u>Services Scheduled:</u>

- **San Jose Sharks Regular Season –** The NHL announced its Return to Play Plan on May 26, 2020 that includes a 24-team Stanley Cup Playoff format. Seven teams did not qualify, including the San Jose Sharks, ending their 2019-20 season.

- **Warriors Regular Season –** In June the NBA approved a competitive format to resume the 2019-20 season with 22 teams returning to play and a tentative start date of July 31, 2020. The Golden State Warriors will not be playing.

- **Giants Baseball –** Due to the COVID-19 pandemic and efforts to prevent the spread of COVID-19, the MLB has delayed the start of the 2020 regular season. As of June, the Major League Baseball and the players union are in negotiations over a return-to-play plan for the 2020 season.

- **SF Pride Parade & Celebration –** The SF Pride 50th year Parade and Celebration, originally scheduled for Saturday & Sunday, June 27-28, will not take place as planned. Virtual celebrations will take place that weekend.

- **Independence Day Holiday Service –**
  - On Friday, July 3 (Observed Federal holiday for Independence Day) Caltrain will operate regular weekday service (70 train weekday schedule).
  - On Saturday, July 4 (Independence Day holiday) Caltrain will operate a Saturday schedule. The weekend Tamien-San Jose Diridon shuttle will also operate that day. At this time, there are no plans by the city of SF for a firework celebration along the waterfront due to the COVID-19 pandemic.

- **Gilroy Garlic Festival –** Due to the global COVID-19 pandemic and national emergency, the Gilroy Garlic Festival originally scheduled for July 26-28, 2020 will not take place as planned.

- **Capital Projects –**

The Capital Projects information is current as of June 12, 2020 and is subject to change between June 12 and July 9, 2020 (Board Meeting).

- **San Mateo 25th Avenue Grade Separation Project:** Raise the elevation of the alignment from Hillsdale Boulevard to south of the Highway 92 Overcrossing in the city of San Mateo. The project creates a grade separation at 25th Avenue, relocates the Hillsdale Station to the north, and creates two new east-west street grade-separated connections at 28th and 31st Avenues in San Mateo.

  The temporary closure of the Hillsdale Station, to allow completion of the project, began on May 16, 2020 and will continue until Fall of 2020 to allow construction of the new grade separations. During the temporary closure trains that normally stopped at Hillsdale will stop at Belmont, and bus and shuttle service between Belmont and Hillsdale Station will be provided to minimize the temporary passenger inconvenience. Beginning on May 28, trains began single track operations on the elevated MT2 southbound track.

  Work continued to complete MSE Wall A at the north end of the project, embankment fill at the north end and the demolished old Hillsdale Station, trackwork and signals for the new elevated MT1 northbound track and was forecast to be completed by the end of June. Upon completion, trains will be operating in both northbound and southbound directions on the elevated tracks.
  The concrete work for the new station platform decks were completed. Concrete work for station ramps and stairs continued. The demolition of the old Hillsdale station, removal of the obsolete at-grade MT1 and MT2 tracks, and removal of at-grade crossing gates and signals at 25th Avenue were to be completed. Construction of Overhead Contact System (OCS) pole foundations for the Electrification program continued. Demolition and excavation on 28th

Avenue on the east side for the future underpass began. Temporary shoring that supported the earth around the new bridges at Borel Creek, 28th Avenue and 31st Avenue were removed.

The original San Mateo Parking Track (i.e., Bay Meadows Set-Out track) was removed to support the construction of the grade separation. On February 18, 2020, the San Mateo City Council selected the location for the replacement parking track to be from 10th to 14th Avenues. An online survey was issued on March 5 to gather community preferences for various types of enhancements and treatments in lieu of chain link fencing on the east side of Railroad Avenue. Due to COVID-19 restrictions, community open houses that were originally scheduled for April 7 and April 28 to show survey results, display visual renderings and obtain feedback on proposed enhancements for selection to proceed to final design were instead available online. Submission of survey feedback was extended to April 15. The survey results for community preferences for treatments and enhancements is complete. Draft design drawings and renderings for the proposed masonry block sound wall with creeping fig vegetation were posted online for viewing on May 21 and community feedback is being solicited that are due on June 19. Development of final designs for the new parking track and appurtenances is in progress and will be publicly presented for community viewing. The construction work will be phased in various stages from 2020 for the switch, and, 2021 for the access road, sound wall, and vegetation.

Adjunct to this project is a new contract to relocate and improve the storm drain system along Delaware Street adjacent to the new station and new parking lots on the east side of the project. This work was to be undertaken by the City of San Mateo. This work is now being performed by Caltrain at the request of the City. The design for this work is currently being finalized and advertisement for bids is imminent with the work to take place beginning this Fall and completing in early-2021.

- **South San Francisco Station Improvements:** Replace the existing side platforms with a new centerboard platform, construction of a new connecting pedestrian underpass to the two new plazas in downtown South San Francisco to the west and the shuttle area to east. Upon completion, the hold-out rule at this station will be removed that currently impacts the overall system operational efficiency.
  In June, construction of the west plaza at the intersection of Airport Boulevard and Grand Avenue, and the connecting west ramps and stairway continued. Also, the construction of the center platform and the Storm drain work in this area are in progress. Construction of Ramp 2, Stair 2 and Ramp 3 (West Side of the station) is estimated to complete in August 2020. Preparations for the new realigned southbound MT2 trackway have started, which will accommodate underpass construction and cutover to the centerboard

platform. Due to the contractor caused delays, the project completion date is projected to extend from November 2020 until March 2021.

- **Marin and Napoleon Bridge Rehabilitation Project:** This state of good repair project will perform repairs at the Marin St. Bridge and replace the Napoleon St. Bridge. Both bridges are in the City of San Francisco located south of the 22nd Street Station. The repairs at Marin Street are primarily for concrete spalling and cracks, and deficient walkways and handrails. The Napoleon St. bridge concrete spans will be removed and replaced with elevated soil berm structures and the main steel span will be replaced with a new steel span. The span replacement at Napoleon Street will require a partial weekend service outage in which a bus bridge will be provided to shuttle patrons between Bayshore and 4th & King Stations during the outage. The project will install security fencing to deter encampments, and, also include track improvements in the vicinity of the bridges.

  The contract was advertised for bids on March 13, 2020. Four bids were received on April 28, 2020. The bids have been evaluated and the award of the construction contract is on the agenda for board approval of award on July 9, 2020. Construction is planned to occur from summer of 2020 to summer of 2021.

- **Ticket Vending Machine (TVM) Rehabilitation:** Upgrade the existing TVM Server and retrofit and refurbish two existing TVM machines to become prototypes for new TVM's so that the machines are capable of performing the functions planned for the current Clipper program. The new machines will be able to dispense new Clipper cards (excluding discount Clipper cards that require verification of eligibility) and have the ability of increasing the cash values of existing Clipper cards. The scope of the original contract was increased to include upgrades to the credit card reader and the database.

  Field work resumed, following COVID-19 related work suspension, and the upgrading to new credit card readers has been completed at the final remaining 8 stations. This first phase of the project to develop a prototype Clipper TVM is expected to complete in the summer. Full funding for the option for retrofitting 12 additional TVM's has now been secured and the option has been executed. There is an additional phase for the rehabilitation of 22 TVM's that was approved in the FY20 Capital Budget.

- **Mary and Evelyn Avenue Traffic Signal Preemption Project:** Perform upgrades to train approach warning systems at the Mary Avenue and Evelyn Avenue crossings in Sunnyvale. The project will improve vehicle safety at the at-grade crossings by increasing the traffic signal advance warning times for approaching trains in order to clear vehicles at the crossings. This project will mimic the previously completed traffic signal preemption project that was completed in 2014 in Redwood City, Palo Alto and Mountain View. This project is being funded through the State of California Public Utilities Commission Section 130 program to eliminate hazards at existing grade crossings.

The 100% crossing design by the Electrification project is still not yet available for design coordination and a timeframe for its receipt is to be determined. The project has proceeded to complete its own design without this information from the Electrification project. The 100% design is completed and the construction, to be performed by TASI, is scheduled to take place from summer 2020 until spring of 2021.

- **FY19/FY20 Grade Crossing Improvements:** This project is a continuation of the ongoing grade crossing program to improve the safety at grade crossings in accordance with Grade Crossing Hazards Analysis for the entire corridor. This analysis prioritized the crossings and we have proceeded with the work in phases based on funding availability. 10 crossings were improved in 2018 under the FY16 budget authorization. Due to budget constraints, the FY19/FY20 scope is limited to five (5) crossings to be improved. The five crossings selected to be improved in this phase are 1st, 2nd, and 3rd Avenues in San Mateo, and, Glenwood and Oak Grove Avenues in Menlo Park. Work items that are included are the installation of signals, fences, gates, curbs, lighting and signs.

  The 100% final design was completed and preparations for the Issue For Bid contract documents are underway. Advertisement of the construction contract is planned for the Fall of 2020 with construction beginning in early 2021 and lasting until Fall of 2021.

- **Churchill Avenue Grade Crossing Improvements:** This project will make pedestrian and bicycle access improvements, and, safety improvements to the Churchill Avenue crossing in the city of Palo Alto. The project scope includes the widening of the sidewalks, associated relocation of pedestrian gates, and installing new vehicle pavement markings and markers.

  The project began in December 2019. The 35% design received in March is under review including the review by the City of Palo Alto. The City of Palo Alto is rethinking the scope of work for the project and is in discussion with CPUC and Caltrans to modify the scope. Design is currently on hold until the City of Palo Alto decides on the scope and proceed with their design work. Advertisement for construction will be early 2021 and construction is scheduled to occur in late 2021.

- **Broadband Wireless Communications for Railroad Operations:** This project is to provide wireless communications system to provide enhanced capabilities for the monitoring of the railroad operations and maintenance, and, provide Wi-Fi capability for passengers. This project is funded through a grant from the Transit and Intercity Rail Capital Program (TIRCP). Currently, the project is currently only approved for the planning/design phase.

The project is currently continuing the planning/design phase that began in November 2019. The current schedule calls for the planning/design efforts to complete by the fall of 2020.

- **F-40 Locomotive Mid-Life Overhaul Project:** Perform mid-life overhaul of three F40PH2C locomotives. The mid-life overhaul of the locomotives includes the compete disassembly of the main diesel engine, overhauling by reconditioning re-usable main frame components and re-assembly with new engine components and replacement of the Separate Head-End Power (SEP-HEP) unit and all electrical components of the SEP-HEP compartment. All areas of the locomotive car body, trucks, wheels and electrical components shall be reconditioned to like-new condition or replaced with new material. The work will be completed off-site at contractor's (Motive Power) facility location at Boise, Idaho. The three locomotives are Locomotive #'s 920, 921 and 922.

  Locomotives #'s 920 and 921 were shipped to the vendor's facility in Idaho in February and March of 2018, and, #922 was shipped in April 2019. Locomotive 920 and 921 have been returned to service. Locomotive #922 has been returned in May to CEMOF in San Jose and is undergoing acceptance testing. Upon completion of acceptance tests, locomotive #922 will be returned to service and the contract will become complete.

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

  The overhaul contract was awarded to Alstom Transportation, Inc. (Alstom) in April 2020. The contract has been executed with the vendor and a kickoff meeting has been held. The next action will be to transport the first vehicle to the vendor's facility to commence overhauling.

AGENDA ITEM #7a
July 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Michelle Bouchard
Chief Operating Officer, Rail

SUBJECT: **CALTRAIN POSITIVE TRAIN CONTROL PROJECT UPDATE – JUNE 2020**

ACTION

Staff Coordinating Council recommends that the Board receive the Positive Train Control (PTC) report for June 2020.

SIGNIFICANCE

Staff will provide monthly updates covering PTC related activities during the previous month and provide a preview of activities anticipated to take place during the current month.

BUDGET IMPACT

There is no budget impact.

MONTHLY UPDATE

1. Project Schedule - Major Milestones for Caltrain PTC Implementation:

Key Project Activity	Expected Completion	Progress as of 06/16/20	Progress On Track?	Mitigation Required or Approvals Needed
Approval of Designated Revenue Service Demonstration (RSD) Test Request	May 31st	Completed	Completed	Formal conditional approval received on September 10. Team incorporating FRA conditions in test plan to ensure compliance to approval
Approval of revised project PTC Implementation Plan (PTCIP) and Request for Amendment (RFA)	May 31st	Completed	Completed	Formal approval received on May 16, 2019 for PTCIP and RFA Rev. 10
Pilot Installations (4) Completed	June 20th	Completed	Completed	All pilots completed
Submit Designated RSD Application	Oct 15th	Completed	Completed	RSD Application submitted and in review by FRA
Submit Full Track RSD Application	June 7th	Completed	Completed	Formal RSD request for full track was submitted to the FRA on June 14, 2019
Complete Critical Feature Verification & Validation (V&V) for Designated Track RSD	Oct 30th	Completed	Completed	
Complete Designated RSD Training	Nov 14th	Completed	Completed	Training for designated RSD personnel completed
Complete Required Vehicle Installations (44 Units)	Dec 3rd	Completed	Completed	(44) Installs required for RSD completed, punch list items were completed by Wabtec
Meet FRA Statutory Requirements and Substitute Criteria	Dec 31	Completed	Completed	Met FRA December 31, 2018 deadline
Obtain Alternative Schedule approval from FRA	Mar 15th 2019	Completed	Completed	Received FRA's approval on February 6, 2019
Completion of Remaining Vehicle Installation (all 66 units)	April 30, 2019	Completed (65 Units)	Completed (65 Units)	Except one F40PH 3C Rehab vehicle 922, it is currently being installed and will be completed by end of June 2020
Full RSD - Complete Remaining Critical Feature V&V	Jan 2019	Completed	Completed	
Full RSD – Complete Wayside Interface Unit (WIU) V&V	March 15, 2019	Completed	Completed	Completed on March 15, 2019

Key Project Activity	Expected Completion	Progress as of 06/16/20	Progress On Track?	Mitigation Required or Approvals Needed
Full RSD – Complete Lab Integrated End to End Testing (LIEE)	June 30, 2019	Completed	Completed	LIEE Cycle 3 was completed ahead of schedule on June 12, 2019
Full RSD – Complete Field Integrated Testing (FIT)	August 2019	Completed	Completed	Full track FIT has completed on June 30, 2019
Full RSD – Complete Field Qualification Testing (FQT)	September 2019	Completed	Completed	Full track FQT has completed on July 14, 2019
*Commence Full RSD – Caltrain ROW	October 2019	Completed	Completed	Caltrain has successfully entered RSD on September 07, 2019
Complete Lab Integrated End to End Testing for Interoperability with UPRR (LIEE-I)	October 2019	Completed	Completed	LIEE-I with UPRR was completed on October 15
*Complete Interoperability Testing with UPRR - Both ROW	December 2019	Completed	Completed	Interoperable Test with UPRR on both territories were completed on Nov 5th, 2019
*Complete Interoperability Testing with Tenant Railroads - ACE	April 30 2020	Completed	Completed	Interoperable Test with ACE was completed on Nov 17, 2019
*Complete Interoperability Testing with Tenant Railroads - AMTRAK	April 30 2020	Completed	Completed	Interoperable field testing was concluded on Feb 8,2020
Achieve Interoperability with UPRR	Dec 31, 2019	Completed	Completed	Accomplished on December 9, 2019
Achieve Interoperability with other Tenants	April 30, 2020	Completed	Completed	Accomplished Interoperable with ACE on December 9, 2019. Interoperable Operation with Amtrak was achieved on Feb 26, 2020
Submit Caltrain PTC Safety Plan to the FRA	June 30, 2020	Plan	Yes	Project will submit the PTCSP by-June 26, 2020
Complete Caltrain PTC Implementation	December 2020	Plan	Yes	

Key project milestones for 2019/2020 have incentive payments as part of a contract negotiation concluded on May 7, 2019. Wabtec have received all the incentive payments.

1. **Major Wabtec activities for June 2020:**
   - Caltrain commenced Revenue Service Demonstration (RSD) since September 7, 2019. As of Feb 26, 2020 Caltrain has achieved interoperability requirements and is interoperable with all tenants (UPRR, ACE, and Amtrak/Capitol Corridor).
   - Continued to provide technical support for RSD trouble shooting and addressed defect items with support from WABTEC PTC help-desk.
   - Completed 25th Ave Grade Separation CFV Field V&V and WIU V&V effort, 25th Grade Separation MT2 was cutover successfully.
   - Continued BCCF/CCF Cutover planning effort and finalization of cutover plan and procedure.
   - Completed on-board software 6.3.17.4.3 LD1 deployment effort for all trains
   - Continued and extended field on-site Warranty support for on-board subsystem
   - PTC Track data changes 9026 was deployed in support of Caltrain 25th Ave Grade Separation MT2 cutover and South SF Capital Improvement Project.
   - Continued LIEE-I Testing with UPRR third party railroads (six total) for interoperable Operations.
   - Completed Field initialization testing with BNSF (one of six UPRR third party railroads); continued planning and coordination effort for field initiation testing with UPRR third party railroads (5 remaining).
   - Finalized PTC Safety Plan (PTCSP) and associated risk assessment effort in support of Caltrain PTC safety certification. PTCSP body was 100% complete.
   - Continued negotiation and finalization of I-ETMS maintenance agreement pricing and terms and conditions.

2. **Vehicle Installation:**
   Wabtec completed installation of (44) I-ETMS modules on the Caltrain locomotives and cab cars as required in Caltrain's Implementation Plan and statutory criteria requirements in early November of 2018. Wabtec has completed installations on the remaining Caltrain fleet (22 additional locomotives and cab cars) except one F40, which is currently having PTC equipment installed and will be completed by the end of June 2020. Caltrain has decided not to install PTC equipment on a damaged Gallery Cab car, therefore total equipment count is 66.

I-ETMS On-Board Installation Progress (As of 5/12/20)			
Equipment	**Completed**	**In Progress**	**Pending**
F40	22	0	1
MP36	6	0	0
Bombardier Cab	9	0	0
NS Gallery Cab	26	0	0
MP1500	2	0	0
Total	**65**	**0**	**1**
%	**98%**	**0%**	**2%**

3. **Other Key Activities for June of 2020:**

This section reports on PTC project general progress and issues being performed and tracked in addition to the Wabtec contract during the current reporting month.

- Caltrain has received approval from the FRA to enter extended Revenue Service Demonstration (RSD) on January 7, 2020 after initial RSD commenced on September 7, 2019. Caltrain is currently running all revenue trains with PTC.
- Caltrain commenced interoperable operations with UPRR and ACE on December 9, 2019, and with Amtrak/Capitol Corridor since February 26, 2020. Caltrain is interoperable with all tenants.
- Herzog Technologies Incorporated (HTI) data collection team and PTC project team are producing PTC weekly and monthly reporting to the FRA per the RSD conditional approval requirements for the extended RSD.
- PTC helpdesk continues to support PTC operation since commencement of RSD with support from Tier 1 and Tier 2 systems support staff for daily PTC operations.
- Defect-tracking meetings are held to continue monitoring reliability of the PTC system and address any critical anomalies and defects by system engineering (Tier 2) and WABTEC/ARINC (Tier 3) as needed.
- Caltrain is meeting with UPRR and other tenants on bi-weekly basis to address any technical and operational issues related to PTC interoperable operations.
- Weekly ARINC coordination meeting is held to address operational systems maintenance and modification work, the live operational systems are Rail Operations Control System (ROCS), Passenger Predictive Train Arrival/Departure System (PADS) and Voice Radio Dispatching System (RDS), which are residing in the CCF and BCCF to support rail operations.
- Reviewed ROCS/PADS/RDS test plan and procedures that are related to BCCF/CCF cutover and ROCS software modification effort.
- The PTC project continues its coordination efforts with the Electrification and EMU programs via regularly scheduled System Integration Meetings held by PCEP. Ad hoc meetings to discuss topics requiring in-depth or immediate decisions are held as needed. PTC system

team is working with PCEP team and assessing systems impact due to upcoming electrification project segment 4 signal cutover effort.
- Caltrain Configuration Control Board (CCB) continued review and approval of configuration changes that affect rail operations systems and infrastructure by following Caltrain Configuration Management plan and process.
- Caltrain Systems team actively involved in PTC Interoperable Change Management process through Interoperable Change Approval Board (ICAB).
- Caltrain team continued working with Wabtec, district procurement and legal to establish long-term maintenance agreement for I-ETMS PTC system.

4. **Change Order Log:**

Project has competed evaluation and approved two new change order proposals received in March 2020 for the work related to 1) UPRR third party railroad interoperable testing (6 railroads total) which was approved by CMB on May 27, 2020 ($602,577); 2) the diverse redundant network path between CCF & BCCF datacenters ($121,433). These two changes will constitute the second contract amendment totaling $724,010.
Contract amendment one was for $1.42 M related to interoperability and the communications system.
The funds for both amendments were taken from potential change budget as part of original board approved $89.41M project

5. **Risk Management**:

Caltrain and Wabtec have agreed to share the management of an identified list of risk items that were identified during the contract negotiations. The total cost allocated to these risks is $1.9M to be shared amongst both parties. Unrealized risks will result in cost savings to Caltrain.

Caltrain and Wabtec jointly review the shared risk register as the project progresses. Caltrain will provide update for any realized risks that are identified and agreed upon by both parties.

There are also risks to be monitored outside the Wabtec specific contract that the project team monitors and mitigates as necessary. The following table captures the top risks both external (outside the Wabtec contract) and internal (specific to the Wabtec contract):

Risk Item	Type	Mitigation Action
FRA process changes	External	Maintain close and open relationship with key FRA contacts to ensure all submittals are done correctly and within required time frame to achieve approvals required to achieve full system certification.
Interoperability delays	External	Caltrain is working with UPRR and tenants to ensure agreed to interoperability schedule dates are maintained – Risks were mitigated, Interoperability with UPRR, Amtrak, and ACE were achieved.
Track access delays	Internal	Ensure field test schedule is maintained by coordinating all fieldwork in combination with other capital project’s needs, particularly the PCEP project – Risk were mitigated, Caltrain has entered RSD and achieved interoperability with all tenants.

Risk Item	Type	Mitigation Action
Back Office Server (BOS) documentation scope creep	Internal	Risk is mitigated by working with Wabtec to ensure future BOS software releases meet requirements of Caltrain PTC operations. Caltrain subscribes standard Interface Control Documentation (ICD) through AAR for future BOS release.
Key Exchange Server Solution	Internal	Implementation of Caltrain Key Exchange Server timely to support Interoperability Testing with UPRR. KES production test was completed in October 2019. Caltrain has been interoperable with all tenants. The Long-term communication MPLS solution was finalized and installation is scheduled once travel restriction is lifted due to COVID 19.
Maintenance of existing Assets Data Communications, Wayside Infrastructure and on-board equipment	Internal	Coordinated with Operations and TASI to ensure all assets including all documentation were done and handed off to Operations/TASI. PTC infrastructure are maintained by TASI and Project team continue to provide support as Tier 2/Tier 3 to ensure PTC is reliable for PTC Revenue Service Operations.

6. **FRA Coordination Status:**
   - Continued weekly calls with FRA review team
   - Continued RSD Weekly and Monthly Reports to the Test Monitor
   - Attended FRA PTC Collaboration Session 5

7. **Caltrain Roadmap to Full RSD and Interoperability:**
   - Caltrain is currently in Extended Revenue Service Demonstration and is fully interoperable with all tenants.
   - Completing and submitting the PTC Safety Plan to the FRA is the next big milestone in order to achieve overall system certification.
     1. Alternative Schedule was approved on February 6, 2019.
     2. Caltrain completed all field validation by the 1st quarter of 2019.
     3. Caltrain completed laboratory integrated testing for full track in April of 2019.
     4. Caltrain submitted the full track RSD application in June 2019 and received conditional approval of RSD in July 2019.
     5. Caltrain completed Field Integrated Testing (FIT) and Field Qualification Testing (FQT) for full track and has commenced RSD on September 7, 2019.
     6. Caltrain completed training TASI personnel to support full track RSD and PTC operations.
     7. Caltrain continues to roll out PTC trains; all 92 trains per weekday are under PTC as of the end of 2019.
     8. Caltrain completed interoperability laboratory testing with UPRR on August 12, 2019 for cycle one and subsequently cycle two on October 15, 2019.
     9. Caltrain has received Interoperability Test Request Conditional Approval from the FRA.
     10. Caltrain completed interoperability field testing with UPRR on November 5 2019 and has achieved interoperability with UPRR on December 9, 2019.
     11. Caltrain has completed interoperability testing with ACE and started PTC operations on December 9, 2019. Caltrain commenced interoperability operations with Amtrak on February 26, 2020. Caltrain achieved interoperability requirements with all tenants.
     12. Caltrain will complete submission of the final PTC Safety Plan (PTCSP) by June 2020 and receive full system certification by December 2020.

8. Cost – Spend vs Budget with Actuals and Accruals through May 2020

	(A)	(B)	(C)	(D)	(E)	(F) = (C - E)	(G) = (D / E)
Project Cost Analysis	Original Budget (US$MM)	Approved Changes (Contractor) (US$MM)	Project Current Budget (US$MM)	Expended and Accruals To-Date (US$MM)	Estimated at Completion (EAC) (US$MM)	Variance at Completion (US$MM)	% Expended of EAC
CBOSS PTC Project (Jan 2008 - Feb 2018)	$ 231.00		$ 239.88	$ 202.26	$ 202.26		
Caltain PTC Project (March 1, 2018 - June 30,2020):							
Integrator WABTEC Contract	$ 43.01	$ 1.42	$ 44.44	$ 35.36	$ 44.44	$ -	79.58%
Other Contractors	$ 6.00	$ -	$ 6.00	$ 2.12	$ 6.00	$ -	35.25%
Potential Changes	$ 2.00	$ (1.42)	$ 0.58		$ 0.72	$ (0.14)	
Potential Incentive - WABTEC	$ 2.00	$ -	$ 2.00	$ 2.00	$ 2.00	$ -	100.00%
Other Program Costs	$ 30.34	$ -	$ 30.34	$ 18.70	$ 30.07	$ 0.28	62.20%
Project Contingency	$ 6.06	$ -	$ 6.06		$ 5.16	$ 0.90	
Total PTC Project	$ 89.41	$ -	$ 89.41	$ 58.18	$ 88.38	$ 1.03	65.83%

Note:
1). Expended and Accruals To-Date is through May 31 2020;
2). Integrator Wabtec Contract Value includes Shared Risk with Not to Exceed Total of $1.91MM;
3). Other Contractors amount includes ROCS Modification and potential fiber fixes;
4). Potential Changes amount is set for future project change orders as result of WABTEC assessment and survey for the communications and office subsystems; Currently we are evaluating two change order proposals received from WABTEC in March 2020.
5). Potential incentive amount reflects what is in the WABTEC conformed agreement;
6). Other Program Costs includes JPB project oversight costs, TASI support and Other Direct Cost for PTC project delivery;
7). Project contingency includes a) contingencies for WABTEC contract per Board Staff Report; b) JPB project team cost contingency;
8). CBOSS PTC project budget and actual cost are highlighted to reflect prior March 1st, 2018 CBOSS project financial data.
9). Negotiated additional scope items are included in WABTEC's contract amendment 1. There is no budget impact since project has budgeted adequate potential change for the amount of $2MM (note no. 4 above) for added scope items. Current Project budget for WABTEC contract is updated to reflect added scope items.
10). Other Program Costs EAC is increased from previous months to include FY21 systems support effort in order to offset Operating budget deficit caused by COVID-19.

9. Upcoming Key Activities in July 2020:

- Continue to support PTC RSD with operations and TASI.
- Finalize BCC/CCF master cutover plan and continue BCCF/CCF cutover technical coordination with all parties.
- Continue data collection and PTC log analysis for PTC RSD weekly report to the FRA following RSD conditional approval requirements.
- Continue to provide Tier 2 PTC system engineering support for tracking anomalies and addressing defect resolutions with Tier 3.
- Continue interoperability operational coordination with all tenants via bi-weekly calls.
- Continue perform LIEE-I and field-testing with UPRR third party railroads (5 out of 6 remaining). Remaining lab and field initialization testing are scheduled from June through July of 2020.
- Complete ATCS work field installation work once travel plan is confirmed.
- Continue PTC Virtualization with selected vendor.
- Plan CFV Field Validation and WIU V&V in support of 25th Ave Grade Separation Project MT1 cutover.
- Complete KES long-term MPLS/Cell installation effort for sprint circuit installation once travel restriction is lifted.
- Follow up on PTCSP official FRA submission.
- Continue to perform railroad specific hazard analyses required for PTC system certification.
- Prepare staff report and award recommendation for I-ETMS long-term maintenance service agreement.
- Commence work to diverse redundant network path between CCF & BCCF datacenters.
- Complete review of BCCF Lab training material and schedule for Lab training performed by WABTEC

Prepared By: Matt Scanlon, Deputy Director, Systems - 650.622.7819

AGENDA ITEM #7b
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: John Funghi
Chief Officer, Caltrain Modernization Program

SUBJECT: **PENINSULA CORRIDOR ELECTRIFICATION PROJECT MONTHLY PROGRESS REPORT**

ACTION
Staff Coordinating Council recommends the Board receive the Peninsula Corridor Electrification Project (PCEP) Monthly Progress Report (MPR). The MPR is available online under "Reports and Presentations" at this webpage: http://www.caltrain.com/projectsplans/CaltrainModernization/CalMod_Document_Library.html. No action required.

SIGNIFICANCE
Staff prepares and submits a report covering the PCEP on a monthly basis.

BUDGET IMPACT
There is no impact on the budget.

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

Prepared by: Josh Averill, Program Management Administrator 650.508.6453

Caltrain Modernization Program
Peninsula Corridor Electrification Project (PCEP)

May 2020
Monthly Progress Report

May 31, 2020

Funding Partners

Federal Transit Administration (FTA) Core Capacity

FTA Section 5307 (Environmental / Pre Development only)

FTA Section 5307 (Electric Multiple Unit (EMU) only)

Prop 1B (Public Transportation Modernization & Improvement Account)

Caltrain Low Carbon Transit Operations Cap and Trade

Proposition 1A

California High Speed Rail Authority (CHSRA) Cap and Trade

Carl Moyer Fund

Bridge Tolls (Funds Regional Measure (RM) 1/RM2)

San Francisco County Transportation Authority (SFCTA)/San Francisco Municipal Transportation Agency (SFMTA)

San Mateo County Transportation Authority (SMCTA) Contribution

SMCTA Measure A

Santa Clara Valley Transportation Authority (VTA) Measure A

VTA Contribution

City and County of San Francisco (CCSF) Contribution

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1.0 BACKGROUND

Over the last decade, Caltrain has experienced a substantial increase in ridership and anticipates further increases in ridership demand as the San Francisco Bay Area's population grows. The Caltrain Modernization (CalMod) Program, scheduled to be implemented by 2021, will electrify and upgrade the performance, operating efficiency, capacity, safety, and reliability of Caltrain's commuter rail service.

The PCEP is a key component of the CalMod Program and consists of converting Caltrain from diesel-hauled to Electric Multiple Unit (EMU) trains for service between the San Francisco Station (at the intersection of Fourth and King Streets in San Francisco) and the Tamien Station in San Jose. Caltrain will continue Gilroy service and support existing tenants.

An electrified Caltrain will better address Peninsula commuters' vision of environmentally friendly, fast and reliable service. Electrification will modernize Caltrain and make it possible to increase service while offering several advantages in comparison with existing diesel power use, including:

- **Improved Train Performance, Increased Ridership Capacity and Increased Service:** Electrified trains can accelerate and decelerate more quickly than diesel-powered trains, allowing Caltrain to run more efficiently. In addition, because of their performance advantages, electrified trains will enable more frequent and/or faster train service to more riders.
- **Increased Revenue and Reduced Fuel Cost:** An electrified Caltrain will increase ridership and fare revenues while decreasing fuel costs.
- **Reduced Engine Noise Emanating from Trains:** Noise from electrified train engines is measurably less than noise from diesel train engines. Train horns will continue to be required at grade crossings, adhering to current safety regulations.
- **Improved Regional Air Quality and Reduced Greenhouse Gas Emissions:** Electrified trains will produce substantially less corridor air pollution compared with diesel trains even when the indirect emissions from electrical power generation are included. Increased ridership will reduce automobile usage, resulting in additional air quality benefits. In addition, the reduction of greenhouse gas emissions will improve our regional air quality, and will also help meet the state's emission reduction goals.

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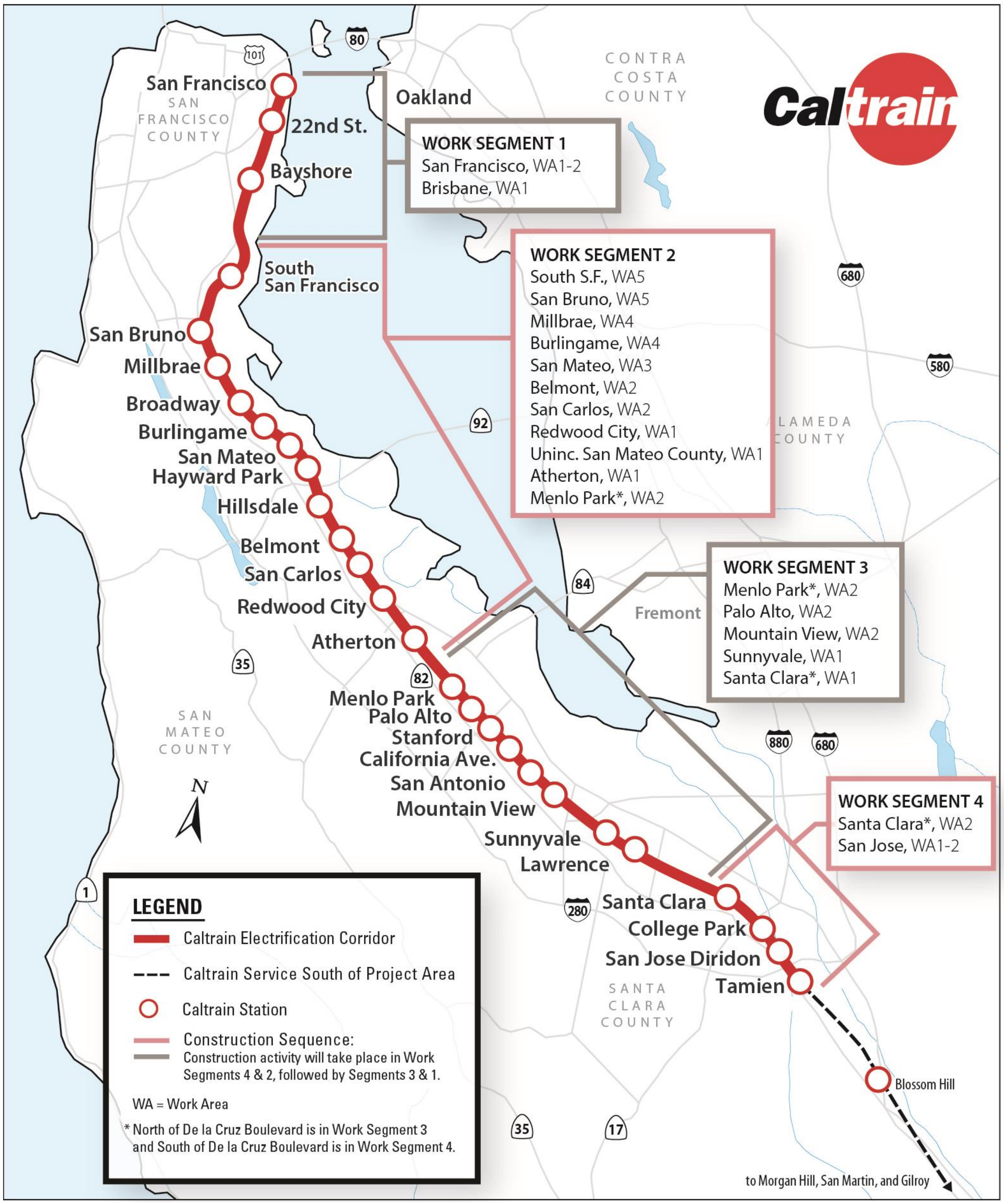
2.0 EXECUTIVE SUMMARY

The Monthly Progress Report is intended to provide an overview of the PCEP and provide funding partners, stakeholders, and the public an overall update on the progress of the project. This document provides information on the scope, cost, funding, schedule, and project implementation. Work along the Caltrain Electrification Corridor has been divided into four work segments and respective work areas (WA) as shown in Figure 2-1. PCEP activities are described and summarized by segments and work areas.

Figure 2-1 PCEP Work Segments



Electrification construction progress in May included installation of Overhead Contact System (OCS) static and feeder wires in Segment 2 and OCS foundations in Segment 3. As a result of the Design-Build contractor's (Balfour Beatty Infrastructure, Inc. (BBII)) failure to order a sufficient number of rebar cages for foundation installation, only 44 foundations were installed in May, temporarily slowing progress. Anticipating the procurement of rebar cages, PCEP continued working with BBII to advance a schedule that has an anticipated foundation installation completion date of December 31, 2020. BBII installed signal houses in Segment 4 and continued with installation of signal ductbanks, conduit, and cable in Segments 2 and 4. Site work and foundation installation progressed in Traction Power Substation (TPS) TPS-1 and Paralleling Stations (PS) PS-4 and PS-5.

The JPB-approved agreement with PG&E to construct 115 kilovolt (kV) interconnections between TPS-1 and TPS-2 was executed in May, and coordination between the JPB and PG&E began in preparation for upcoming construction work.

The Federal Railroad Administration approved the waiver regarding the use of an Alternative Vehicle Technology for crashworthiness design. EMU production is still on schedule, although Stadler expects production delays due to disruption sin the supply chain from Coronavirus Disease 2019 (COVID-19). Type Testing of Trainset No. 1 is still on hold as travel remains restricted for the personnel who are needed to conduct the test.

The Centralized Equipment Maintenance and Operations Facility (CEMOF) work includes completion of installation of conduit and wire inside the maintenance building, catch basins, and a storm drain line.

2.1. Monthly Dashboards

Dashboard progress charts are included below to summarize construction progress.

Figure 2-2 Expenditure – Planned vs. Actual

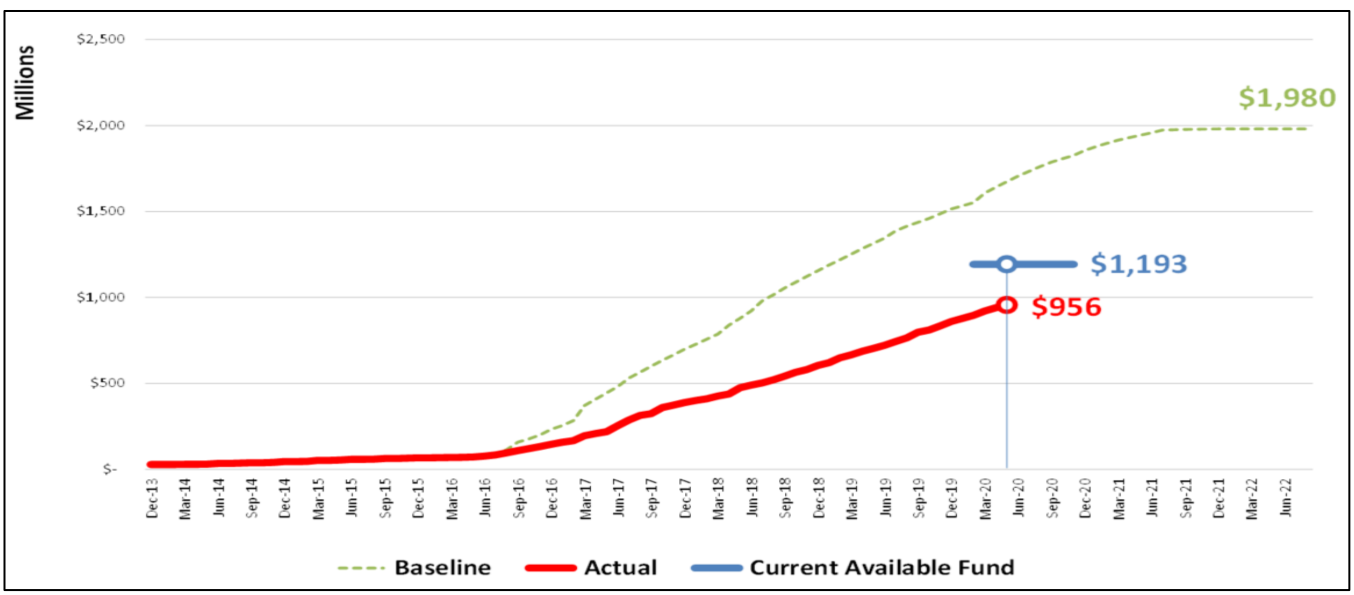


Figure 2-3 Spending Rate vs. Required

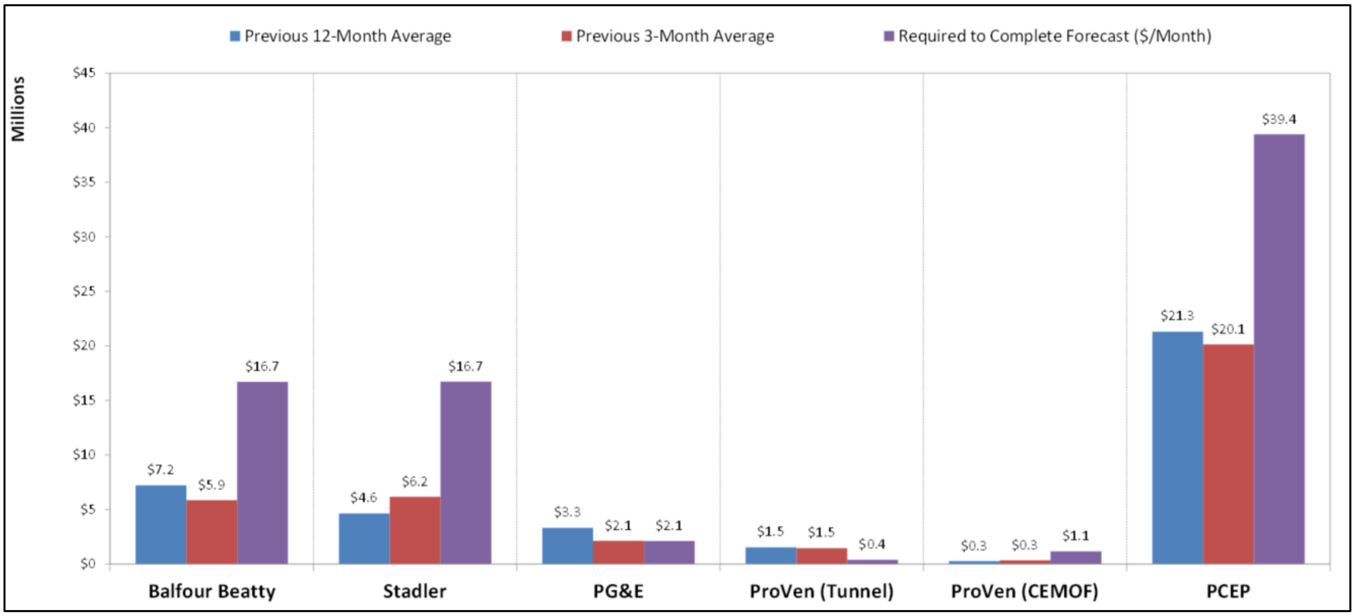
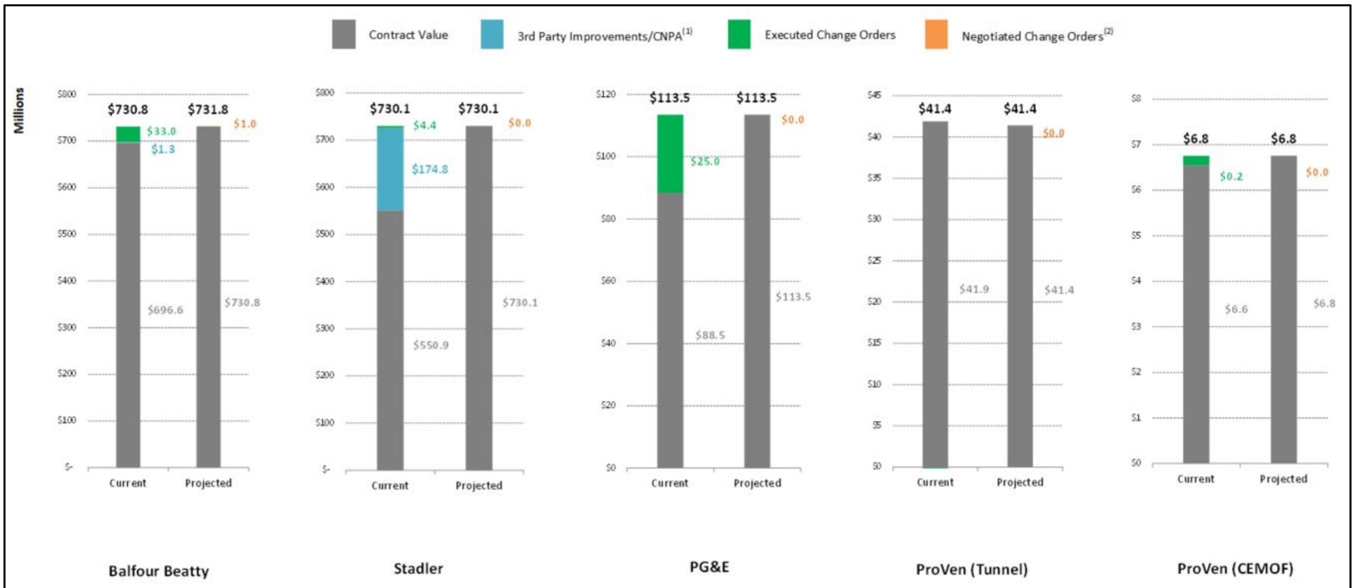


Figure 2-4 Construction Contract Budgets



Notes:
(1) 3rd Party Improvements/CNPA consists of the following "Below-the-Line" projects:
Balfour Beatty: ($1,266,000 Total):
- CHSRA Early Pole Relocation (Design Only): $625,000
- TPSS-2 VTA/BART Pole Relocation (Design Only): $110,000
- TPSS-2 VTA/PCEP Pole Height (Redesign): $31,000
- Relocation of PS-3 (Burlingame): $500,000
Stadler ($174,761,397 Total):
- EMU Options Cars: $172,800,047
- Add Flip-Up Seats into Bike Cars: $1,961,350
(2) Includes only negotiated change orders not yet executed

Figure 2-5 OCS Foundation Production

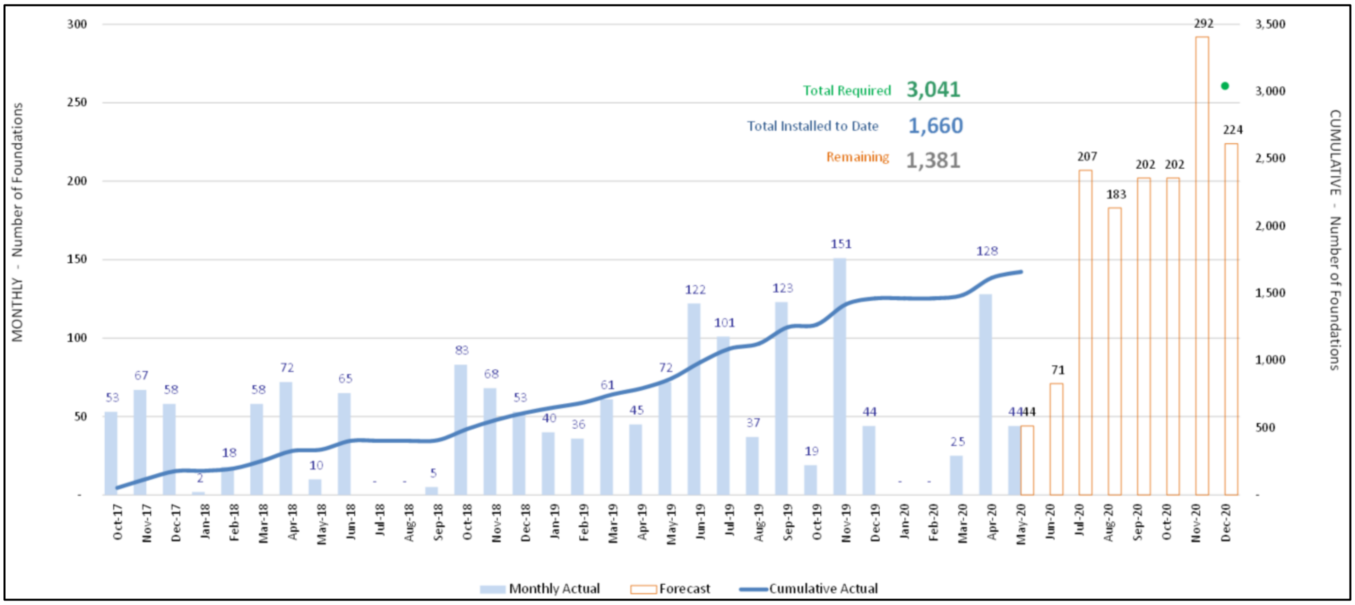
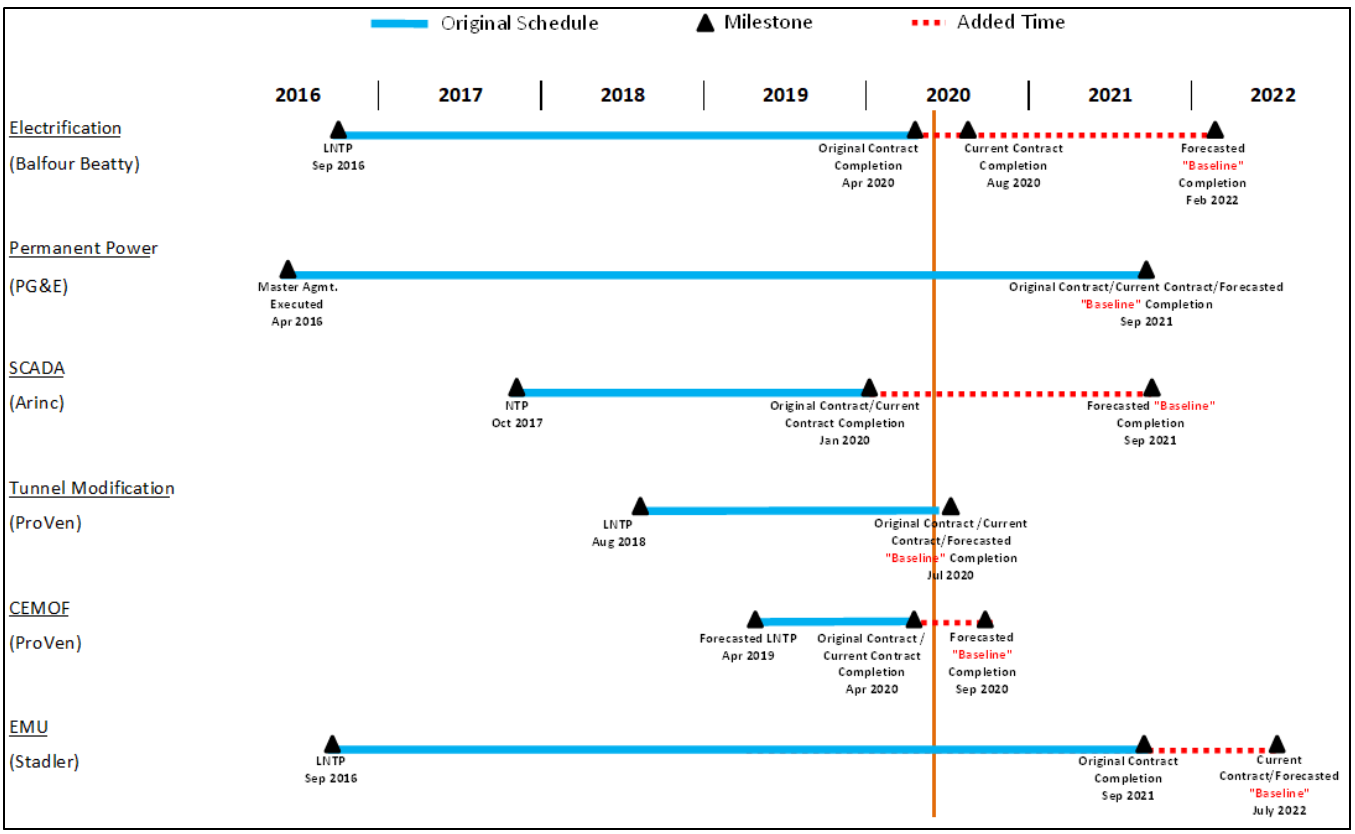


Figure 2-6 Contractor Completion Schedule



2.2. Funding Partners Participation in PCEP

The PCEP has a series of weekly, biweekly, monthly and quarterly meetings to coordinate all aspects of the program. The meetings are attended by project staff with participation by our funding partners in accordance with the Funding Partners Oversight Protocol. A summary of funding partner meetings and invitees can be found in Appendix B.

This section of the report provides a summary of the discussions and decisions made at the meetings and a list of funding partners who attended the meetings.

Electrification – Weekly Discipline-Specific Meetings

Purpose: To replace the previous weekly Engineering Meeting with three discipline-specific meetings for the three major categories of work under the Electrification Design Build (DB) contract: Overhead Contact System (OCS) Foundation, Traction Power Facilities (TPF), and Signals. Each meeting will focus on the status, resolution and tracking of Balfour Beatty Infrastructure, Inc. (BBII) and Electrification design- and construction-related issues.

Activity this Month

OCS Foundation Meeting

Funding Partners: None

- Review of upcoming foundation design and installation schedule
- Discussion of open issues impacting foundations design and installation
- Discussion of outstanding Requests for Information (RFI)
- Review of foundation designs that potentially impact Right of Way (ROW)
- Review of outstanding Field Orders or Change Notices required for work to continue

TPF Meeting

Funding Partners: None

- Review of outstanding items as they relate to the design and construction of the PG&E Interconnection
- Review of status of long-lead material procurement
- Review of PG&E Interconnection schedule
- Discuss progress and next steps for the Single-Phase Study
- Discuss outstanding comments on the interconnection agreement
- Review and resolve open issues on the construction and design of the TPFs (paralleling stations, traction power substations, switching station)

Signal Meeting

Funding Partners: None

- Discussion of design, installation and testing of the signal and communication modifications to the Caltrain system
- Discussion of outstanding comments and responses to comments on signal and communication design packages
- Review of schedule for signal and communication cutover plans
- Discuss and resolve RFIs

PCEP Delivery Coordination Meeting – Bi-Weekly

Purpose: To facilitate high-level coordination and information sharing between cross-functional groups regarding the status of the work for which they are responsible.

Activity this Month

Funding Partners: VTA: Edwin Castillo; SFCTA: Luis Zurinaga

The Project Management Oversight Consultant (PMOC) held a virtual monitoring visit with staff on May 19-20. A bi-annual presentation on the progress of the project to the San Francisco County Transportation Authority (SFCTA) Board of Supervisors is scheduled in June. In environmental and planning, a Notice of Construction was filed with the California Public Utilities Commission (CPUC) for the PG&E interconnection work. In contracts and procurement, two sole-source contract amendments have been approved by the JPB Finance Committee and the Change Management Board (CMB). Both will be presented to the June Board for final approval. For EMU design and manufacturing, truck frame production in Winterthur and carshell production in Altenrhein are running on schedule. Testing and commissioning on Trainset 1 in Salt Lake City has limited progress due to engineer travel restrictions to the U.S. Shoring work for the CEMOF facility is nearly complete and form work is projected to start within the next couple of weeks. In design build activities, steel cages for Segment 3 are projected to arrive on May 20 and will follow with steel plates and foundations installation. There will be coordination with the South San Francisco Project team for the work on the temporary platform at TPS-1.

Systems Integration Meeting – Bi-Weekly

Purpose: To discuss and resolve issues with inter-system interfaces and to identify and assign Action Item Owners for interface points that have yet to be addressed.

Activity this Month

Funding Partners: None

Bi-weekly PCEP interface meetings are held to monitor and determine appropriate resolution for systems integration issues. All information from the systems integration database was recovered, is now in an Excel spreadsheet and individual items are being updated. The Action Items spreadsheet is the primary tracking method while review and System Integration matrix updates are in progress. The Systems Integration Lead also maintains contact with the EMU procurement team. The Traction Power SCADA team also holds bi-weekly status meetings. Coordination with the EMU procurement, PTC and Caltrain Capital Project managers responsible for delivery of the 25th Avenue Grade Separation Project, Marin Napoleon Bridge Rehabilitation Project, and the South San Francisco Station Project is ongoing. There is coordination with the Tunnel Modification Project, PG&E construction of the Interconnection to TPS-2, and the CEMOF upgrades as well. Progress on activities including systems integration testing activities, FRA, FTA and safety certification are being tracked. An effort is being undertaken to re-focus Systems Integration to avoid task overlap with the JPB Rail Activation Committee. A smaller "breakout" group is meeting to determine and track what testing and with which resources will need to be coordinated among the various contracts and suppliers. This "Testing & Commissioning Meeting" is the primary interface to the PCEP Design-Build Team at this time. This group will report back to the System Integration meeting group with their findings.

Master Program Schedule (MPS) Meeting – Monthly

Purpose: To review the status of the MPS and discuss the status of major milestones, critical and near-critical paths, upcoming Board review items, and progress with the contracts, among others.

<u>Activity this Month</u>

Funding Partners: Metropolitan Transportation Commission (MTC): Trish Stoops; VTA: Manolo Gonzalez-Estay, SFCTA: Luis Zurinaga

The program critical path continues to run through the manufacturing and testing of EMU trainsets. Due to COVID-19 impacts on the Stadler vehicle schedule, the forecasted Revenue Service Date (RSD) has been adjusted from May 2022 to July 2022. This has resulted in the drawdown of 77 days of contingency. Thirty one days of contingency remain to support an RSD of August 2022. As the COVID-19 pandemic is a force majeure event, the JPB is reviewing its Full Funding Grant Agreement (FFGA) RSD obligation.

Risk Assessment Meeting – Monthly

Purpose: To identify risks and corresponding mitigation measures. For each risk on the risk register, mitigation measures have been identified and are being implemented. Progress in mitigating these risks is confirmed at the ongoing risk monitoring and monthly risk assessment meetings.

<u>Activity this Month</u>

Funding Partners: SFCTA: Luis Zurinaga; MTC: Trish Stoops

A Risk Assessment Committee Meeting was held on May 6. Nine risks were retired, two risks were regraded, and three new risks were added to the risk register.

Change Management Board (CMB) – Monthly

Purpose: To review, evaluate and authorize proposed changes to PCEP over $200,000. The CMB discusses major topics including potential changes to PCEP contracts, contingency usage, track access delays and Differing Site Conditions (DSC) field order updates. Potential contract changes will follow the PCEP Change Order Procedure. Once approved changes are executed, they will be reported in the Change Management section (Section 9) of this report.

Activity this Month

The CMB meeting occurred on April 7.

Funding Partners: CHSRA: Boris Lipkin; VTA: Edwin Castillo; SFCTA: Luis Zurinaga and Anna Harvey; SMCTA: Joe Hurley; MTC: Kenneth Folan, Trish Stoops, and S. Wolfe

BBII Contract

Four changes were approved.

CEMOF Contract

No changes were identified for consideration.

Stadler Contract

One change was approved.

SCADA Contract

No changes were identified for consideration

Tunnel Modification Contract

No changes were identified for consideration.

Amtrak Contract

No changes were identified for consideration.

Other

No changes were identified for consideration.

2.3. Schedule

The program critical path continues to run through the manufacturing and testing of EMU trainsets by Stadler. Stadler reported an overall schedule delay due to the impact of COVID-19 travel restrictions on trainset testing. As a result, the forecasted Revenue Service Date (RSD) has been delayed from May 2022 to July 2022. Since the COVID-19 pandemic is a force majeure event, the JPB is reviewing the possibility of extending its FFGA Revenue Service obligation.

BBII continues to report an overall delay to substantial completion. JPB is working with BBII on the issue and is urging BBII to accelerate resolution.

Table 2-1 indicates major milestone dates for the MPS.

Table 2-1 Schedule Status

Milestones	Program Plan	Progress Schedule (May 2020)[1]
Arrival of First Vehicle in Pueblo, CO	N/A	11/20/2020[2]
Arrival of First Vehicle at JPB (after Pueblo Testing)	N/A	04/02/2021[2]
Segment 4 Completion	11/21/2019	03/25/2021
○ Interconnection from PG&E Substation to Traction Power Substation (TPS)	N/A	12/10/2020
PG&E Provides Permanent Power	09/09/2021	09/09/2021
Electrification Substantial Completion	08/10/2020	02/26/2022[2]
Start Phased Revenue Service	N/A	02/27/2022[2]
RSD (w/o Risk Contingency)	12/09/2021	07/22/2022[2]
FFGA RSD (w/ Risk Contingency)	08/22/2022	08/22/2022

Note:
1. Dates may shift slightly as the update of this month's Progress Schedule is still in process.
2. See "Notable Variances" in Section 7 for explanation on date shift.

2.4. Budget

A summary of the overall budget and expenditure status for the PCEP is provided in Table 2-2 below.

Table 2-2 Budget and Expenditure Status

Description of Work	Budget (A)	Current Budget (B)[1]	Cost This Month (C)[2]	Cost To Date (D)[3]	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
Electrification Subtotal	$1,316,125,208	$1,316,125,208	$10,451,707	$735,097,431	$581,027,777	$1,316,125,208
EMU Subtotal	$664,127,325	$664,127,325	$5,786,544	$221,215,638	$442,911,686	$664,127,325
PCEP TOTAL	**$1,980,252,533**	**$1,980,252,533**	**$16,238,251**	**$956,313,069**	**$1,023,939,464**	**$1,980,252,533**

Notes regarding tables above:
1. Column B "Current Budget" includes executed change orders and awarded contracts.
2. Column C "Cost This Month" represents the cost of work performed this month.
3. Column D "Cost To Date" includes actuals (amount paid) and accruals (amount of work performed) to date.

2.5. Board Actions

- None

Future anticipated board actions include:

- Shunt wire construction
- EMU Pantograph Inspection & Monitoring System contract
- On-call program management and electrification support services contract amendments

2.6. Government and Community Affairs

There was one outreach event this month.

3.0 ELECTRIFICATION – INFRASTRUCTURE

This section reports on the progress of the Electrification, SCADA, and Tunnel Modification components. A brief description on each of the components is provided below.

3.1. Electrification

The Electrification component of the PCEP includes installation of 138 miles of wire and overhead catenary system (OCS) for the distribution of electrical power to the EMUs. The OCS will be powered from a 25 kilovolt (kV), 60-Hertz, single phase, alternating current supply system consisting of two traction power substations (TPS), one switching station (SWS), and seven paralleling stations (PS). Electrification infrastructure will be constructed using a DB delivery method.

Activity This Month

- Continued to install on-track and off-track foundations in Segment 3.
- Strung OCS feeder and static wires in Segment 2.
- Potholed at proposed OCS locations and utility locations in all Segments in advance of foundation installation. BBII and PCEP also continued to resolve conflicts found during the potholing process, such as loose concrete, asphalt, and other debris, and continued designing solutions for those conflicts that cannot be avoided. The conflicts must be resolved before installation of foundations at those locations.
- Relocated signal cables and remove abandoned facilities found in conflict with planned OCS foundations as conflicts were identified.
- Removed asbestos found in conflict with OCS foundations.
- Continued to install ductbank and manholes, drainage, and form and rebar work at TPS-1.
- Continued civil work and ductbank installation, and installed gantry foundations at PS-4.
- Continued site work and utility removal at PS-5.
- Continued to install signal ductbank, conduits, and cables in Segment 2.
- Continued to install signal ductbank, conduits, and cables in Segment 4.
- Performed cable termination at CP Michael.
- Installed cables at Luther Junction.
- Set signal houses at 45.21 and 45.57.
- Continued drilling of rails for impedance bond connections in Segments 1, 2, 3 and 4 at various control points and crossings.
- Continued installation of insulated joints (IJs) in Segment 3.
- Performed switch isolation in Segment 3.
- Install overhead bridge attachments at various locations in Segment 2 and 3.

- Progressed the OCS design with BBII in all segments, which included submittal and review of Design Change Notices for revised foundation locations.
- Coordinated design review with local jurisdictions for the OCS, traction power facilities, and bridge attachments design, including responses to comments from jurisdictions.
- Continued to review and coordinate signal and communication design submittals with BBII.
- Continued discussions with FRA and CPUC on grade crossing design.
- Continued to progress the TPS interconnection design for TPS-1 and TPS-2. Received Issued for Construction Design (IFC) for TPS-2 and continued to progress TPS-1 interconnection design towards IFC.
- Executed amendment to Supplemental Agreement No. 2 with PG&E for construction of interconnections at TPS-1 and 2.
- Worked with BBII through Site Specific Work Plans (SSWP) for upcoming field work.
- Continued to work with PG&E and Silicon Valley Power (SVP) for the finalization of single-phase studies. Continued data conversion and model validation.
- PG&E continued work at East Grand and FMC substations.

A summary of the work progress by segment is provided in Table 3-1 below.

Table 3-1 Work Progress by Segment

Segment	Work Area	Foundations			Poles		
		Required[abc]	Completed this Month	Completed to Date	Required[ab]	Completed this Month	Completed to Date[de]
1	Tunnels	32	0	32	32	0	32
	A	309	0	0	259	0	0
	B	237	0	0	177	0	0
2	5	244	0	184	209	0	160
	4	314	0	239	254	0	190
	3	174	0	63	141	0	36
	2	247	0	78	205	0	60
	1	207	0	79	154	0	33
3	2	510	44	382	443	23	137
	1	391	0	360	310	9	230
4	A	241	0	156	177	0	107
	B	139	0	87	123	0	70
	CEMOF	95	0	0	81	0	0
Total		**3,140**	**44**	**1,660**	**2,565**	**32**	**1055**

Note:

[a] Foundations required do not match poles required as guy foundations are needed in some locations for extra support.
[b] The number of required poles and foundations fluctuate due to design changes.
[c] 55 foundations in S2WA5 will be installed by South San Francisco and 64 foundations in S2WA3 will be installed by 25th Avenue.
[d] Installation of one additional pole in S3WA1 was unreported during December 2019.
[e] Installation of three additional poles in S2WA4 were unreported during May 2019.

Activity Next Month

- Continue foundation installation in Segment 3, both on-track and off-track.
- Continue resolution of DSCs.
- Continue to install protective steel plates for protection of utilities during foundation installation.
- Continue to install OCS poles and assemblies in all Segments where available.
- Continue wire installation in Segments 3 and 4.
- Continue work with BBII on field investigation activities and designs, which will include the progression of the OCS, traction power, bonding and grounding, signal systems, and other civil infrastructure such as overhead bridge protections.
- Pothole and clear obstructions at proposed OCS locations. Potholing will concentrate in Segments 3 and 4, as well areas of potential ROW needs in Segments 1 and 2.
- Continue construction at TPS-1 and TPS-2.
- Continue construction at PS-7, PS-5, PS-4, PS-6, and the Switching Station.
- Continue to install conduit and foundations for signal and wayside power cubicle (WPC) units in Segment 4 and Segment 2.
- Continue to install impedance bond connections.
- Continue to install IJs.
- Continue to install bridge attachments.
- Continue to coordinate with stakeholders on the consistent warning time solution and advance location-specific design.
- Continue to progress location-specific design for grade crossing system.
- Continue planning process for signal cutovers.
- Review BBII work plans for upcoming construction activities.
- Complete review of TPS-2 IFC and progress TPS-1 to IFC.
- Coordinate with PG&E on final design and construction for PG&E infrastructure.
- Coordinate with local jurisdictions to review designs.
- Continue tree pruning and removals.

3.2. Supervisory Control and Data Acquisition

SCADA is a system that monitors and controls field devices for electrification, including traction power substations (TPS), wayside power cubicles (WPC), and the OCS. SCADA will be integrated with the base operating system for Caltrain Operations and Control, which is the Rail Operations Center System. A separate control console will be established for the Power Director.

Activity This Month

- Submitted formal schedule for review and Monthly Progress Report.
- All Test Procedures have been completed and received Statement of No Objection (SONO) or SONO with Comments.
- ARINC delivered FAT database for MACRO to review as a Pre-FAT activity

Activity Next Month

- Prepare and deliver the Monthly Report and the Monthly Schedule Update.
- Attend project status meetings (virtually).
- Support ongoing discussions concerning RFIs.
- Complete Installation and Cutover Plan
- Complete Operations User Manual
- Complete Training Manual
- Deliver Installation Plan and complete pre-FAT at 95%.

3.3. Tunnel Modification

Tunnel modifications will be required on the four tunnels located in San Francisco. This effort is needed to accommodate the required clearance for the OCS to support electrification of the corridor. Outside of the PCEP scope, Caltrain Engineering has requested the PCEP team to manage completion of design and construction for the Tunnel 1 and Tunnel 4 Drainage and Track Rehabilitation Project. The Tunnel Drainage and Track Rehabilitation Project is funded separately from PCEP.

Activity This Month

- Continued review of and prepared responses for submittals and RFIs.
- Completed Installation of fencing at Tunnels 1 through 4.
- Completed Conductor Rail installation.
- Completed Right of Way (ROW) fence signage.
- Feeder installation completed.
- Completed installation of Post insulator.

Activity Next Month

- Review and respond to submittals, RFIs, and SSWPs as needed.
- Terminate feeder wire, contact wire, and conductor rail.
- Install signage inside all tunnels.
- Prepare OCS testing plan.
- Review Spare Parts transmittal.
- Punch List items.

3.4. Interconnection Construction

The PCEP will require a 115-kV interconnection to supply power from the PG&E substations to the Caltrain substations in San Jose and South San Francisco. Construction of the interconnections will be performed by PG&E under an amendment to Supplemental Agreement No. 2.

Activity This Month

- Review and respond to submittals.
- Review RFP for TPS-2.
- Review Change Orders.
- Pre-Bid Walk for FMC.

Activity Next Month

- Continue reviewing and responding to submittals.

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4.0 ELECTRIC MULTIPLE UNITS

This section reports on the progress of the Electric Multiple Units (EMU) procurement and the Centralized Equipment Maintenance and Operations Facility (CEMOF) modifications.

4.1. Electric Multiple Units

The procurement of EMUs, or trainsets, from Stadler consists of a Base Order of 96 railcars, plus an Option Order of an additional 37 railcars, for a total of 133 railcars. The cars from these two orders will be combined and delivered as 19 seven-car Trainsets. The Base Order is funded from PCEP, and Option Order funded by a Transit and Intercity Rail Capital Program (TIRCP) grant. One more Option for additional cars is available.

Activity This Month

- COVID-19 preventive actions continued for the third month causing mixed disruptions to Stadler's activities:
  - Switzerland-based management, administrative and engineering personnel are back in their offices.
  - Switzerland-based production continued to operate near normal. Car shells and truck frames shipments are on schedule.
  - Salt Lake City-based management, administrative and engineering personnel are back in their offices.
  - Salt Lake City-based 'Type Testing' of Trainset No. 1 continues to be on hold since key Stadler and sub-supplier personnel cannot travel to the United States. The current delay in testing is estimated at one day for each day of COVID-19 travel restrictions.
  - Stadler has material for about three trainsets, but the disrupted supply chain will likely create shortages and production delays.
  - Stadler is in the process of determining possible delays to trainset deliveries to Caltrain.
  - PCEP oversight and administration of Project is unaffected.
  - PCEP QA representatives are onsite in Altenrhein and Salt Lake City facilities.
- Final Design Reviews remain to be completed for three systems. These software-based systems include 'Train Control,' 'Monitoring and Diagnostics,' and 'Car Control.' Completion is scheduled for mid-2020 and must be performed prior to the commencement of Type Testing.
- First Article Inspections (FAI) continue to have their paperwork formalized and closed out.
- 37 car shells have been shipped from Stadler – Switzerland, with 28 onsite in Stadler's Salt Lake City facility.

- The requested waiver from the FRA pertaining to use of an ‘Alternative Vehicle Technology’ (AVT) approach for crashworthiness design has been approved by the FRA. This is a major accomplishment and milestone for the Project.
- The requested waiver from the FRA pertaining to passenger activated manual emergency door opening has been denied by the FRA. This pertains only to the high- level doors that are now being plugged. Caltrain’s will provide an FRA-compliant design.
- Quality Assurance audits of USA-based sub-suppliers were halted in mid-March due to COVID-19 travel restriction. Audits will commence when sub-suppliers reopen.
- PCEP, FRA and Caltrain Management meeting in Salt Lake City postponed to July 8 and 9.

Activity Next Month

- Continue to close out system level FDRs and FAIs.
- Add two staff members in Salt Lake City. One as a test witnesser for the exhaustive engineering Type Tests, and the other as a witnesser of Routine Tests conducted on all 133 cars, and 19 completed trainsets.
- Re-baseline Stadler trainset delivery and testing schedule on Caltrain property.
- Continue to support system integration and rail startup activation activities

4.2. Centralized Equipment Maintenance and Operations Facility Modifications

The CEMOF Modifications Project will provide work areas to perform maintenance on new EMUs.

Activity This Month

- Continued processing submittals, RFIs, and SSWPs.
- Completed installation of conduit and wire inside the maintenance building near Track 5.
- Started shoring for the catch basins at the maintenance pit and installed catch basins at the north pit.
- Completed installation of storm drain line including the 22-inch sleeve and pipe.

Activity Next Month

- Continue north pit shoring activity.
- Delivery of the Parts Storage Warehouse building.
- Design of the shoring for the shallow fire sprinkler line.
- Removal and off-haul of ballast at Track 5.
- Removal and off-haul of Class II soil from Track 5 area.

5.0 SAFETY

Safety and Security requirements and plans are necessary to comply with applicable laws and regulations related to safety, security, and emergency response activities. Safety staff coordinates with contractors to review and plan the implementation of contract program safety requirements. Safety project coordination meetings continue to be conducted on a monthly basis to promote a clear understanding of project safety requirements as defined in contract provisions and program safety documents.

Activity This Month

- Project staff provided input and continued its participation in the BBII contractor workforce safety meetings. Project incidents continue to be reviewed with project staff to reinforce the application of recommended safety mitigation measures.
- Conducted 2020 monthly employee injury reviews for BBII and its subcontractors.
- Continued to provide input and oversight of the contractor SSWP safety provisions and ongoing safety construction oversight and inspections.
- Continued the reviews with the contractor of the updated project Preliminary Hazard Analysis (PHA), Threat & Vulnerability Assessment (TVA), Safety & Security Certification Plan (SSCP), and System Safety Plan (SSP).
- Conducted the monthly project Safety and Security Certification and Fire/Life Safety Meetings.
- Performed reviews and provided comments on the BBII Safety and Security Certification Design Criteria Conformance Checklists (DCCC) submittals.
- Participated with internal stakeholders in Rail Activation Committee meetings.
- Investigated project incident occurrences and worked with the contractor representatives to identify incident root causes and develop and implement safety and security mitigation measures.
- Conducted ongoing safety inspections of contractor field activities and performed pre-work site hazards assessment walks with BBII and subcontractor staff.
- Participated in weekly project coordination meetings with the contractor to review open issues and recommended action items.
- Provided project safety and security updates to PMOC staff and provided requested documents to be reviewed by the PMOC.
- Continued to coordinate with JPB Safety and the project contractors with the application of mitigation measures in response to the evolving COVID-19 virus.

Activity Next Month

- Monthly virtual safety communication meetings continue to be scheduled for the Project Safety and Security Certification Committee, Fire/Life Safety Committee, Rail Activation Committee, and other project-related contractor and JPB safety meetings to discuss safety priorities.
- Continue focus on performing site safety inspections on the OCS foundations, pole installations, potholing, Tunnel, and CEMOF work to assess safety work practices and identify additional opportunities for improvement. Conduct contractor equipment inspections as needed.

- Continue to meet with the PCEP contractors, JPB safety, and TransitAmerica Services, Inc. (TASI) to identify opportunities to further improve project safety performance and continue to reinforce lessons learned safety mitigation recommendations resulting from prior project incidents.
- Reinforce the ongoing application of recommended mitigation measures in response to the evolving COVID-19 virus.

6.0 QUALITY ASSURANCE

The Quality Assurance (QA) staff performs technical reviews for planning, implementing, evaluating, and maintaining an effective program to verify that all equipment, structures, components, systems, and facilities are designed, procured, constructed, installed, and maintained in accordance with established criteria and applicable codes and standards throughout the design, construction, startup and commissioning of the PCEP.

Activity This Month

- Staff meetings with BBII QA/Quality Control (QC) management representatives continue weekly.
- Continued review of BBII-generated Nonconformance Reports (NCR) and Construction Discrepancy Reports for proper discrepancy condition, cause, disposition, corrective and preventive action and verification of closure.
- Continued review and approval of Design Variance Requests for BBII and PGH Wong for QA/QC and inspection issues/concerns.
- Continued review of BBII QC Inspectors Daily Reports, Construction QC Reports and Surveillance Reports for work scope, performance of required duties, adequacy, non-conformances, test/inspection results, follow-up on unresolved issues, and preciseness.
- Continued review of BBII Material Receipt Reports, Certificates of Conformance, Certified Tests Reports, and Certificates of Analysis to ensure delivered project materials conform to specifications, and that contractually required quality and test support documents are adequate and reflect concise conditions per the purchase order requirements.
- Continued regularly scheduled design reviews and surveillances on project design packages.
- Completed second shift BBII audit of the modernization of switch machines with no Findings.

Table 6-1 below provides details on the status of audits performed through the reporting period.

Table 6-1 Quality Assurance Audit Summary

Quality Assurance Activity	This Reporting Period	Total to Date
Audits Conducted	1	116
Audit Findings		
Audit Findings Issued	0	68
Audit Findings Open	0	0
Audit Findings Closed	0	68
Non-Conformances		
Non-Conformances Issued	0	10
Non-Conformances Open	0	1
Non-Conformances Closed	0	9

Activity Next Month

- Conduct audits of two PGH Wong design packages.
- Conduct field surveillances at TPS-1.
- Conduct audit of the CEMOF contractor, ProVen.

7.0 SCHEDULE

The program critical path continues to run through the manufacturing and testing of EMU trainsets by Stadler. Stadler reported an overall schedule delay due to the impact of COVID-19 travel restrictions on trainset testing. As a result, the forecasted Revenue Service Date (RSD) has been delayed from May 2022 to July 2022. Since the COVID-19 pandemic is a force majeure event, the JPB is reviewing the possibility of extending its FFGA Revenue Service obligation.

Shown below, Table 7-1 indicates major milestone dates for the MPS.

Table 7-1 Schedule Status

Milestones	Program Plan	Progress Schedule (May 2020)[1]
Arrival of First Vehicle in Pueblo, CO	N/A	11/20/2020[2]
Arrival of First Vehicle at JPB (after Pueblo testing)	N/A	04/02/2021[2]
Segment 4 Completion	11/21/2019	03/25/2021
○ Interconnection from PG&E Substation to Traction Power Substation (TPS)	N/A	12/10/2020
PG&E Provides Permanent Power	09/09/2021	09/09/2021
Electrification Substantial Completion	08/10/2020	02/26/2022[2]
Start Phased Revenue Service	N/A	02/27/2022[2]
RSD (w/o Risk Contingency)	12/09/2021	07/22/2022[2]
FFGA RSD (w/ Risk Contingency)	08/22/2022	08/22/2022

Note:
1. Dates may shift slightly as the update of this month's Progress Schedule is still in process.
2. See "Notable Variances" for explanation on date shift.

Notable Variances

BBII continues to report an overall delay to substantial completion. JPB is working with BBII on the issue and is urging BBII to accelerate resolution. While BBII works to resolve its schedule delays, the JPB continues to evaluate the BBII schedule and has determined that BBII's substantial completion has been delayed from January 2022 to February 2022. This results in a delay to the start of Phased Revenue Service, from February 1, 2022 to February 27, 2022.

Within the month of May, the variances relative to the BBII schedule are due to signal design progressing slower than the progress assumed in the baseline schedule, slow progress on Traction Power Facilities design and construction, and slow progress on OCS foundation design resolution and installation.

Additionally, the vehicle schedule has been updated to reflect COVID-19 impacts. These impacts affect the assembly and test of all trainsets, most notably the following milestones:

1. Arrival of the first trainset in Pueblo, CO is delayed from September 2020 to November 2020

2. Arrival of the first trainset on JPB property is delayed from February 2021 to April 2021

3. Conditional acceptance of the 14th trainset is delayed from May 6, 2022 to July 22, 2022

The JPB will continue to monitor the impact of COVID-19 on these milestones.

The COVID-19 impact on Stadler's schedule has also caused a delay on program completion. The RSD has been delayed from May 6, 2022 to July 22, 2022. This has resulted in a contingency drawdown of 77 days; decreasing overall schedule contingency from 108 days to 31 days.

Items listed in Table 7-2 reflect the critical path activities/milestones for the PCEP.

Table 7-2 Critical Path Summary

Activity	Start	Finish
Manufacturing, Testing & Acceptance of Trainsets 1 - 14	08/13/2018	07/22/2022
RSD w/out Risk Contingency	05/06/2022	07/22/2022
FFGA RSD w/ Risk Contingency	08/22/2022	08/22/2022

Schedule Hold Points

Schedule Hold Points (SHP) represent key milestones on or near a schedule's critical path that are used as measurement points with respect to contingency drawdown. Delays to these key milestones have the potential to require a program to utilize available contingency. Table 7-3 below reflects the SHPs for the PCEP program schedule. The dates indicated reflect the planned completion dates for each SHP.

Table 7-3 Schedule Hold Points

Schedule Hold Point (SHP)	Date
FTA/PMOC Risk Refresh	08/30/2016 (A)
Begin EMU Manufacturing	12/04/2017 (A)
Arrival of 1st Trainset in Salt Lake City	02/04/2019 (A)
Arrival of 1st Trainset in Pueblo, CO	11/20/2020
Arrival of 1st Trainset at JPB	04/02/2021
Segment 4 Completion	03/25/2021
Conditional Acceptance of 1st Trainset	12/03/2021
System Electrified	02/26/2022
Begin Phased Revenue Service	02/27/2022
Conditional Acceptance of 14th Trainset	07/22/2022
FFGA RSD w/ Risk Contingency	08/22/2022

Note: "(A)" denotes an actual completion

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8.0 BUDGET AND EXPENDITURES

The summary of overall budget and expenditure status for the PCEP and Third-Party Improvements is shown in the following tables. Table 8-1 reflects the Electrification budget, Table 8-2 the EMU budget, Table 8-3 the overall PCEP budget, and Table 8-4 Third Party Improvements budget. Table 8-5 summarizes the budget transfers of contingency completed this month.

Table 8-1 Electrification Budget & Expenditure Status

Description of Work	Budget (A)	Current Budget (B)[1]	Cost This Month (C)[2]	Cost To Date (D)[3]	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
ELECTRIFICATION						
Electrification [(4)]	$696,610,558	$729,574,261	$3,275,755	$395,269,983	$334,304,278	$729,574,261
SCADA	$0	$3,446,917	$0	$1,934,371	$1,512,546	$3,446,917
Tunnel Modifications	$11,029,649	$41,408,610	$150,630	$41,023,975	$384,635	$41,408,610
Real Estate	$28,503,369	$28,503,369	$55,104	$21,214,779	$7,288,590	$28,503,369
Private Utilities	$63,515,298	$117,451,380	$3,352,560	$85,699,500	$31,751,880	$117,451,380
Management Oversight [(5)]	$141,506,257	$150,143,604	$1,939,703	$139,264,575	$10,879,029	$150,143,604
Executive Management	$7,452,866	$9,214,226	$107,050	$8,338,927	$875,300	$9,214,226
Planning	$7,281,997	$6,281,997	$7,802	$5,812,042	$469,955	$6,281,997
Community Relations	$2,789,663	$1,789,663	$6,319	$1,576,567	$213,095	$1,789,663
Safety & Security	$2,421,783	$3,691,387	$104,411	$3,421,055	$270,332	$3,691,387
Project Management Services	$19,807,994	$16,807,994	$181,017	$12,958,018	$3,849,976	$16,807,994
Engineering & Construction	$11,805,793	$12,372,460	$199,925	$10,681,489	$1,690,972	$12,372,460
Electrification Eng & Mgmt	$50,461,707	$50,461,707	$575,403	$48,462,588	$1,999,120	$50,461,707
Construction Management	$0	$4,499,776	$470,552	$4,222,606	$277,171	$4,499,776
IT Support	$312,080	$407,170	$0	$407,170	$0	$407,170
Operations Support	$1,445,867	$2,380,632	$43,178	$2,702,152	($321,520)	$2,380,632
General Support	$4,166,577	$5,566,577	$69,263	$5,631,546	($64,968)	$5,566,577
Budget / Grants / Finance	$1,229,345	$1,429,345	$356	$1,353,426	$75,919	$1,429,345
Legal	$2,445,646	$4,755,731	$106,758	$4,616,542	$139,190	$4,755,731
Other Direct Costs	$5,177,060	$5,777,060	$67,669	$4,372,572	$1,404,487	$5,777,060
Prior Costs 2002 - 2013	$24,707,878	$24,707,878	$0	$24,707,878	$0	$24,707,878
TASI Support	$55,275,084	$57,475,084	$1,651,178	$40,582,426	$16,892,658	$57,475,084
Insurance	$3,500,000	$4,543,588	$0	$4,543,588	$0	$4,543,588
Environmental Mitigations	$15,798,320	$14,972,644	$0	$756,777	$14,215,868	$14,972,644
Required Projects	$17,337,378	$14,253,335	$7,083	$917,539	$13,335,796	$14,253,335
Maintenance Training	$1,021,808	$1,021,808	$0	$0	$1,021,808	$1,021,808
Finance Charges	$5,056,838	$6,137,156	$19,693	$3,889,916	$2,247,240	$6,137,156
Contingency	$276,970,649	$147,193,450	N/A	N/A	$72,747,601	$72,747,601
Forecasted Costs and Changes	$0	$0	N/A	N/A	$74,445,850	$74,445,850
ELECTRIFICATION SUBTOTAL	**$1,316,125,208**	**$1,316,125,208**	**$10,451,707**	**$735,097,431**	**$581,027,777**	**$1,316,125,208**

Notes regarding tables above:

1. Column B “Current Budget” includes executed change orders and awarded contracts.
2. Column C "Cost This Month" represents the cost of work performed this month.
3. Column D "Cost To Date" includes actuals (amount paid) and accruals (amount of work performed) to date.
4. Cost To Date for “Electrification” includes 5% for Contractor’s retention until authorization of retention release.
5. The agency labor is actual through April 2020 and accrued for May 2020.

Table 8-2 EMU Budget & Expenditure Status

Description of Work	Budget (A)	Current Budget (B)[1]	Cost This Month (C)[2]	Cost To Date (D)[3]	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
EMU						
EMU	$550,899,459	$555,292,618	$4,753,440	$170,705,002	$384,587,616	$555,292,618
CEMOF Modifications	$1,344,000	$6,756,604	$310,499	$3,309,931	$3,446,672	$6,756,604
Management Oversight (4)	$64,139,103	$62,557,957	$692,829	$44,079,616	$18,478,341	$62,557,957
Executive Management	$5,022,302	$6,263,136	$64,646	$5,150,261	$1,112,875	$6,263,136
Community Relations	$1,685,614	$985,614	$200	$653,647	$331,967	$985,614
Safety & Security	$556,067	$765,296	$13,178	$563,666	$201,630	$765,296
Project Mgmt Services	$13,275,280	$11,275,280	$105,839	$8,374,113	$2,901,167	$11,275,280
Eng & Construction	$89,113	$89,113	$0	$23,817	$65,296	$89,113
EMU Eng & Mgmt	$32,082,556	$29,981,014	$352,756	$20,378,886	$9,602,127	$29,981,014
Construction Management	$0	$1,501,543	$62,001	$701,965	$799,578	$1,501,543
IT Support	$1,027,272	$952,089	$11,107	$625,853	$326,236	$952,089
Operations Support	$1,878,589	$1,878,589	$8,210	$393,550	$1,485,038	$1,878,589
General Support	$2,599,547	$2,599,547	$33,354	$2,429,317	$170,230	$2,599,547
Budget / Grants / Finance	$712,123	$1,012,123	($83)	$899,348	$112,775	$1,012,123
Legal	$1,207,500	$1,251,473	$654	$1,234,874	$16,599	$1,251,473
Other Direct Costs	$4,003,139	$4,003,139	$40,967	$2,650,318	$1,352,821	$4,003,139
TASI Support	$2,740,000	$2,789,493	$17,705	$160,404	$2,629,089	$2,789,493
Insurance	$0	$38,263	$0	$38,263	$0	$38,263
Required Projects	$4,500,000	$3,927,821	$0	$538,280	$3,389,541	$3,927,821
Finance Charges	$1,941,800	$3,761,482	$12,070	$2,384,142	$1,377,340	$3,761,482
Contingency	$38,562,962	$29,003,087	N/A	N/A	$25,720,176	$25,720,176
Forecasted Costs and Changes	$0	$0	N/A	N/A	$3,282,911	$3,282,911
EMU SUBTOTAL	**$664,127,325**	**$664,127,325**	**$5,786,544**	**$221,215,638**	**$442,911,686**	**$664,127,325**

Notes regarding tables above:

1. Column B “Current Budget” includes executed change orders and awarded contracts.
2. Column C "Cost This Month" represents the cost of work performed this month.
3. Column D "Cost To Date" includes actuals (amount paid) and accruals (amount of work performed) to date.
4. The agency labor is actual through April 2020 and accrued for May 2020.

Table 8-3 PCEP Budget & Expenditure Status

Description of Work	Budget (A)	Current Budget (B)[1]	Cost This Month (C)[2]	Cost To Date (D)[3]	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
Electrification Subtotal	**$1,316,125,208**	**$1,316,125,208**	**$10,451,707**	**$735,097,431**	**$581,027,777**	**$1,316,125,208**
EMU Subtotal	**$664,127,325**	**$664,127,325**	**$5,786,544**	**$221,215,638**	**$442,911,686**	**$664,127,325**
PCEP TOTAL	**$1,980,252,533**	**$1,980,252,533**	**$16,238,251**	**$956,313,069**	**$1,023,939,464**	**$1,980,252,533**

Notes regarding tables above:

1. Column B “Current Budget” includes executed change orders and awarded contracts.
2. Column C "Cost This Month" represents the cost of work performed this month.
3. Column D "Cost To Date" includes actuals (amount paid) and accruals (amount of work performed) to date.

Table 8-4 Third Party Improvements/CNPA Budget & Expenditure Status

Description of Work	Budget (A)	Current Budget (B)[1]	Cost This Month (C)[2]	Cost To Date (D)[3]	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
CHSRA Early Pole Relocation	$1,000,000	$1,000,000	$0	$941,706	$58,294	$1,000,000
PS-3 Relocation (Design)	$500,000	$500,000	$0	$150,000	$350,000	$500,000
TPSS-2 VTA/PCEP Pole Relocation (Design)	$110,000	$110,000	$0	$93,500	$16,500	$110,000
TPSS-2 VTA/PCEP Pole Height (Redesign)	$31,000	$31,000	$0	$0	$31,000	$31,000
EMU Option Cars	$172,800,047	$172,800,047	$0	$53,292,490	$119,507,557	$172,800,047
Add Flip-Up Seats into Bike Cars	$1,961,350	$1,961,350	$0	$980,675	$980,675	$1,961,350
CNPA TOTAL	**$176,402,397**	**$176,402,397**	**$0**	**$55,458,372**	**$120,944,025**	**$176,402,397**

Notes regarding tables above:

1. Column B “Current Budget” includes executed change orders and awarded contracts.
2. Column C "Cost This Month" represents the cost of work paid this month.
3. Column D "Cost To Date" includes actuals (amount paid) to date.

Table 8-4 shows improvements outside of the scope of PCEP that are funded with non-PCEP funds. These improvements are implemented through the PCEP contracts. In FTA terminology, these efforts are categorized as Concurrent Non-Project Activities (CNPA).

CHSRA Early Pole Relocation: Relocation of 196 OCS poles as part of PCEP. Implementing these pole relocations minimizes future cost and construction impacts. This scope is funded by the CHSRA.

PS-3 Relocation (Design): Relocate PS-3 (Burlingame) as part of PCEP to avoid a future conflict with the Broadway Grade Separation Project (BGSP). This scope is funded by the BGSP.

TPSS-2 VTA/PCEP Pole Relocation and Height (Design): Design changes due to the relocation of VTA/BART Pole at TPSS-2 location and pole height redesign for live line clearances. This scope is funded by the VTA.

EMU Option Cars: Exercise Stadler Contract Option for 37 additional EMUs. This scope is funded with a combination of TIRCP and matching local funds.

Add Flip-Up Seats into Bike Cars: Stadler contract change order to add four additional flip-up seats in each of the two unpowered (bike) cars per trainset (eight total per trainset). This scope is funded by Caltrain outside of the PCEP.

Table 8-5 Budget Transfers of Contingency

Transfer	Description	Contingency[1]
ELECTRIFICATION		
BBI-053-CCO-050	Switch Machine Isolation - Credit	($277,430)
BBI-053-CCO-092A	Signal Cable Relocation (Field Order No. 340)	$106,773
BBI-053-CCO-093A	Signal Cable Relocation (Field Order No. 340)	$90,765
BBI-053-CCO-101	Asbestos Pipe Abatement at 46.3-07/08	$21,037
	ELECTRIFICATION SUBTOTAL	**($58,856)**
EMU		
STA-056-CCO-023	Deferral of Wheelchair Lifts	$632,703
PROV-071-CCO-022	Deletion of Concrete Pad and Double Plywood Floor at PSW	($1,409)
PROV-071-CCO-023	Flashing at Overflow Drain at Component Test Room	$2,981
PROV-071-CCO-024	Parts Storage Warehouse Power Feed	$16,412
PROV-071-CCO-025	Removal of Hazardous Soil from PSW Subgrade Excavation	$43,444
PROV-071-CCO-026A	Removal of Hazardous Soil from PSW Footing Excavation	$35,808
PROV-071-CCO-027	480 Volt Duct Bank and Wire Removal	$5,015
	EMU SUBTOTAL	**$734,954**
	PCEP TOTAL	**$676,098**

Notes regarding tables above:

1. Budget amount transferred from project contingency. A negative amount represents a credit to contingency.

Table 8-5 shows budget transfers of project contingency implemented during the current monthly reporting period. This table includes contingency transfers for both executed contract change orders as covered under Section 9.0 and uses of contingency for Program budget line items outside the five PCEP contracts.

Appendix D includes costs broken down by Standard Cost Code (SCC) format. This format is required for reporting of costs to the FTA. The overall project total in the SCC format is lower than the project costs in table 8-3. This is due to the exclusion of costs incurred prior to the project entering the Project Development phase.

9.0 CHANGE MANAGEMENT

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

Currently the PCEP contracts are BBII, CEMOF, Stadler, SCADA, Tunnel Modifications, and Amtrak.

A log of all executed change orders can be found in Appendix E.

Executed Contract Change Orders (CCO) This Month

Electrification Contract

Change Order Authority (5% of BBII Contract)			**5% x $696,610,558 = $34,830,528**
Date	**Change Number**	**Description**	**CCO Amount**
5/1/2020	BBI-053-CCO-050	Switch Machine Isolation - Credit	($277,430)
5/19/2020	BBI-053-CCO-092A	Signal Cable Relocation (Field Order No. 340)	$106,773
5/19/2020	BBI-053-CCO-093A	Signal Cable Relocation (Field Order No. 340)	$90,765
5/27/2020	BBI-053-CCO-101	Asbestos Pipe Abatement at 46.3-07/08	$21,037
		Total	**($58,885)**

[1] (When indicated) Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.

EMU Contract

Change Order Authority (5% of Stadler Contract)			**5% x $550,899,459 = $27,544,973**
Date	**Change Number**	**Description**	**CCO Amount**
5/6/2020	STA-056-CCO-023	Deferral of Wheelchair Lifts	$632,703
		Total	**$632,703**

[1] (When indicated) Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.

SCADA Contract

Change Order Authority (15% of ARINC Contract)			**15% x $3,446,917 = $517,038**
Date	**Change Number**	**Description**	**CCO Amount**
	None		$0
		Total	**$0**

[1] (When indicated) Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.

Tunnel Modification Contract

Change Order Authority (10% of ProVen Contract)[2] **10% x $38,477,777 = $3,847,778**

Date	Change Number	Description	CCO Amount
5/11/2020	PROV-070-CCO-025	NOPC #1 CWR (CNPA - Drainage $660,000.00)	$660,000
		Total	**$660,000**

[1] (When indicated) Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.
[2] Tunnel modification contract ($38,477,777) includes: Notching ($25,281,170) and Drainage ($13,196,607).
[3.] Third Party Improvements/CNPA Projects that are funded with non-PCEP funds.

CEMOF Contract

Change Order Authority (10% of ProVen Contract) **10% x $6,550,777 = $655,078**

Date	Change Number	Description	CCO Amount
4/8/2020	PROV-071-CCO-022	Deletion of Concrete Pad and Double Plywood Floor at PSW	($1,409)
4/8/2020	PROV-071-CCO-023	Flashing at Overflow Drain at Component Test Room	$2,981
4/9/2020	PROV-071-CCO-024	Parts Storage Warehouse Power Feed	$16,412
4/22/2020	PROV-071-CCO-025	Removal of Hazardous Soil from PSW Subgrade Excavation	$43,444
4/22/2020	PROV-071-CCO-026A	Removal of Hazardous Soil from PSW Footing Excavation	$35,808
4/27/2020	PROV-071-CCO-027	480 Volt Duct Bank and Wire Removal	$5,015
		Total	**$102,251**

[1] (When indicated) Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.

Amtrak AEM-7 Contract

Change Order Authority (Lump Sum) **Up to $150,000**

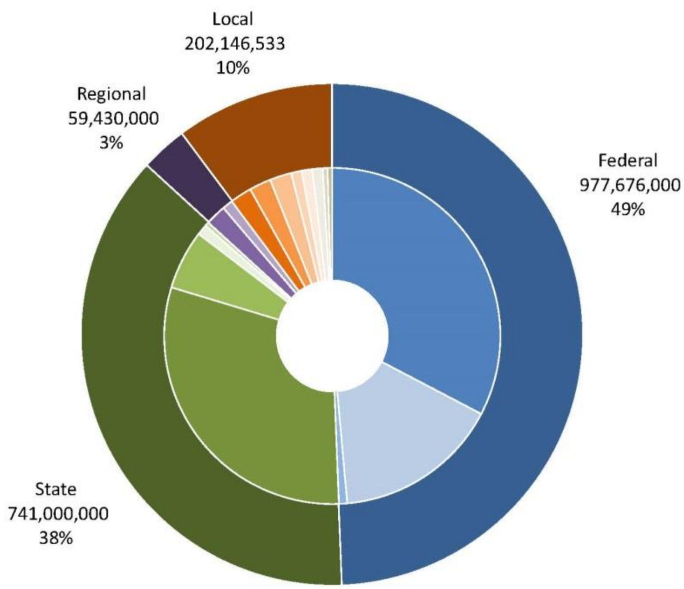
Date	Change Number	Description	CCO Amount
	None		$0
		Total	**$0**

Notes:
1. When the threshold of 75% is reached, staff may return to the Board to request additional authority.

10.0 FUNDING

Figure 10-1 depicts a summary of the funding plan for the PCEP. It provides a breakdown of the funding partners as well as the allocated funds. In the last month, FTA awarded $97 million in Section 5307 funding for the project. Staff are now working with FTA to award the next $100 million in Core Capacity funding for the project.

Figure 10-1 Funding Plan



Fund Source	Amount	%
FTA Core Capacity	$647,000,000	32.67%
FTA Section 5307 (EMU only)*	$315,000,000	15.91%
FTA Section 5307 (Environmental / Pre Development only)	$15,676,000	0.79%
Prop 1A	$600,000,000	30.30%
High Speed Rail Cap and Trade	$113,000,000	5.71%
Transit & Intercity Rail Capital Program	$20,000,000	1.01%
Prop 1B (Public Transportation Modernization & Improvement Account)	$8,000,000	0.40%
Bridge Toll Funds (RM1/RM2)	$39,430,000	1.99%
Carl Moyer	$20,000,000	1.01%
SFCTA/SFMTA**	$41,382,178	2.09%
SMCTA Measure A	$41,382,178	2.09%
VTA Measure A	$41,382,177	2.09%
Santa Clara (VTA) 7-Party MOU Contribution	$20,000,000	1.01%
San Francisco 7-Party MOU Contribution	$20,000,000	1.01%
San Mateo (SMCTA) 7-Party MOU Contribution	$20,000,000	1.01%
Caltrain Low Carbon Transit Operations Cap and Trade	$9,000,000	0.45%
Prior Local Contribution	$9,000,000	0.45%
Total	**$1,980,252,533**	

Notes:

*Includes necessary fund transfer with SMCTA

**Includes $4M CMAQ Transfer considered part of SF local contribution

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11.0 RISK MANAGEMENT

The risk management process is conducted in an iterative fashion throughout the life of the project. During this process, new risks are identified, other risks are resolved or managed, and potential impacts and severity modified based on the current situation. The Risk Management team's progress report includes a summary on the effectiveness of the Risk Management Plan, any unanticipated effects, and any correction needed to handle the risk appropriately.

The Risk Management team meets monthly to identify risks and corresponding mitigation measures. Each risk is graded based on the potential cost and schedule impacts they could have on the project. This collection of risks has the greatest potential to affect the outcome of the project and consequently is monitored most closely. For each of the noted risks, as well as for all risks on the risk register, mitigation measures have been identified and are being implemented. Progress in mitigating these risks is confirmed at monthly risk assessment meetings attended by project team management and through continuous monitoring of the Risk Management Lead.

The team has identified the following items as top risks for the project (see Appendix F for the complete Risk Table):

1. The contractor may not complete and install signal design including two-speed check (2SC) modifications within budget and schedule.
2. Extent of differing site conditions and associated redesign efforts results in delays to the completion of the electrification contract and increases program costs.
3. Sub-optimal contractor sequencing when progressing design and clearing foundation locations may result in construction inefficiencies.
4. Additional property acquisition is necessitated by change in design.
5. Potential for Stadler's sub-suppliers to fall behind schedule or delays in parts supply chain result in late completion of vehicles.
6. TASI may not have sufficient number of signal maintainers for testing.
7. Contractor generates hazardous materials that necessitate proper removal and disposal in excess of contract allowances and expectations.
8. Rejection of Design Variance Request for Automatic Transformer Feeder and static wires results in cost and schedule impacts to PCEP.
9. Major program elements may not be successfully integrated with existing operations and infrastructure in advance of revenue service.
10. Property not acquired in time for contractor to do work.
11. Collaboration across multiple disciplines to develop a customized rail activation program may fail to comprehensively address the full scope of issues required to operate and maintain an electrified railroad and decommission the current diesel fleet.

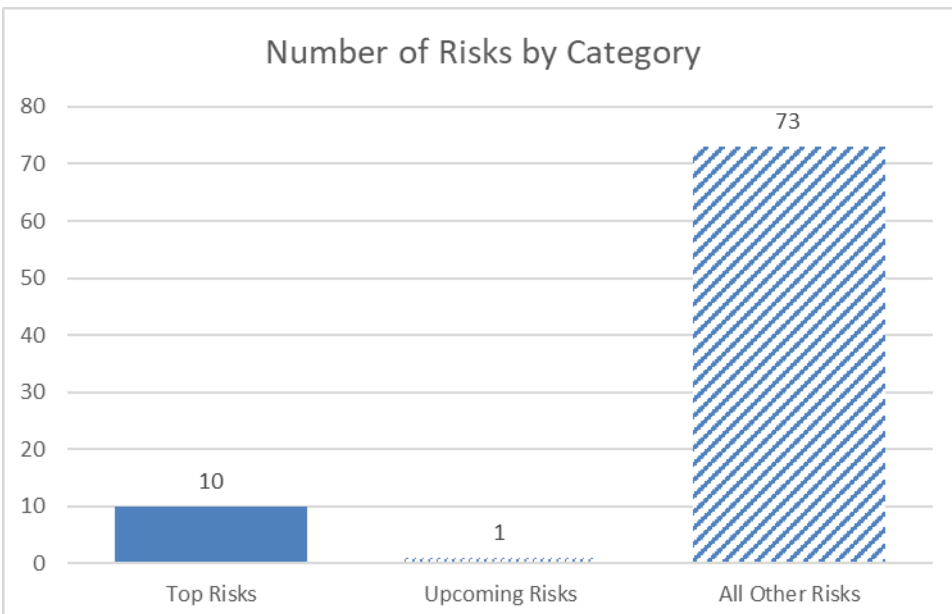
Activity This Month

- Updated risk descriptions, effects, and mitigations based upon weekly input from risk owners. Monthly cycle of risk updating was completed based on schedules established in the Risk Identification and Mitigation Plan.

- Updated risk retirement dates based upon revisions to the project schedule and input from risk owners.
- Continued weekly monitoring of risk mitigation actions and publishing of the risk register.
- The Risk Management team attended Project Delivery, Traction Power, and Systems Integration meetings to monitor developments associated with risks and to identify new risks.
- Summarized cost of risk analysis in draft summary document.
- Developed risk register formulated by Rail Activation Committee.

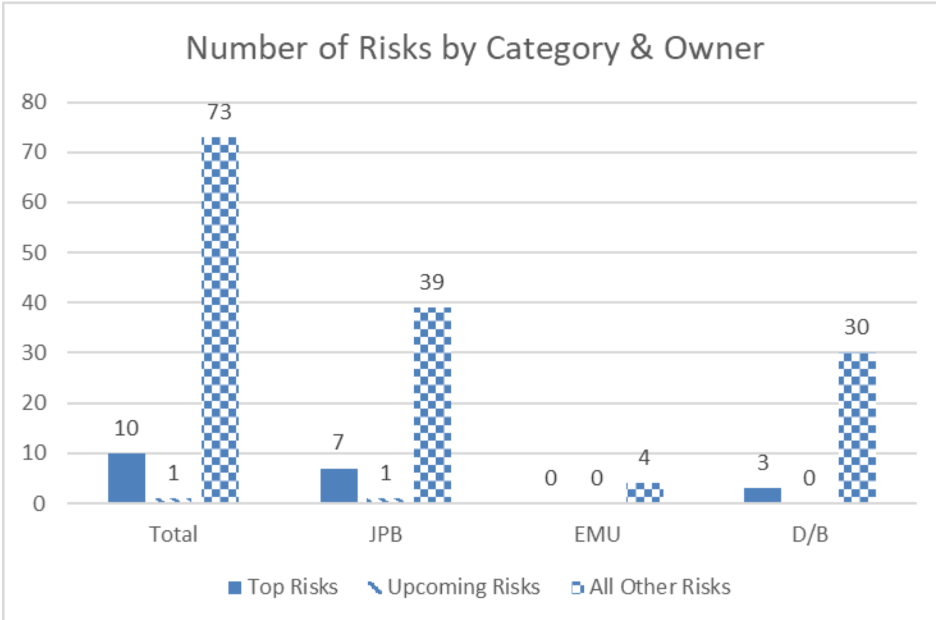
Figures 11-1 and 11-2 show the risks identified for the program. Risks are categorized as top risk, upcoming risk, and all other risks. The categories are based on a rating scale composed of schedule and cost factors. Top risks are considered to have a significantly higher than average risk grade. Upcoming risks are risks for which mitigating action must be taken within 60 days. All other risks are risks not falling into other categories.

Figure 11-1 Monthly Status of Risks



Total Number of Active Risks = 84

Figure 11-2 Risk Classification



Total Number of Active Risks = 84

Activity Next Month

- Conduct weekly monitoring of risk mitigation actions and continue publishing risk register.
- Update risk descriptions, effects, mitigations and retirement dates based on weekly monitoring and attendance at key project meetings.
- Convene Risk Assessment Committee meeting.
- Complete risk analysis summary report.
- Complete work on Rail Activation risk register.

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12.0 ENVIRONMENTAL

12.1. Permits

The PCEP has obtained the required environmental permits from the following agencies/federal regulations: Section 106 of the National Historic Preservation Act of 1966 (NHPA), Section 7 of the Endangered Species Act (ESA), United States Army Corps of Engineers, San Francisco Bay Regional Water Quality Control Board (SFWQCB), the California Department of Fish and Wildlife, and the San Francisco Bay Conservation Development Commission.

Activity This Month

- None

Activity Next Month

- None

12.2. Mitigation Monitoring and Reporting Program (MMRP)

The California Environmental Quality Act (CEQA) requires that a Lead Agency establish a program to monitor and report on mitigation measures that it has adopted as part of the environmental review process. The PCEP team has prepared a MMRP to ensure that mitigation measures identified in the PCEP Environmental Impact Report are fully implemented during project implementation. PCEP will implement the mitigation measures through its own actions, those of the DB contractor and actions taken in cooperation with other agencies and entities. The status of each mitigation measure in the MMRP is included in Appendix G.

Activity This Month

- Environmental compliance monitors were present during project activities (OCS pole foundation installation, potholing for utility location, grading, tree trimming/removal, conduit installation, abandoned signal cable removal) occurring in areas that required environmental compliance monitoring. The monitoring was conducted in accordance with measures in the MMRP in an effort to minimize potential impacts on sensitive environmental resources.
- Noise and vibration monitoring also occurred during project activities, and non-hazardous soil was removed from the right of way (ROW).
- Environmentally Sensitive Area (ESA) delineation (staking and/or fencing) occurred to delineate jurisdictional waterways and other potentially sensitive areas that should be avoided during upcoming construction activities. Pre-construction nesting bird surveys during the nesting bird season continued (nesting bird season is defined as February 1 through September 15), and protocol-level surveys for a sensitive avian species continued at previously identified potential habitat locations. Wildlife exclusion fencing installation and monitoring occurred adjacent to portions of the alignment designated for wildlife exclusion fencing. Protocol-level surveys for a sensitive avian species were initiated at previously identified potential habitat locations.

- Best management practices (BMPs) installation and maintenance (e.g., silt fencing, straw wattles with no monofilament netting per wildlife agency permit requirements, soil covers, etc.) occurred at equipment staging areas and other work areas throughout the alignment in accordance with the project-specific Stormwater Pollution Prevention Plan (SWPPP). In addition, an asbestos pipe was safely removed and disposed of by a certified asbestos contractor, under the supervision of a certified asbestos consultant.

Activity Next Month

- Environmental compliance monitors will continue to monitor project activities (OCS pole foundation installation, pot holing for utility location, tree trimming/removal, conduit installation, utility removal, abandoned signal cable removal, etc.) occurring in areas that require environmental compliance monitoring in an effort to minimize potential impacts on sensitive environmental resources in accordance with the MMRP.
- Noise and vibration monitoring of project activities will continue to occur and non-hazardous soil will continue to be removed.
- Biological surveyors will continue to conduct pre-construction surveys for sensitive wildlife species ahead of project activities. Pre-construction nesting bird surveys during the nesting bird season will continue (nesting bird season is defined as February 1 through September 15), and protocol-level surveys for sensitive avian species will continue for the 2020 breeding season at previously identified potential habitat locations. BMPs.
- BMPs installation will continue in accordance with the project-specific SWPPP, and ESA staking and fencing will continue to occur, to delineate jurisdictional waterways, and other potentially sensitive areas, that should be avoided during upcoming project activities.
- Wildlife exclusion fencing will continue to be installed and maintained prior to upcoming construction activities adjacent to potentially suitable habitat for sensitive wildlife species.
- In accordance with the specifications provided by a certified Asbestos Consultant during the previous reporting periods, the removal and disposal of subsurface piping by a certified Asbestos Contractor, as well as the associated monitoring by the certified Asbestos Consultant, is anticipated to occur next reporting period.

13.0 UTILITY RELOCATION

Implementation of the PCEP requires relocation or rerouting of both public and private utility lines and/or facilities. Utility relocation will require coordination with many entities, including regulatory agencies, public safety agencies, federal, state, and local government agencies, private and public utilities, and other transportation agencies and companies. This section describes the progress specific to the utility relocation process.

Activity This Month

- Worked with all utilities on review of overhead utility line relocations based on the current design.
- Coordinated with individual utility companies on relocation plans and schedule for incorporation with Master Program Schedule.
- Coordinated work with communications utilities on review of relocation design and prioritization of relocations.
- Continued to coordinate relocation work for SVP and Palo Alto Power facilities. Palo Alto has issued bids for their relocation and is still projecting to complete their relocations by September 2020. Any temporary shutdowns required by PCEP prior to that date will be coordinated with Palo Alto.
- Continued to coordinate relocation by communication cable owners such as AT&T and Comcast.
- Conducted utility coordination meeting to discuss overall status and areas of potential concern from the utilities.

Activity Next Month

- Coordinate with individual utility owners on the next steps of relocations, including support of any required design information.
- Update the relocation schedule as information becomes available from the utility owners.
- Continue to review relocation design SVP, Palo Alto Power, and communications companies and coordinate relocation field work.
- Continue communication relocations in all Segments.
- Continue SVP and Palo Alto Power relocations in Segment 3.

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14.0 REAL ESTATE

The PCEP requires the acquisition of a limited amount of real estate. In general, Caltrain uses existing Right of Way (ROW) for the PCEP, but in certain locations, will need to acquire small portions of additional real estate to expand the ROW to accommodate installation of OCS supports (fee acquisitions or railroad easements) and associated Electrical Safety Zones (ESZ) (easements). There are two larger full acquisition areas required for wayside facilitates. The PCEP Real Estate team manages the acquisition of all property rights. Caltrain does not need to acquire real estate to complete the EMU procurement portion of the PCEP.

Of the parcels identified at the beginning of the project, there remain only five owners from whom the agency requires possession.

The Real Estate team's current focus is working to identify new parcels and acquire them in conjunction with the project schedule.

- Staff has defined a process to ensure that BBII conveys new needs as soon as possible.
  - BBII must justify and JPB must approve all new parcels.
- Design needs to progress to enable BBII to identify exact acquisition areas.
- Staff is conducting pre-acquisition activities as appropriate.
- JPB has approved four new parcels to date.

Activity This Month

- Reached settlement agreement with Willowbend Apartment's legal counsel. Staff is reviewing purchase agreement comments.
- Staff continues to review potential new pole locations and providing feedback to the design team.
- Staff engaged internal signal team and BBII signal team to determine potential Real Estate interests.
- Review of proposed ESZs from BBII.
- Preparation of First Written Offer package for KB Homes. Reviewed ESZ requirements for KB Homes to confirm acquisitions.
- Through the Real Estate weekly meetings and the BBII bi-weekly meetings, the need for additional acquisition on the Sonora Gray parcel were eliminated.
- Reviewing parcel acquisition options for Marchese parcel with Santa Clara Valley Water District.
- Finalized design for Diridon Hospitality.
- Staff is actively working with PG&E and VTA to gain access to their properties for potholing. Submitted acquisition information package/plan to PG&E for their review and started appraisal of PG& E property based on revised design from BBII.
- Finalizing appraisal map for Britannia Gateway, which requires PG&E approval.

Activity Next Month

- Continue to negotiate for all open parcels.
- Make First Written Offer to KB Homes.
- Work with attorney for WIllowbend to close escrow.
- Continue review of ESZ needs submitted by BBII compared to direction from contract.
- Continue to meet with internal signal team and BBII signal team to determine potential Real Estate needs.
- Finalize appraisals for PG&E parcel, Google parcel, and South San Francisco parcel and make offers.
- Send updated Grant Deeds to Stephens reflecting the new legal descriptions.
- Safety group to coordinate with VTA safety to comply with their permitting requirements.
- Adopt Resolution of Necessity for Diridon Hospitality.
- Continue to work with Segment 3 and 4 owners for early access to pothole.
- Make offers on the parcel for which appraisals have been completed.
- Actively participate in Foundation/Pothole and Gannett Fleming weekly meetings.
- Continue to work with project team to identify and analyze new potential parcels.
- Map newly identified parcels.

15.0 THIRD PARTY AGREEMENTS

Third-party coordination is necessary for work impacting public infrastructure, utilities, ROW acquisitions, and others. Table 15-1 below outlines the status of necessary agreements for the PCEP.

Table 15-1 Third-Party Agreement Status

Type	Agreement	Third-Party	Status
Governmental Jurisdictions	Construction & Maintenance[1]	City & County of San Francisco	Executed
		City of Brisbane	Executed
		City of South San Francisco	Executed
		City of San Bruno	Executed
		City of Millbrae	Executed
		City of Burlingame	Executed
		City of San Mateo	Executed
		City of Belmont	Executed
		City of San Carlos	Executed
		City of Redwood City	Executed
		City of Atherton	In Process
		County of San Mateo	Executed
		City of Menlo Park	Executed
		City of Palo Alto	Executed
		City of Mountain View	Executed
		City of Sunnyvale	Executed
		City of Santa Clara	Executed
		County of Santa Clara	Executed
		City of San Jose	Executed
	Condemnation Authority	San Francisco	In Process
		San Mateo	Executed
		Santa Clara	Executed
Utilities	Infrastructure	PG&E	Executed
	Operating Rules	CPUC	Executed
Transportation & Railroad	Construction & Maintenance	Bay Area Rapid Transit	Executed[2]
	Construction & Maintenance	California Dept. of Transportation (Caltrans)	Not needed[3]
	Trackage Rights	UPRR	Executed[2]

Notes regarding table above:

1. Agreements memorialize the parties' consultation and cooperation, designate respective rights and obligations and ensure cooperation between the JPB and the 17 cities and three counties along the Caltrain ROW and within the PCEP limits in connection with the design and construction of the PCEP.
2. Utilizing existing agreements.
3. Caltrans Peer Process utilized. Formal agreement not needed.

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16.0 GOVERNMENT AND COMMUNITY AFFAIRS

The Community Relations and Outreach team coordinates all issues with all jurisdictions, partner agencies, government organizations, businesses, labor organizations, local agencies, residents, community members, other interested parties, and the media. In addition, the team oversees the BBII's effectiveness in implementing its Public Involvement Program. The following PCEP-related external affairs meetings took place this month:

Presentations/Meetings

- Caltrain Citizen's Advisory Committee

Third Party/Stakeholder Actions

- None

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17.0 DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION AND LABOR STATISTICS

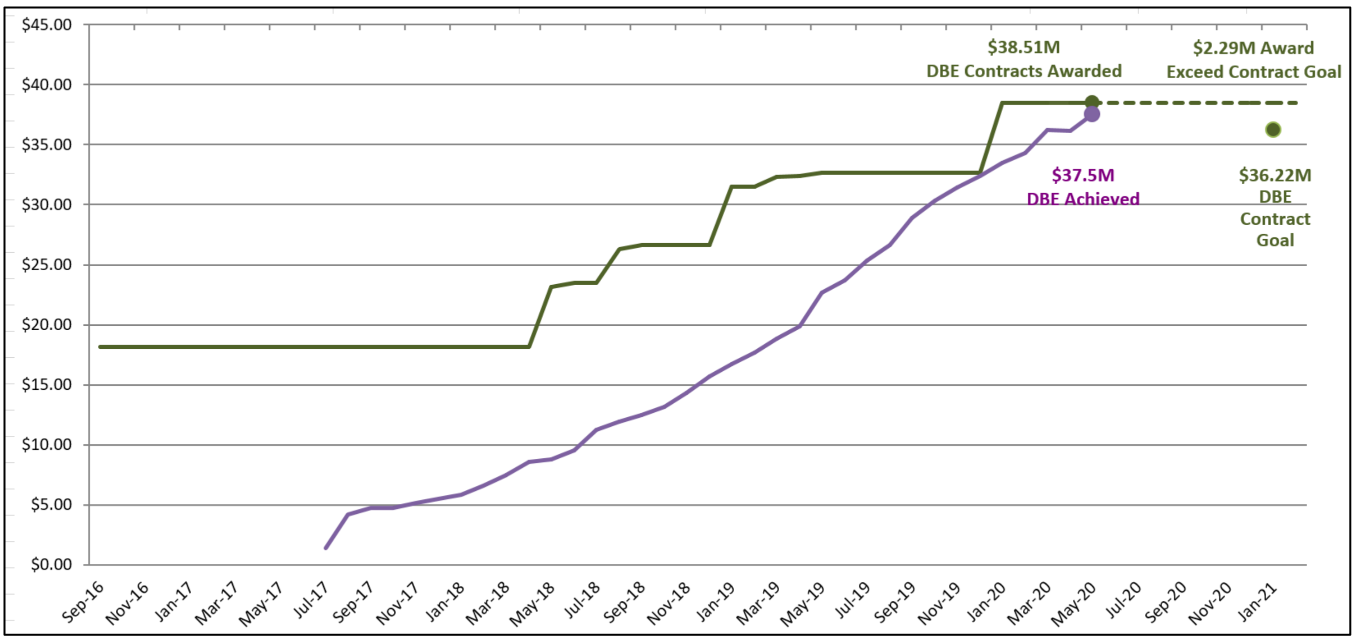
BBII proposed that 5.2% ($36,223,749) of the total DB base contract value ($696,610,558) would be subcontracted to DBEs.

Activity This Month

As expressed in Figure 17-1 below, to date BBII reports:

- **$37,498,279** has been paid to DBE subcontractors.
- $38.51 million of DBE contracts have been awarded (to be verified).
- **5.38%** has been achieved.

Figure 17-1 DBE Participation



Activity Next Month

BBII has proposed the following key actions:

"In the month of June, 2020, we continue to anticipate increasing our DBE commitments to firms who we are currently negotiating pricing on proposed work or Professional Services Agreements. We are optimistic about the prospect of making future awards to DBE firms. We also anticipate that the existing project work will increase resulting in expanded work for current DBE subcontractors."

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18.0 PROCUREMENT

Invitation for Bids (IFB)/Request for Quotes (RFQ)/ Request for Proposals (RFP) Issued this Month:

- None

Bids, Quotes, Proposals in Response to IFB/RFQ/RFP Received this Month:

- None

Contract Awards this Month:

- None

Work Directive (WD)/Purchase Order (PO) Awards & Amendments this Month:

- Multiple WDs & POs issued to support the program needs

In Process IFB/RFQ/RFP/Contract Amendments:

- None

Upcoming Contract Awards/Contract Amendments:

- Contract Amendment – On-Call Program Management Services for CalMod
- Contract Amendment – On-Call Electrification Support Services for CalMod

Upcoming IFB/RFQ/RFP to be Issued:

- RFQ – Scissor Lift Work Platform

Existing Contracts Amendments Issued:

- None

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19.0 TIMELINE OF MAJOR PROJECT ACCOMPLISHMENTS

Below is a timeline showing major project accomplishments from 2001 to 2017:

Date	Milestone
2001	Began federal National Environmental Policy Act (NEPA) Environmental Assessment (EA) / state EIR clearance process
2002	Conceptual Design completed
2004	Draft NEPA EA/EIR
2008	35% design complete
2009	Final NEPA EA/EIR and Finding of No Significant Impact (FONSI)
2014	RFQ for electrification RFI for EMU
2015	JPB approves final CEQA EIR JPB approves issuance of RFP for electrification JPB approves issuance of RFP for EMU Receipt of proposal for electrification FTA approval of Core Capacity Project Development
2016	JPB approves EIR Addendum #1: PS-7 FTA re-evaluation of 2009 FONSI Receipt of electrification best and final offers Receipt of EMU proposal Application for entry to engineering to FTA Completed the EMU Buy America Pre-Award Audit and Certification Negotiations completed with Stadler for EMU vehicles Negotiations completed with BBII, the apparent best-value electrification firm JPB approves contract award (LNTP) to BBII JPB approves contract award (LNTP) to Stadler FTA approval of entry into engineering for the Core Capacity Program Application for FFGA
2017	FTA finalized the FFGA for $647 million in Core Capacity funding, met all regulatory requirements including end of Congressional Review Period (February) FTA FFGA executed, committing $647 million to the project (May) JPB approves $1.98 billion budget for PCEP (June) Issued NTP for EMUs to Stadler (June 1) Issued NTP for electrification contract to BBII (June 19) Construction began (August) EMU manufacturing began (October) Issued NTP for SCADA to Rockwell Collins (ARINC) (October) Issued NTP for CEMOF Facility Upgrades to HNTB (November)

Date	Milestone
2018	Completed all PG&E agreements
	JPB approves contract award to Mitsui for the purchase of electric locomotives and Amtrak for overhaul services, storage, acceptance testing, training, and shipment of locomotive to CEMOF
	JPB approves authorization for the Executive Director to negotiate final contract award to ProVen for tunnel modifications and track rehabilitation project
	JPB approves contract award (LNTP) to ProVen for tunnel modifications
	Issued NTP to ProVen for tunnel modifications (October)
	Amended contract with ProVen to include OCS in the tunnels (November)
2019	JPB approves contract award to ProVen for CEMOF modifications (February)
	JPB approves LNTP to ProVen for CEMOF modifications (April)
	JPB approves NTP to ProVen for CEMOF modifications (September)
2020	JPB approves agreement amendment to PG&E for interconnection construction
	JPB executes agreement with PG&E for interconnection construction (May)
	FRA approved the waiver for Alternative Vehicle Technology regarding crashworthiness of EMU cars.

APPENDICES

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Appendix A – Acronyms

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AIM	**Advanced Information Management**
ARINC	**Aeronautical Radio, Inc.**
BAAQMD	**Bay Area Air Quality Management District**
BBII	**Balfour Beatty Infrastructure, Inc.**
CAISO	**California Independent System Operator**
CalMod	**Caltrain Modernization Program**
Caltrans	**California Department of Transportation**
CDFW	**California Department of Fish and Wildlife**
CEMOF	**Centralized Equipment Maintenance and Operations Facility**
CEQA	**California Environmental Quality Act (State)**
CHSRA	**California High-Speed Rail Authority**
CIP	**Capital Improvement Plan**
CNPA	**Concurrent Non-Project Activity**
CPUC	**California Public Utilities Commission**
CTC	**Centralized Traffic Control**
DB	**Design-Build**
DBB	**Design-Bid-Build**
DBE	**Disadvantaged Business Enterprise**
DEMP	**Design, Engineering, and Management Planning**
EA	**Environmental Assessment**
EAC	**Estimate at Completion**
EIR	**Environmental Impact Report**
EOR	**Engineer of Record**
EMU	**Electric Multiple Unit**
ESA	**Endangered Species Act**
ESA	**Environmental Site Assessments**
FAI	**First Article Inspection**
FEIR	**Final Environmental Impact Report**
FNTP	**Full Notice to Proceed**
FFGA	**Full Funding Grant Agreement**
FONSI	**Finding of No Significant Impact**
FRA	**Federal Railroad Administration**
FTA	**Federal Transit Administration**
GO	**General Order**
HSR	**High Speed Rail**
ICD	**Interface Control Document**
IFC	**Issued for Construction**
ITS	**Intelligent Transportation System**
JPB	**Peninsula Corridor Joint Powers Board**
LNTP	**Limited Notice to Proceed**

MMRP	Mitigation, Monitoring, and Reporting Program
MOU	Memorandum of Understanding
MPS	Master Program Schedule
NCR	Non Conformance Report
NEPA	National Environmental Policy Act (Federal)
NHPA	National Historic Preservation Act
NMFS	National Marine Fisheries Service
NTP	Notice to Proceed
OCS	Overhead Contact System
PCEP	Peninsula Corridor Electrification Project
PCJPB	Peninsula Corridor Joint Powers Board
PG&E	Pacific Gas and Electric
PHA	Preliminary Hazard Analysis
PMOC	Project Management Oversight Contractor
PS	Paralleling Station
PTC	Positive Train Control
QA	Quality Assurance
QC	Quality Control
QMP	Quality Management Plan
QMS	Quality Management System
RAMP	Real Estate Acquisition Management Plan
RE	Real Estate
RFI	Request for Information
RFP	Request for Proposals
RFQ	Request for Qualifications
ROCS	Rail Operations Center System
ROW	Right of Way
RRP	Railroad Protective Liability
RSD	Revenue Service Date
RWP	Roadway Worker Protection
SamTrans	San Mateo County Transit District
SCADA	Supervisory Control and Data Acquisition
SCC	Standard Cost Code
SPUR	San Francisco Bay Area Planning and Urban Research Association
SFBCDC	San Francisco Bay Conservation Development Commission
SFCTA	San Francisco County Transportation Authority
SFMTA	San Francisco Municipal Transportation Authority
SFRWQCB	San Francisco Regional Water Quality Control Board
SOGR	State of Good Repair
SSCP	Safety and Security Certification Plan
SSMP	Safety and Security Management Plan
SSWP	Site Specific Work Plan

SWS	**Switching Station**
TASI	**TransitAmerica Services Inc.**
TBD	**To Be Determined**
TPS	**Traction Power Substation**
TVA	**Threat and Vulnerability Assessment**
UPRR	**Union Pacific Railroad**
USACE	**United States Army Corp of Engineers**
USFWS	**U.S. Fish and Wildlife Service**
VTA	**Santa Clara Valley Transportation Authority**

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Appendix B – Funding Partner Meetings

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Funding Partner Meeting Representatives

Updated April 21, 2020

Agency	CHSRA	MTC	SFCTA/SFMTA/CCSF	SMCTA	VTA
FTA Quarterly Meeting	• Boris Lipkin • Simon Whitehorn • Wai Siu (info only)	• Anne Richman	• Luis Zurinaga	• April Chan • Peter Skinner	• Jim Lawson
Funding Partners Quarterly Meeting	• Boris Lipkin • Simon Whitehorn • John Popoff	• Trish Stoops	• Luis Zurinaga	• April Chan • Peter Skinner	• Krishna Davey • Edwin Castillo • Franklin Wong
Funding Oversight (monthly)	• Kelly Doyle	• Anne Richman • Kenneth Folan	• Anna LaForte • Maria Lombardo • Luis Zurinaga • Monique Webster • Ariel Espiritu Santo	• April Chan • Peter Skinner	• Jim Lawson • Marcella Rensi • Michael Smith
Change Management Board (monthly)	• Bruce Armistead • Boris Lipkin • Simon Whitehorn	• Trish Stoops • Kenneth Folan	• Luis Zurinaga • Tilly Chang (info only)	• Joe Hurley	• Krishna Davey • Edwin Castillo • Franklin Wong • Jim Lawson • Nuria Fernandez (info only)
Master Program Schedule Update (monthly)	• Wai Siu	• Trish Stoops	• Luis Zurinaga	• Joe Hurley	• Jim Lawson
Risk Assessment Committee (monthly)	• Wai Siu	• Trish Stoops	• Luis Zurinaga	• Joe Hurley	• Krishna Davey • Edwin Castillo • Franklin Wong
PCEP Delivery Coordination Meeting (bi-weekly	• Wai Siu	• Trish Stoops	• Luis Zurinaga	• Joe Hurley	• Krishna Davey • Edwin Castillo • Franklin Wong
Systems Integration Meeting (bi-weekly	• Wai Siu	• Trish Stoops	• Luis Zurinaga	• Joe Hurley	• Krishna Davey • Edwin Castillo • Franklin Wong

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Appendix C – Schedule

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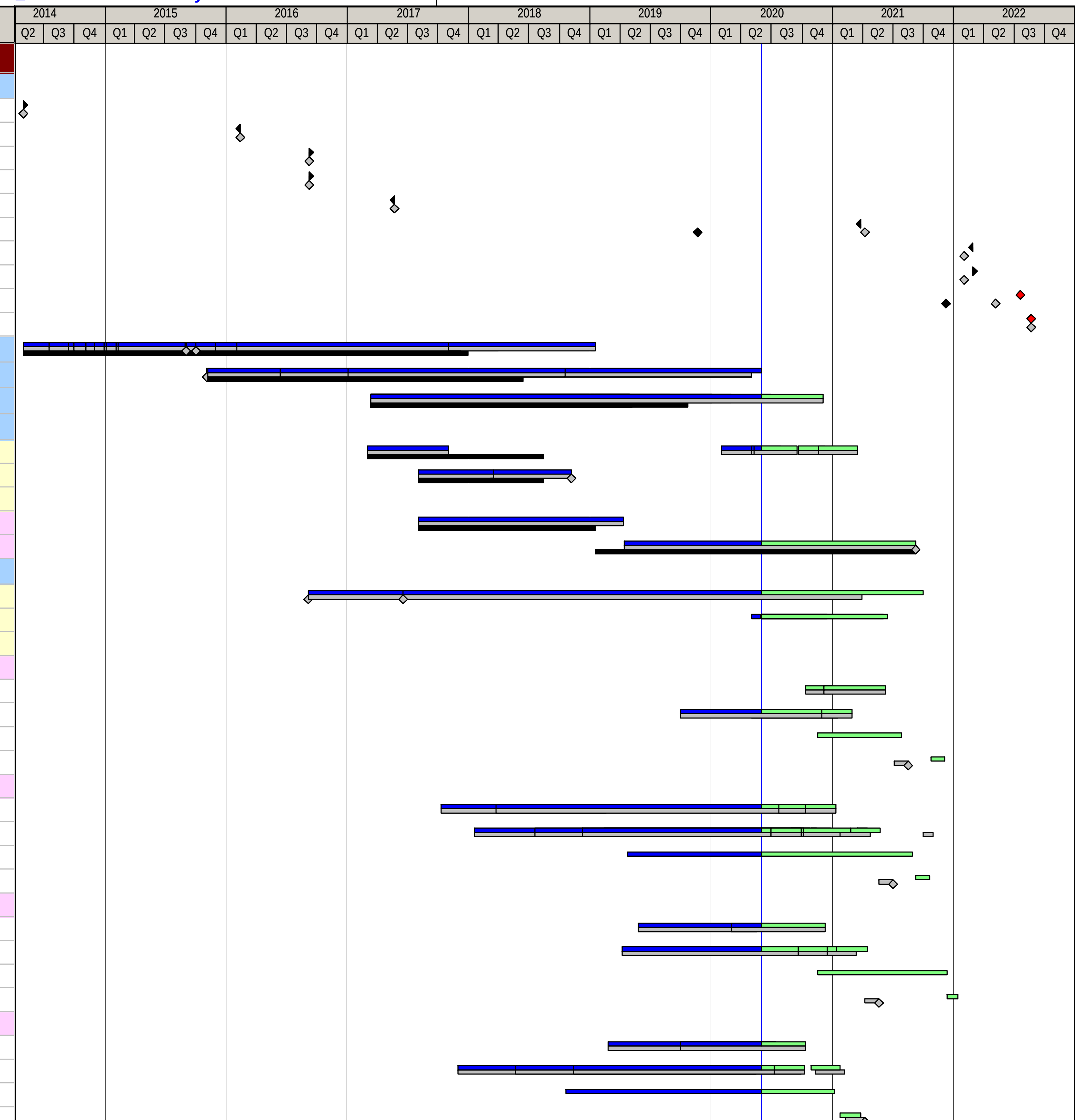
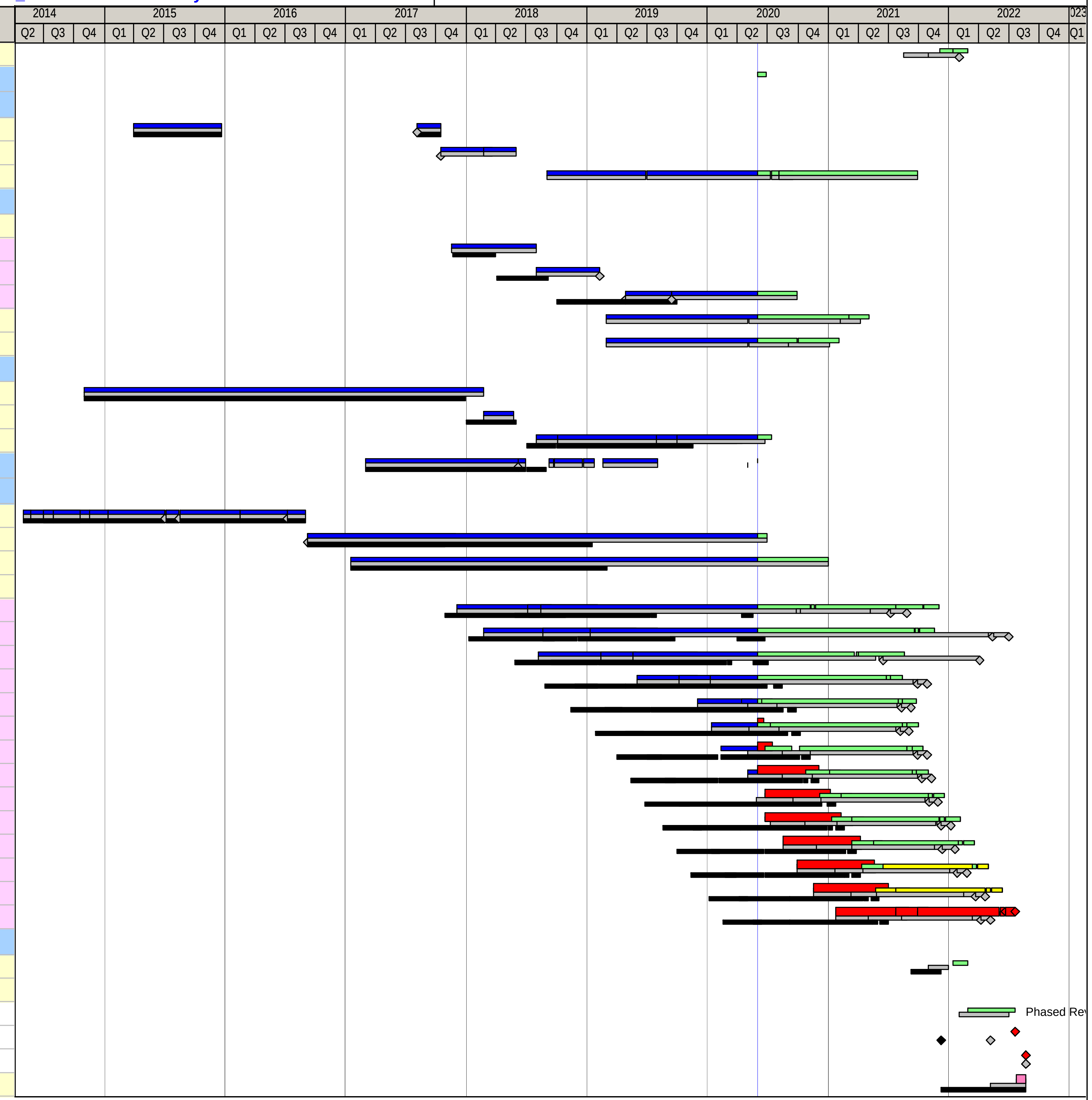
#	Activity Name	Duration	Start	Finish
1	**MASTER PROGRAM SCHEDULE C20.00**	2168d	05-01-14 A	08-22-22
2	**MILESTONES**	2168d	05-01-14 A	08-22-22
3	Start	0d	05-01-14 A	
4	NEPA Reevaluation Complete	0d		02-11-16 A
5	LNTP to Electrification Contractor	0d	09-06-16 A	
6	LNTP to Vehicle Manufacturer	0d	09-06-16 A	
7	FTA Issues FFGA	0d		05-23-17 A
8	Segment 4 (incl. Test Track) Complete	0d		03-25-21
9	Electrification Substantial Completion	0d		02-26-22
10	Start Phased Revenue Service	0d	02-27-22	
11	Revenue Service Date (RSD) w/out Risk Contingency	0d		07-22-22
12	Revenue Service Date (RSD) w/ Risk Contingency (FFGA RSD)	0d		08-22-22
13	**PLANNING / APPROVALS**	1230d	05-01-14 A	01-16-19 A
14	**REAL ESTATE ACQUISITION**	1160d	11-05-15 A	06-01-20
15	**OVERHEAD UTILITY RELOCATION (Various)**	949d	03-10-17 A	12-04-20
16	**PG&E INFRASTRUCTURE**	1182d	03-01-17 A	09-09-21
17	**INTERCONNECT**	1055d	03-01-17 A	03-16-21
18	**INTERIM POWER**	322d	08-01-17 A	11-05-18 A
19	**PERMANENT POWER**	1044d	08-01-17 A	09-09-21
20	***DESIGN & PERMITTING***	431d	08-01-17 A	04-12-19 A
21	***CONSTRUCTION***	612d	04-15-19 A	09-09-21
22	**ELECTRIFICATION (BBII)**	1429d	09-06-16 A	02-26-22
23	**DESIGN**	1323d	09-06-16 A	09-30-21
24	**SIGNALS**	293d	05-01-20 A	06-15-21
25	**CONSTRUCTION**	1558d	10-09-17 A	01-13-22
26	***Segment 1***	795d	10-02-19 A	12-04-21
27	**OCS**	239d	10-13-20	06-08-21
28	**Traction Power**	516d	10-02-19 A	02-28-21
29	**Signals**	254d	11-18-20	07-29-21
30	**Segment Testing**	43d	10-23-21	12-04-21
31	***Segment 2***	1475d	10-09-17 A	10-22-21
32	**OCS**	1189d	10-09-17 A	01-09-21
33	**Traction Power**	1223d	01-19-18 A	05-25-21
34	**Signals**	856d	04-26-19 A	08-28-21
35	**Segment Testing**	43d	09-10-21	10-22-21
36	***Segment 3***	1011d	04-09-19 A	01-13-22
37	**OCS**	562d	05-28-19 A	12-09-20
38	**Traction Power**	737d	04-09-19 A	04-14-21
39	**Signals**	388d	11-18-20	12-10-21
40	**Segment Testing**	34d	12-11-21	01-13-22
41	***Segment 4***	1211d	12-01-17 A	03-25-21
42	**OCS**	595d	02-25-19 A	10-11-20
43	**Traction Power**	1151d	12-01-17 A	01-24-21
44	**Signals**	810d	10-22-18 A	01-08-21
45	**Segment Testing**	60d	01-25-21	03-25-21



Prog Plan (C16.00) | Remaining | Start Milestone | Last Months Update
Last Months Update | Near Critical | Finish Milestone | Critical Milestone
Progress | Critical | Prog Plan (C16.00) | Risk Contingency

Filename: _C20.00 06.2420

#	Activity Name	Duration	Start	Finish
46	TESTING	84d	12-05-21	02-26-22
47	DRILL TRACK (TASI)	20d	06-01-20	06-26-20
48	SCADA (Arinc)	1652d	03-30-15 A	09-28-21
49	PREPARE SOLE SOURCE & AWARD	649d	03-30-15 A	10-16-17 A
50	DESIGN	157d	10-16-17 A	05-31-18 A
51	IMPLEMENTATION, TEST, INSTALL & CUTOVER	780d	09-04-18 A	09-28-21
52	CEMOF (Various)	905d	11-16-17 A	05-05-21
53	CEMOF MODIFICATIONS (ProVen)	750d	11-16-17 A	09-30-20
54	*DESIGN*	178d	11-16-17 A	07-31-18 A
55	*BID & AWARD*	132d	08-01-18 A	02-07-19 A
56	*CONSTRUCTION*	373d	04-29-19 A	09-30-20
57	PANTORGRAPH INSPECTION & MONITORING SYSTEM (Ctr TBD)	555d	03-01-19 A	05-05-21
58	SCISSOR LIFT WORK PLATFORM (Ctr TBD)	488d	03-01-19 A	02-01-21
59	TUNNEL MODIFICATION (ProVen)	1486d	10-31-14 A	07-11-20
60	DESIGN	840d	10-31-14 A	02-22-18 A
61	BID & AWARD	66d	02-23-18 A	05-25-18 A
62	CONSTRUCTION	508d	08-01-18 A	07-11-20
63	ELECTRIC LOCOMOTIVE (Amtrak / Mitsui)	848d	03-01-17 A	06-01-20
64	EMU (Stadler)	2147d	05-01-14 A	07-22-22
65	DEVELOP RFP, BID & AWARD	612d	05-01-14 A	09-02-16 A
66	DESIGN	996d	09-06-16 A	06-30-20
67	PROCUREMENT (Material)	1034d	01-16-17 A	12-31-20
68	MANUFACTURING & TESTING	1210d	12-04-17 A	07-22-22
69	*TRAINSET 1*	1045d	12-04-17 A	12-03-21
70	*TRAINSET 2*	977d	02-22-18 A	11-19-21
71	*TRAINSET 3*	795d	08-06-18 A	08-20-21
72	*TRAINSET 4*	575d	06-03-19 A	08-13-21
73	*TRAINSET 5*	475d	12-02-19 A	09-24-21
74	*TRAINSET 6*	450d	01-13-20 A	10-01-21
75	*TRAINSET 7*	440d	02-10-20 A	10-15-21
76	*TRAINSET 8*	390d	05-04-20 A	10-29-21
77	*TRAINSET 9*	390d	06-22-20	12-17-21
78	*TRAINSET 10*	425d	06-22-20	02-04-22
79	*TRAINSET 11*	415d	08-17-20	03-18-22
80	*TRAINSET 12*	415d	09-28-20	04-29-22
81	*TRAINSET 13*	410d	11-16-20	06-10-22
82	*TRAINSET 14*	390d	01-25-21	07-22-22
83	TESTING & STARTUP (JPB)	157d	01-14-22	08-22-22
84	PRE-REVENUE TESTING	44d	01-14-22	02-26-22
85	REVENUE OPERATIONS	126d	02-27-22	08-22-22
86	Phased Revenue Service	146d	02-27-22	07-22-22
87	Revenue Service Date (RSD) w/out Risk Contingency	0d		07-22-22
88	Revenue Service Date (RSD) w/ Risk Contingency (FFGA RSD)	0d		08-22-22
89	RISK CONTINGENCY	31d	07-23-22	08-22-22



Prog Plan (C16.00) | Remaining | Start Milestone | Last Months Update
Last Months Update | Near Critical | Finish Milestone | Critical Milestone
Progress | Critical | Prog Plan (C16.00) | Risk Contingency

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Appendix D – Standard Cost Codes

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Description of Work	FFGA Baseline Budget (A)	Approved Budget (B)	Cost This Month (C)	Cost To Date (D)	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
10 - GUIDEWAY & TRACK ELEMENTS	**$14,256,739**	**$27,308,610**	**$9,601**	**$24,946,946**	**$2,854,053**	**$27,800,999**
10.02 Guideway: At-grade semi-exclusive (allows cross-traffic)	$2,500,000	$2,500,000	$9,601	$139,054	$2,360,946	$2,500,000
10.07 Guideway: Underground tunnel	$8,110,649	$24,808,610	$0	$24,807,892	$493,107	$25,300,999
10.07 Allocated Contingency	$3,646,090	$0	$0	$0	$0	$0
30 - SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS	**$2,265,200**	**$6,756,604**	**$310,499**	**$3,309,931**	**$4,785,606**	**$8,095,538**
30.03 Heavy Maintenance Facility	$1,344,000	$6,756,604	$310,499	$3,309,931	$4,785,606	$8,095,538
30.03 Allocated Contingency	$421,200	$0	$0	$0	$0	$0
30.05 Yard and Yard Track	$500,000	$0	$0	$0	$0	$0
40 - SITEWORK & SPECIAL CONDITIONS	**$255,072,402**	**$270,749,520**	**$4,319,610**	**$176,419,505**	**$97,552,673**	**$273,972,177**
40.01 Demolition, Clearing, Earthwork	$3,077,685	$3,077,685	($762,500)	$4,567,500	($1,489,815)	$3,077,685
40.02 Site Utilities, Utility Relocation	$62,192,517	$93,328,599	$3,375,705	$85,304,433	$9,024,166	$94,328,599
40.02 Allocated Contingency	$25,862,000	($0)	$0	$0	($0)	($0)
40.03 Haz. mat'l, contam'd soil removal/mitigation, ground water treatments	$2,200,000	$4,944,961	$145,872	$6,523,924	($1,578,963)	$4,944,961
40.04 Environmental mitigation, e.g. wetlands, historic/archeologic, parks	$32,579,208	$32,954,208	$126,375	$2,069,745	$30,884,463	$32,954,208
40.05 Site structures including retaining walls, sound walls	$568,188	$568,188	$0	$0	$568,188	$568,188
40.06 Pedestrian / bike access and accommodation, landscaping	$804,933	$764,933	$0	$0	$764,933	$764,933
40.07 Automobile, bus, van accessways including roads, parking lots	$284,094	$284,094	$0	$0	$284,094	$284,094
40.08 Temporary Facilities and other indirect costs during construction	$107,343,777	$114,216,852	$1,434,158	$77,953,903	$39,656,653	$117,610,556
40.08 Allocated Contingency	$20,160,000	$20,610,000	$0	$0	$19,438,953	$19,438,953
50 - SYSTEMS	**$504,445,419**	**$523,118,617**	**$3,523,096**	**$167,748,816**	**$371,785,803**	**$539,534,620**
50.01 Train control and signals	$97,589,149	$100,749,268	($1,413,643)	$30,180,943	$71,824,862	$102,005,805
50.01 Allocated Contingency	$1,651,000	$0	$0	$0	$0	$0
50.02 Traffic signals and crossing protection	$23,879,905	$23,879,905	$0	$0	$23,879,905	$23,879,905
50.02 Allocated Contingency	$1,140,000	$1,140,000	$0	$0	$1,140,000	$1,140,000
50.03 Traction power supply: substations	$69,120,009	$97,744,787	($8,733)	$34,619,024	$63,387,788	$98,006,812
50.03 Allocated Contingency	$31,755,013	$2,990,895	$0	$0	$2,763,958	$2,763,958
50.04 Traction power distribution: catenary and third rail	$253,683,045	$276,373,056	$4,945,471	$102,890,860	$201,124,861	$304,015,721
50.04 Allocated Contingency	$18,064,000	$12,677,408	$0	$0	$159,120	$159,120
50.05 Communications	$5,455,000	$5,455,000	$0	$57,989	$5,397,011	$5,455,000
50.07 Central Control	$2,090,298	$2,090,298	$0	$0	$2,090,298	$2,090,298
50.07 Allocated Contingency	$18,000	$18,000	$0	$0	$18,000	$18,000
60 - ROW, LAND, EXISTING IMPROVEMENTS	**$35,675,084**	**$35,675,084**	**$55,104**	**$19,055,444**	**$16,619,640**	**$35,675,084**
60.01 Purchase or lease of real estate	$25,927,074	$25,927,074	$55,104	$18,926,870	$7,080,205	$26,007,074
60.01 Allocated Contingency	$8,748,010	$8,748,010	$0	$0	$8,668,010	$8,668,010
60.02 Relocation of existing households and businesses	$1,000,000	$1,000,000	$0	$128,574	$871,426	$1,000,000
70 - VEHICLES (96)	**$625,544,147**	**$624,682,944**	**$5,286,462**	**$208,212,818**	**$415,013,473**	**$623,226,291**
70.03 Commuter Rail	$589,167,291	$592,028,797	$5,286,462	$207,674,538	$386,298,236	$593,972,774
70.03 Allocated Contingency	$9,472,924	$5,822,395	$0	$0	$2,421,765	$2,421,765
70.06 Non-revenue vehicles	$8,140,000	$8,067,821	$0	$538,280	$7,529,541	$8,067,821
70.07 Spare parts	$18,763,931	$18,763,931	$0	$0	$18,763,931	$18,763,931
80 - PROFESSIONAL SERVICES (applies to Cats. 10-50)	**$323,793,010**	**$333,280,065**	**$2,702,116**	**$300,763,953**	**$53,655,034**	**$354,418,986**
80.01 Project Development	$130,350	$130,350	$0	$280,180	($149,830)	$130,350
80.02 Engineering (not applicable to Small Starts)	$180,227,311	$187,751,436	$735,308	$196,403,760	($3,970,151)	$192,433,609
80.02 Allocated Contingency	$1,866,000	$202,474	$0	$0	$21,942	$21,942
80.03 Project Management for Design and Construction	$72,029,265	$74,932,188	$1,149,725	$76,507,634	$21,716,917	$98,224,551
80.03 Allocated Contingency	$9,388,080	$8,000,396	$0	$0	($0)	($0)
80.04 Construction Administration & Management	$23,677,949	$27,056,839	$712,842	$17,742,087	$20,313,433	$38,055,520
80.04 Allocated Contingency	$19,537,000	$16,158,109	$0	$0	$5,159,428	$5,159,428
80.05 Professional Liability and other Non-Construction Insurance	$3,500,000	$4,581,851	$0	$4,581,851	$0	$4,581,851
80.06 Legal; Permits; Review Fees by other agencies, cities, etc.	$7,167,275	$8,651,684	$106,758	$5,211,099	$4,785,897	$9,996,996
80.06 Allocated Contingency	$556,000	$0	$0	$0	$0	$0
80.07 Surveys, Testing, Investigation, Inspection	$3,287,824	$3,388,781	($2,518)	$37,341	$3,351,440	$3,388,781
80.08 Start up	$1,797,957	$1,797,957	$0	$0	$1,797,957	$1,797,957
80.08 Allocated Contingency	$628,000	$628,000	$0	$0	$628,000	$628,000
Subtotal (10 - 80)	**$1,761,052,001**	**$1,821,571,445**	**$16,206,487**	**$900,457,412**	**$962,266,282**	**$1,862,723,695**
90 - UNALLOCATED CONTINGENCY	**$162,620,295**	**$99,200,850**	**$0**	**$0**	**$58,048,601**	**$58,048,601**
Subtotal (10 - 90)	**$1,923,672,296**	**$1,920,772,296**	**$16,206,487**	**$900,457,412**	**$1,020,314,884**	**$1,920,772,296**
100 - FINANCE CHARGES	**$6,998,638**	**$9,898,638**	**$31,763**	**$6,274,058**	**$3,624,580**	**$9,898,638**
Total Project Cost (10 - 100)	**$1,930,670,934**	**$1,930,670,934**	**$16,238,251**	**$906,731,470**	**$1,023,939,464**	**$1,930,670,934**

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Appendix E – Change Order Logs

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Change Order Logs

Electrification Contract

Change Order Authority (5% of BBII Contract)				5% x $696,610,558 = $34,830,528	
Date	**Change Number**	**Description**	**CCO Amount**	**Change Order Authority Usage[1]**	**Remaining Authority**
08/31/17	BBI-053-CCO-001	Track Access Delays Q4 2016	$85,472	0.25%	$34,745,056
02/28/18	BBI-053-CCO-003	Deletion of Signal Cable Meggering (Testing)	($800,000)	(2.30%)	$35,545,056
02/21/18	BBI-053-CCO-004	Field Order for Differing Site Condition Work Performed on 6/19/17	$59,965	0.17%	$35,485,091
03/12/18	BBI-053-CCO-006	Track Access Delays for Calendar Quarter 1 2017	$288,741	0.83%	$35,196,350
04/24/18	BBI-053-CCO-002	Time Impact 01 Associated with Delayed NTP	$9,702,667	0.00%[2]	-
04/24/18	BBI-053-CCO-008	2016 Incentives (Safety, Quality, and Public Outreach)	$750,000	0.00%[2]	-
05/31/18	BBI-053-CCO-009	16th St. Grade Crossing Work Removal from BBII Contract	($685,198)	(1.97%)	$35,881,548
05/31/18	BBI-053-CCO-012	2017 Incentives (Safety, Quality, and Public Outreach)	$1,025,000	0.00%[2]	-
06/25/18	BBI-053-CCO-010	Pothole Change Of Shift	$300,000	0.86%	$35,581,548
06/25/18	BBI-053-CCO-013	Field Order for Signal Cable Relocation (FO# 31)	$95,892	0.28%	$35,485,656
06/25/18	BBI-053-CCO-015	TASI Pilot Transportation 2017	$67,345	0.19%	$35,418,311
06/26/18	BBI-053-CCO-005	Field Orders for Signal Cable Relocation (FO#s 26, 30)	$191,836	0.55%	$35,226,475
06/28/18	BBI-053-CCO-014	Field Orders for Signal Cable Relocation (FO-36 & FO-38)	$145,694	0.42%	$35,080,781
06/29/18	BBI-053-CCO-007	Track Access Delays for Calendar Quarter 2 2017	$297,512	0.85%	$34,783,269
06/29/18	BBI-053-CCO-011	Field Orders for Differing Site Condition (FO#s Partial 07A , 08-14)	$181,013	0.52%	$34,602,256
06/29/18	BBI-053-CCO-017	Field Order for NorCal Utility Potholing (FO# 27)	$93,073	0.27%	$34,509,183
06/29/18	BBI-053-CCO-018	Field Order for NorCal Utility Potholing (FO# 29)	$76,197	0.22%	$34,432,986
06/29/18	BBI-053-CCO-020	Field Orders for Differing Site Condition (FO#s 15-19)	$118,364	0.34%	$34,314,622
7/19/2018	BBI-053-CCO-019	Field Order for NorCal Utility Potholing (FO-032)	$88,956	0.26 %	$34,225,666
7/19/2018	BBI-053-CCO-021	As In-Service (AIS) Drawings for Segment 2 and 4 Signal Design (CN-009)	$105,000	0.30 %	$34,120,666
7/25/2018	BBI-053-CCO-022	CEMOF Yard Traction Power Feed (CN-008)	$332,700	0.96 %	$33,787,966
7/31/2018	BBI-053-CCO-028	Sonic Echo Impulse Testing	$4,541	0.01 %	$33,783,425
7/31/2018	BBI-053-CCO-026	TASI Pilot Transportation 2018 (CNC-0022)	$50,409	0.14%	$33,733,016
7/31/2018	BBI-053-CCO-027	Signal Cable Relocation (FOs-040 & 051)	$196,114	0.56%	$33,536,902
9/27/2018	BBI-053-CCO-030	Delete Spare 115k Disconnect Switches	($19,000)	(0.05)%	$33,555,902
9/28/2018	BBI-053-CCO-031	Bldg A HVAC and FOB Card Reader Systems	$76,500	0.22 %	$33,479,402
9/28/2018	BBI-053-CCO-025A	Addition of Shunt Wire at Transverse Utility Crossing Locations - Design	$925,000	2.66 %	$32,554,402
9/28/2018	BBI-053-CCO-016A	UPRR MT-1 Pole Relocation - Design Changes	$903,000	0.00%[2]	-
9/28/2018	BBI-053-CCO-024A	PG&E Utility Feed Connection to TPS#1 and TPS#2 (Design Only)	$727,000	0.00%[2]	-
12/17/2018	BBI-053-CCO-032	PS-2 Site Relocation (Design Only)	$291,446	0.84%	$32,262,956
1/17/2019	BBI-053-CCO-023	Insulated Rail Joints	$2,694,519	0.00%[2]	-
1/17/2019	BBI-053-CCO-029	CHSRA Early Pole Relocation (Design Only)	$625,000	0.00%[2,3]	-
2/5/2019	BBI-053-CCO-040A	Increase in Potholing Quantity (unit price contract bid item by 25%)	$1,662,500	4.77 %	$30,600,456

Change Order Authority (5% of BBII Contract) **5% x $696,610,558 = $34,830,528**

Date	Change Number	Description	CCO Amount	Change Order Authority Usage[1]	Remaining Authority
3/5/2019	BBI-053-CCO-042A	TPSS-2 VTA/BART Pole Relocation (Design Only) (CNPA funded by VTA)	$110,000	0.32%[3]	$30,490,456
3/11/2019	BBI-053-CCO-036	Field Order for Signal Cable Relocation (FO-064)	$86,538	0.25%	$30,403,918
3/20/2019	BBI-053-CCO-035	Millbrae Avenue Existing Overhead Barrier	($40,000)	(0.11)%	$30,443,918
3/19/2019	BBI-053-CCO-046	Training in Design Software and Potholing	$136,611	0.39%	$30,307,307
4/8/2019	BBI-053-CCO-041	Grade Crossing Warning System (CN59) – 5 mph Speed Check	$446,982	1.28%	$29,860,325
5/30/2019	BBI-053-CCO-044	Additional Daytime Potholing (Increase Quantity by 500 in Segment 4)	$150,000	0.43 %	$29,710,325
6/6/2019	BBI-053-CCO-048	Power Metering Devices	$101,908	0.29 %	$29,608,417
6/13/2019	BBI-053-CCO-045	Incentive Payment for 2018	$1,025,000	0.00%[2]	-
6/13/2019	BBI-053-CCO-024B	PG&E Utility Feed Connection to TPS #1 and TPS#2 (Material On Hand)	$1,600,000	4.59 %	$28,008,417
6/24/2019	BBI-053-CCO-043	PS-5 Site Relocation (Design Only)	$348,000	1.00 %	$27,660,417
6/24/2019	BBI-053-CCO-054	Change Design Sequence for OCS Foundations	$37,500	0.11%	$27,622,917
7/1/2019	BBI-053-CCO-040B	Increase Quantity for Utilities Potholing (Bid Item #9)	$1,867,700	5.36 %	$25,755,217
7/10/2019	BBI-053-CCO-033A	Relocation of PS3 (Design) (CNPA funded by BGSP)	$500,000	1.44 %[3]	$25,255,217
8/15/2019	BBI-053-CCO-047	CEMOF Slot Drains (Design Only)	$69,000	0.20%	$25,186,217
8/16/2019	BBI-053-CCO-055	Sheriff's Deputy in Segment 4B	$4,644	0.01%	$25,181,573
9/3/2019	BBI-053-CCO-037	Field Orders for Signal Cable Relocation (FO-053 & FO-059)	$184,576	0.53%	$24,996,997
9/7/2019	BBI-053-CCO-057	Mediator with Technical Expertise	$0	0.00%	$24,996,997
9/27/2019	BBI-053-CCO-061	Interconnect Renaming of Circuit Numbers	$58,058	0.17%	$24,938,939
9/27/2019	BBI-053-CCO-063A	Track Access Delays - Quarter 1 2018 (Partial)	$343,496	0.99%	$24,595,443
10/21/2019	BBI-053-CCO-064	TPS-2 VTA Pole Height Redesign (CNPA funded by VTA)	$31,000	0.09%[3]	$24,564,443
11/15/2019	BBI-053-CCO-038	Field Order for Signal Cable Relocation (FO-079 & FO-085)	$187,764	0.54 %	$24,376,680
11/26/2019	BBI-053-CCO-025B	Addition of OCS Shunt Wires in Segments 2 & 4 - Wire Assembly Materials Only	$144,370	0.41 %	$24,232,310
12/11/2019	BBI-053-CCO-065A	Foundation Inefficiencies S2WA5	$401,501	1.15%	$23,830,809
12/17/2019	BBI-053-CCO-025C	Addition of OCS Shunt Wires in Segments 2 & 4 – Pole Assembly Materials Only	$884,500	2.54 %	$22,946,309
1/7/2020	BBI-053-CCO-066A	Increase Quantity for Contaminated Soils (Bid Unit Price Item #1)	$950,000	2.73 %	$21,996,309
2/5/2020	BBI-053-CCO-023B	Insulated Rail Joints De-stressing	$890,600	2.56 %	$21,105,709
3/18/2020	BBI-053-CCO-072A	SVP Requirements for Joint SIS & SPS (Task 1)	$80,000	0.23 %	$21,025,709
3/19/2020	BBI-053-CCO-023C	Portec Insulated Rail Joints	$375,000	1.08 %	$20,650,709
3/26/2020	BBI-053-CCO-076	Asbestos Pipe Abatement at CP Shark	$145,872	0.42 %	$20,504,837
3/31/2020	BBI-053-CCO-075	Norcal Utility Potholing (FO#39)	$98,105	0.28 %	$20,406,733
4/21/2020	BBI-053-CCO-077A	Contaminated Soil (Class 1) at TPS-1	$701,780	2.01 %	$19,704,953
4/27/2020	BBI-053-CCO-066B	Increase Quantity for Contaminated Soils (Bid Item #1)	$926,273	2.66 %	$18,778,680
4/27/2020	BBI-053-CCO-090A	Signal Cable Relocation (Field Order No. 340)	$47,258	0.14 %	$18,731,423
4/27/2020	BBI-053-CCO-091A	Signal Cable Relocation (Field Order No. 340)	$131,663	0.38 %	$18,599,759
4/29/2020	BBI-053-CCO-080A	Steel Plates to Protect Utilities (DTDS)	$135,128	0.39 %	$18,464,631

Change Order Authority (5% of BBII Contract)					5% x $696,610,558 = $34,830,528
Date	**Change Number**	**Description**	**CCO Amount**	**Change Order Authority Usage[1]**	**Remaining Authority**
4/29/2020	BBI-053-CCO-081A	Steel Plates to Protect Utilities (DTDS)	$95,474	0.27 %	$18,369,157
4/29/2020	BBI-053-CCO-071	Increase Quantity for Tree Pruning (Bid Unit Price Item #4d)	$375,000	1.08 %	$17,994,157
5/1/2020	BBI-053-CCO-050	Switch Machine Isolation - Credit	($277,430)	(0.80)%	$18,271,586
5/19/2020	BBI-053-CCO-092A	Signal Cable Relocation (Field Order No. 340)	$106,773	0.31 %	$18,164,814
5/19/2020	BBI-053-CCO-093A	Signal Cable Relocation (Field Order No. 340)	$90,765	0.26 %	$18,074,049
5/27/2020	BBI-053-CCO-101	Asbestos Pipe Abatement at 46.3-07/08	$21,037	0.06 %	$18,053,012
		Total	**$34,229,702**	**48.17 %**	**$18,053,012**

Notes:

1. When the threshold of 75% is reached, staff may return to the Board to request additional authority.
2. Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.
3. Third party improvements/CNPA projects that are funded with non-PCEP funds.

EMU Contract

Change Order Authority (5% of Stadler Contract)					5% x $550,899,459 = $27,544,973
Date	**Change Number**	**Description**	**CCO Amount**	**Change Order Authority Usage[1]**	**Remaining Authority**
09/22/2017	STA-056-CCO 001	Contract General Specification and Special Provision Clean-up	$0	0.00%	-
10/27/2017	STA-056-CCO 002	Prototype Seats and Special Colors	$55,000	0.20%	$27,489,973
11/02/2017	STA-056-CCO 003	Car Level Water Tightness Test	$0	0.00%	-
12/05/2017	STA-056-CCO-004	Onboard Wheelchair Lift 800 Pound Capacity Provisions	$848,000	3.08%	$26,641,973
11/03/2017	STA-056-CCO 005	Design Progression (multiple)	$0	0.00%	-
12/12/2017	STA-056-CCO 006	Prototype Seats and Special Colors	($27,500)	(0.10%)	$26,669,473
01/17/2018	STA-056-CCO 007	Multi-Color Destination Signs	$130,760	0.47%	$26,538,713
02/09/2018	STA-056-CCO-008	Adjustment to Delivery and LDs due to delayed FNTP	$490,000	0.00%[2]	-
02/12/2018	STA-056-CCO-009	Ship Cab Mock-up to Caltrain	$53,400	0.19%	$26,485,313
04/17/2018	STA-056-CCO-010	Onboard Wheelchair Lift Locations	($1,885,050)	(6.84%)	$28,370,363
04/17/2018	STA-056-CCO-011	Multiple Change Group 3 and Scale Models	$0	0.00%	-
10/29/2018	STA-056-CCO-012	Multiple Change Group 4	$0	0.00%	-
10/29/2018	STA-056-CCO-013	Wheelchair Lift Installation Redesign	$228,400	0.83%	$28,141,963
12/14/2018	STA-056-CCO-014	PTC System Change	$0	0.00%	-
12/22/2018	STA-056-CCO-015	EMU Option Cars	$172,800,047	0.00%[2,3]	-
6/26/2019	STA-056-CCO-016	Testing at TTCI (Pueblo Facility) - First Trainset	$3,106,428	11.28 %	$25,035,535
8/27/2019	STA-056-CCO-017	Virtual Reality Experience	$400,000	1.45 %	$24,635,535
8/21/2019	STA-056-CCO-018	EMI Conducted Emissions Limits	$0	0.00%	$24,635,535
8/8/2019	STA-056-CCO-019	Option Car Payment Milestones	$0	0.00%	$24,635,535
8/21/2019	STA-056-CCO-020	Multiple No Cost No Schedule Impact Changes Group 5	$0	0.00%	$24,635,535
10/28/2019	STA-056-CCO-021	Plugging of High-Level Doorways	$736,013	2.67%	$23,899,523
11/13/2019	STA-056-CCO-022	Add Flip-Up Seats into Bike Cars (CNPA: $1.96M funded by Non-PCEP)	$1,961,350	7.12%[3]	$21,938,173

Change Order Authority (5% of Stadler Contract)					**5% x $550,899,459 = $27,544,973**
Date	**Change Number**	**Description**	**CCO Amount**	**Change Order Authority Usage[1]**	**Remaining Authority**
4/21/2020	STA-056-CCO-025	Removal of Vandal Film from Windows	($374,994)	(1.36)%	$22,313,167
5/6/2020	STA-056-CCO-023	Deferral of Wheelchair Lifts	$632,703	2.30 %	$21,680,464
		Total	**$179,154,556**	**21.29 %**	**$21,680,464**

Notes:

1. When the threshold of 75% is reached, staff may return to the Board to request additional authority.
2. Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.
3. Third party improvements/CNPA projects that are funded with non-PCEP funds.

SCADA Contract

Change Order Authority (15% of ARINC Contract)					**15% x $3,446,917 = $517,038**
Date	**Change Number**	**Description**	**CCO Amount**	**Change Order Authority Usage[1]**	**Remaining Authority**
	None to date				
		Total	**$0**	**0.00%**	**$517,038**

Notes:

1. When the threshold of 75% is reached, staff may return to the Board to request additional authority.
2. Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.

Tunnel Modifications Contract

Change Order Authority (10% of ProVen Contract[1])					**10% x $55,077,777 = $5,507,778**
Date	**Change Number**	**Description**	**CCO Amount**	**Change Order Authority Usage[2]**	**Remaining Authority**
3/27/2019	PROV-070-CCO-003	Track Access Delay	$25,350	0.46 %	$5,482,428
3/27/2019	PROV-070-CCO-004	Additional OCS Potholing Due to Conflict with Existing Utilities	$70,935	1.29 %	$5,411,493
3/27/2019	PROV-070-CCO-005	Install Tie Backs and Piles in Boulders at Tunnel 4	$29,478	0.54 %	$5,382,015
3/28/2019	PROV-070-CCO-001	Partnering Meetings (50% PCEP)	$14,443	0.26 %[4]	$5,367,572
4/25/2019	PROV-070-CCO-002	Furnish Galvanized E-clips	$37,239	0.68 %	$5,330,333
4/30/2019	PROV-070-CCO-006	Additional Rock Bolts and Testing	$22,549	0.41 %	$5,307,784
5/23/2019	PROV-070-CCO-013	Late Removal of Leaky Feeder Tunnel 4 (T-4)	$21,225	0.39 %	$5,286,559
5/28/2019	PROV-070-CCO-014	OCS Piles Utility Conflict at Tunnel-1 South (T-1S)	$16,275	0.30 %	$5,270,284
5/29/2019	PROV-070-CCO-012	OCS Piles Utility Conflict at T-4S	$6,871	0.12 %	$5,263,413
5/31/2019	PROV-070-CCO-016A	Portal Structure Detailing Changes	$84,331	1.53 %	$5,179,082
6/18/2019	PROV-070-CCO-009	Creosote Ties Covering (CNPA - Drainage $3,116.00)	$3,116	0.06 %[4]	$5,175,966
6/28/2019	PROV-070-CCO-008	Micropiles at South Tunnel-2 South (T-2S)	$41,322	0.75 %	$5,134,644
6/28/2019	PROV-070-CCO-010	Salvage Transition Panels (CNPA - Drainage $6,144.00)	$6,144	0.11 %[4]	$5,128,500
6/28/2019	PROV-070-CCO-011	Demo PVC and Plug Tunnel-1 South (T-1S) (CNPA - Drainage $4,035.00)	$4,035	0.07 %[4]	$5,124,465
6/28/2019	PROV-070-CCO-020	Unidentified SD Conflict with Junction Inlet (CNPA - Drainage $1,976.00)	$1,976	0.04 %[4]	$5,122,489
9/26/2019	PROV-070-CCO-007	Canopy Tube Drilling	$89,787	1.63%	$5,032,702
9/26/2019	PROV-070-CCO-023	Over-excavate Trapezoidal Ditch at T-1N (CNPA - Drainage $46,914.00)	$46,914	0.85%[4]	$4,985,788

Change Order Authority (10% of ProVen Contract[1])					10% x $55,077,777 = $5,507,778
Date	**Change Number**	**Description**	**CCO Amount**	**Change Order Authority Usage[2]**	**Remaining Authority**
10/4/2019	PROV-070-CCO-029	Additional DryFix Pins	$105,000	1.91%	$4,880,788
10/4/2019	PROV-070-CCO-021	Out of Sequence Piles	$185,857	3.37 %	$4,694,931
10/30/2019	PROV-070-CCO-017	Hard Piping in T-4 (CNPA - Drainage $2,200.00)	$2,200	0.04 %[4]	$4,692,731
1/25/2020	PROV-070-CCO-027	Grout Quantity Underrun	($1,216,000)	(22.08)%	$5,908,731
1/29/2020	PROV-070-CCO-026	HMAC Quantity Overrun (CNPA - Drainage $160,000.00)	$160,000	2.9 %[4]	$5,748,731
5/11/2020	PROV-070-CCO-025	NOPC #1 CWR (CNPA - Drainage $660,000.00)	$660,000	11.98 %[4]	$5,088,731
		Total	**$419,047**	**7.61 %**	**$5,088,731**

Notes:

1. Tunnel modifications contract ($55,077,777) includes: Notching ($25,281,170), Drainage ($13,196,607) and OCS Installation ($16,600,000).
2. When the threshold of 75% is reached, staff may return to the Board to request additional authority.
3. Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.
4. Third Party Improvements/CNPA Projects that are funded with non-PCEP funds.

CEMOF Modifications Contract

Change Order Authority (10% of ProVen Contract)					10% x $6,550,777 = $655,078
Date	**Change Number**	**Description**	**CCO Amount**	**Change Order Authority Usage[1]**	**Remaining Authority**
1/16/2020	PROV-071-CCO-001	Change Casing Size of Siphon Line to Schedule 80 PVC Pipe	$3,849	0.59 %	$651,229
1/13/2020	PROV-071-CCO-002	Leakage test for IW line	$1,339	0.20 %	$649,890
1/15/2020	PROV-071-CCO-003	Roughen surface of existing concrete	$3,159	0.48 %	$646,731
1/9/2020	PROV-071-CCO-004	Change Catch Basin Size from 24"X24" to 36" Round	$14,415	2.20 %	$632,316
1/15/2020	PROV-071-CCO-005	Hand Dig around Communication Lines	$906	0.14 %	$631,410
1/17/2020	PROV-071-CCO-008	Change Storm Drain Line A Material from 12-inch RCP Pipe to 12-inch PVC Pipe	$3,583	0.55 %	$627,827
1/16/2020	PROV-071-CCO-009	Demolition of Existing Exterior Light	$1,558	0.24 %	$626,269
2/13/2020	PROV-071-CCO-010	Deletion of Plastic Bollards Around New Inspection Pit	($3,324)	(0.51)%	$629,593
2/13/2020	PROV-071-CCO-011	Fixing Broken Conduit in Concrete Slab North of Maintenance Building	$4,286	0.65 %	$625,307
2/13/2020	PROV-071-CCO-012	Epoxy Dowels at New Stairwells	$3,526	0.54 %	$621,781
2/13/2020	PROV-071-CCO-013	Deletion of the Removal and Replacement of Pump Disconnect Switches	($7,007)	(1.07)%	$628,788
2/13/2020	PROV-071-CCO-014	Recycled Base Rock for Backfill at Pressurized Water Line at Parts Storage Warehouse	$1,411	0.22 %	$627,377
2/20/2020	PROV-071-CCO-015	Cut and Cap Oil Line	$1,002	0.15 %	$626,375
2/25/2020	PROV-071-CCO-016	Installation of Homerun Conduit	$27,404	4.18 %	$598,971
2/25/2020	PROV-071-CCO-017	Potholing for Boosted Water Line	$18,476	2.82 %	$580,495
2/28/2020	PROV-071-CCO-018	Cap Compressed Air Line	$9,519	1.45 %	$570,976
2/28/2020	PROV-071-CCO-019	Acoustic Ceiling Removal at Component Test Room	$4,253	0.65 %	$566,723
3/5/2020	PROV-071-CCO-020	Ground Wire Relocation	$14,117	2.16 %	$552,606
3/13/2020	PROV-071-CCO-021	Zurn Drain Assembly in Lieu of Fibrelyte	$1,104	0.17 %	$551,502
4/8/2020	PROV-071-CCO-022	Deletion of Concrete Pad and Double Plywood Floor at PSW	($1,409)	(0.22)%	$552,911

Change Order Authority (10% of ProVen Contract) **10% x $6,550,777 = $655,078**

Date	Change Number	Description	CCO Amount	Change Order Authority Usage[1]	Remaining Authority
4/8/2020	PROV-071-CCO-023	Flashing at Overflow Drain at Component Test Room	$2,981	0.46 %	$549,930
4/9/2020	PROV-071-CCO-024	Parts Storage Warehouse Power Feed	$16,412	2.51 %	$533,518
4/22/2020	PROV-071-CCO-025	Removal of Hazardous Soil from PSW Subgrade Excavation	$43,444	6.63 %	$490,073
4/22/2020	PROV-071-CCO-026A	Removal of Hazardous Soil from PSW Footing Excavation	$35,808	5.47 %	$454,266
4/27/2020	PROV-071-CCO-027	480 Volt Duct Bank and Wire Removal	$5,015	0.77 %	$449,251
		Total	**$205,827**	**31.42 %**	**$449,251**

Notes:
1. When the threshold of 75% is reached, staff may return to the Board to request additional authority.
2. Change approved by the Board of Directors – not counted against the Executive Director's Change Order Authority.

AMTRAK AEM-7 Contract

Change Order Authority (Lump Sum) **Up to $150,000**

Date	Change Number	Description	CCO Amount	Change Order Authority Usage[1]	Remaining Authority
10/25/2019	AMTK-066-CCO-001	Change to Amtrak Contract for Test Locomotives	(72,179)	(48.12%)	222,179
		Total	**(72,179)**	**(48.12%)**	**$222,179**

Notes:
1. When the threshold of 75% is reached, staff may return to the Board to request additional authority.

Appendix F – Risk Table

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Listing of PCEP Risks and Effects in Order of Severity

ID	RISK DESCRIPTION	EFFECT(S)
314	The contractor may not complete and install signal design including Two-speed check (2SC) modifications within budget and schedule.	Delay and additional cost for rework.
303	Extent of differing site conditions and associated redesign efforts results in delays to the completion of the electrification contract and increases program costs.	Extends construction of design-build contract with associated increase in project costs • DSC design cost • Inefficiencies • Construction costs related to DSCs (i.e., larger foundations) • Additional potholing
313	Sub-optimal contractor sequencing, when progressing design and clearing foundation locations may result in construction inefficiencies	Contractor claims for increase in construction and design costs, and reduced production rates extending construction duration
267	Additional property acquisition is necessitated by change in design.	New project costs and delays to schedule.
010	Potential for Stadler's sub-suppliers to fall behind schedule or delays in parts supply chain result in late completion of vehicles.	• Delay in obtaining parts / components. • Cost increases. (See Owner for allocation of costs) • Schedule increase - 3 months (See Owner for allocation of damages associated with this Risk)
209	TASI may not have sufficient number of signal maintainers for testing.	• Delays to construction/testing. • Delays to completion of infrastructure may delay acceptance of vehicles
273	Contractor generates hazardous materials, that necessitates proper removal and disposal in excess of contract allowances and expectations.	Delay to construction while removing and disposing of hazardous materials resulting in schedule delay, increased construction costs, and schedule delay costs.
308	Rejection of DVR for ATF and static wires results in cost and schedule impacts to PCEP.	Delay and delay claims
223	Major program elements may not be successfully integrated with existing operations and infrastructure in advance of revenue service.	Proposed changes resulting from electrification may not be fully and properly integrated into existing system. Rework resulting in cost increases and schedule delays

ID	RISK DESCRIPTION	EFFECT(S)
240	Property not acquired in time for contractor to do work. Property Acquisition not complete per contractor availability date <>Fee <>Easement <>Contract stipulates that if parcels are not available by contract date, there is only a delay if parcels are not available by the time contractor completes the Segment	• Potential delays in construction schedule
263	Collaboration across multiple disciplines to develop a customized rail activation program may fail to comprehensively address the full scope of issues required to operate and maintain an electrified railroad and decommission the current diesel fleet.	Delay in testing of EMUs. Delay in Revenue Service Date. Additional costs for Stadler and BBII due to overall schedule delays.
318	Change of vehicle suppliers results in additional first article inspections at cost to JPB	PCEP incurs additional cost to validate supplier and product, including repeat FAIs as needed
011	Risks in achieving acceptable vehicle operations performance: <> software problems <> electrical system problems <> mechanical problems <> systems integration problems <> interoperability with diesel equipment Increased issues lately with vehicles regarding system integration and compatibility.	Cost increase. Delays vehicle acceptance Potential spill-over to other program elements
244	Delays to completion of Segment 4 and then the entire alignment would create storage issues and impede the ability to exercise (power up and move) EMUs and delay testing of the delivered EMUs.	Delay claims from the EMU contractor (Stadler) and expiration of the EMU 2 year warranty before putting significant mileage on the EMUs. Inability to exercise EMUs
296	PG&E needs to complete interconnection to be sufficiently complete to accept interim power	Delay in testing and increased costs
319	Failure of BBI to order cages in advance results in delays to foundation installation	Delays in installation of catenary system and additional cost for track protection and oversight.

ID	RISK DESCRIPTION	EFFECT(S)
322	BBII needs to complete traction power substations to be sufficiently complete to accept interim power	Delay in testing and increased costs
013	Vehicle manufacturer could default.	Prolonged delay to resolve issues (up to 12 months) Increase in legal expenses Potential price increase to resolve contract issue
067	Relocation of overhead utilities must precede installation of catenary wire and connections to TPSs. Relocation work will be performed by others and may not be completed to meet BBII's construction schedule.	Delay in progress of catenary installation resulting in claims and schedule delay
242	Track access does not comply with contract-stipulated work windows.	Contractor claims for delays, schedule delays and associated costs to owner's representative staff.
253	Permits for bridges may not be issued in a timely manner.	Delays to issuance of permit for construction while negotiating and executing an operation and maintenance agreement for equipment installed on bridges; existing bridge deficiencies could result in additional costs to PCEP.
261	Although EMUs meets their electromagnetic emissions limits and wayside signal system track circuits meet their susceptibility requirements there are still compatibility issues leading to improper signal system operation	Changes on the EMU and/or signal system require additional design and installation time and expense.
285	Potential for inflation, (except with respect to Maintenance Option) to increase contractor costs.	Higher cost
286	Potential for wage escalation, (except for Maintenance Option) to increase contractor costs.	Higher cost
309	Potential that vehicles will not receive timely notification from FRA of compliance with acceptable alternate crash management standards	Delays to completion of construction and additional cost to changes in design.
056	Lack of operations personnel for testing.	• Testing delayed. • Change order for extended vehicle acceptance.

ID	RISK DESCRIPTION	EFFECT(S)
115	Other capital improvement program projects compete with PCEP for track access allocation and requires design coordination (design, coordination, integration).	Schedule delay as resources are allocated elsewhere, won't get track time, sequencing requirements may delay PCEP construction, track access requirements must be coordinated.
321	Single Phase Study and interconnection agreement may be delayed preventing energization of Segment 4 for milestone 1	
082	Unexpected restrictions could affect construction progress: <> night work <> noise <> local roads <> local ordinances	• Reduced production rates. • Delay
270	OCS poles or structures as designed by Contractor fall outside of JPB row	Additional ROW Take, additional cost and time
012	Potential for electromagnetic interference (EMI) to private facilities with sensitive electronic equipment caused by vehicles.	• Increased cost due to mitigation • Potential delay due to public protests or environmental challenge.
014	Contractor's proposal on stakeholder requested changes to the vehicles (e.g., High Level Doors in lieu of windows as emergency exits) may significantly exceed JPB authorized amount.	Schedule delay. Cost increase.
078	Need for unanticipated, additional ROW for new signal enclosures.	Delay while procuring ROW and additional ROW costs.
087	Unanticipated HazMat or contaminated hot spots encountered during foundation excavations for poles, TPSS, work at the yards.	Increased cost for clean-up and handling of materials and delay to schedule due to HazMat procedures.
088	Construction safety program fails to sufficiently maintain safe performance.	Work stoppages due to safety incidents resulting in schedule delay and additional labor costs.
171	Electrification facilities could be damaged during testing.	Delay in commencing electrified operations.
247	Timely resolution of 3rd party design review comments to achieve timely approvals	Delay to completion of design and associated additional labor costs.
251	Subcontractor and supplier performance to meet aggressive schedule <>Potential issue meeting Buy America requirements	Delay to production schedule resulting in increased soft costs and overall project schedule delay.
272	Final design based upon actual Geotech conditions	Could require changes

ID	RISK DESCRIPTION	EFFECT(S)
287	Design changes may necessitate additional implementation of environmental mitigations not previously budgeted.	Increased cost for environmental measures and delays to construct and overall delay in construction schedule
289	Coordination and delivery of permanent power for power drops for everything except traction power substations along alignment	Can't test resulting in delays to schedule and associated additional project costs.
291	Order/manufacture of long lead items prior to 100% IFC design document that proves to be incorrect	Design change and/or delays
292	Potential that UPS will not fit in the spaces allotted to communications work within the buildings.	Requisite backup capacity units under design criteria could result in the need for larger unit than originally planned resulting in design and fabrication changes and associated schedule delays and costs.
304	Solution to FRA concerns over bike storage impeding path to emergency exit windows path results in increased costs and potential rework.	Protracted negotiations with FRA to achieve original design
317	JPB may not make timely acquisition of resources to staff rail activation plan with key personnel.	Delay in operating electrified railroad - delay of RSD.
323	FRA concerns require re-design	
027	Vehicle power consumption may not meet requirements. <>System impact study and load flow show no issues	Issue with PG&E. Can't run full acceleration.
031	New cars possibly not reliable enough to be put into service as scheduled	Operating plan negatively impacted
042	Full complement of EMUs not available upon initiation of electrified revenue service	Late delivery impacts revenue service date.
101	PG&E may not be able to deliver permanent power for the project within the existing budget and in accordance with the project schedule	Additional project costs; potential delay to revenue service date
150	Number of OCS pole installation is significant. Any breakdown in sequencing of operations or coordination of multiple crews will have a substantial effect on the project.	Delay.

ID	RISK DESCRIPTION	EFFECT(S)
245	Failure of BBI to submit quality design and technical submittals in accordance with contract requirements • $3-$5M/month burn rate for Owner's team during peak	Delays to project schedule and additional costs for preparation and review of submittals.
252	Failure of BBI to order/manufacture long lead items prior to 100% IFC design document approval by JPB	Delays to project schedule and additional cost for contractor and JPB staff time.
271	Need for additional construction easements beyond that which has been provided for Contractor proposed access and staging	Additional cost and time
306	Possible legal challenge and injunction to any changes in PCEP requiring subsequent CEQA or NEPA environmental clearance documentation/actions.	Worst case: a judge issues an injunction, which would prohibit any work ONLY on the project scope of the environmental document. Impact to the project from cost and schedule impact depends on if work is on the critical or becomes on the critical path.
008	Requests for change orders after vehicles are in production	Delays to manufacturing of vehicles and additional design and manufacturing costs.
023	Manufacturer cannot control vehicle weight to meet specifications.	Increased operating cost.
025	Potential that vehicles cannot meet requirements for "Mean Time to Repair" (MTTR).	Increased maintenance cost.
032	Failure to come up to speed on stakeholder safety requirements: <> FTA <> FRA <> CPUC	Takes longer than expected to gain FRA/FTA concurrence on waiver and/or level boarding requirements.
053	Failure to meet Buy America requirements. (Contractor definition of component v. sub-component may not be accepted by Caltrain / FTA.)	Potential need for negotiations that might lead to delay of project award. (BA is not negotiable)
054	Infrastructure not ready for vehicles (OCS, TPS, Commissioning site / facility).	Increases cost if done off property

ID	RISK DESCRIPTION	EFFECT(S)
069	Potential need for additional construction easements. Especially for access and laydown areas. Contractor could claim project is not constructible and needs more easements after award.	Increased cost Delay
106	Potential that DB contractor will have insufficient field resources (personnel or equipment) to maintain aggressive schedule. Multiple segments will need to be under design simultaneously. Labor pool issue. 32 qualified linemen will be needed. Potential there is not enough available. Big storm damage anywhere in US will draw from the pool to make line repairs. Possible shortages with other specialty crafts as well.	Delay.
151	Public could raise negative concerns regarding wheel/rail noise.	Increased cost to mitigate: <> grind rails <> reprofile wheels <> sound walls
161	Unanticipated costs to provide alternate service (bus bridges, etc.) during rail service disruptions.	Cost increase.

ID	RISK DESCRIPTION	EFFECT(S)
182	Compliance with Buy America requirements for 3rd party utility relocations. <>Utility relocations covered under existing Caltrain agreements that require utilities to move that will not have effect on project cost - will not be Buy America <>Installation of new equipment inside PG&E substations that will provide all PG&E customers, about 1/6 of that provides power to our system - is upgrade that benefits all customers subject to Buy America requirements, is it 1/6th, or 100% <>Risk is substation not relocations <>Substation equipment is available domestically, has 6 month longer lead time and increased cost of 20%	• Increased cost • Delay
192	Environmental compliance during construction. - Potential impact to advancing construction within the vicinity of any cultural finds that are excavated. - Failure to meet the commitments contained within the PCEP EA, FEIR and permit conditions	• Delay • Cost increase
195	Introduction of electrified train service will require training of first responders in working in and around the rail corridor. The new vehicles will be considerably quieter than the existing fleet and the presence of high voltage power lines will require new procedures for emergency response. A new training program will need to be developed and disseminated for: • Fire, police, and first responders • Local communities • Schools	Safety hazards resulting in incidents that delay construction and increase labor cost. Delays in RSD until training is completed as requirement of safety certification process.

ID	RISK DESCRIPTION	EFFECT(S)
237	JPB needs an agreement with each city in which catenary will be strung over an existing grade crossing (17 in all) under GO 88 (grade crossings). These agreements must be executed subsequent to installing overhead catenary. JPB is preparing a response to CPUC while working with the cities. Delays in reaching agreement could have impacts on schedule and budget.	Not completing the grade crossing diagnostics and getting agreement from the cities on the results can result in delays to necessary approvals for the project and revenue service.
248	3rd party coordination <>Jurisdictions, Utilities, UP, Contractors <>D/B needs to provide timely information to facilitate 3rd party coordination <>Risk is for construction	Delays in approvals resulting in project schedule delays and associated costs.
250	Potential for municipalities to request betterments as part of the electrification project.	Delay to project schedule in negotiating betterments as part of the construction within municipalities and associated increased cost to the project as no betterments were included in the project budget.
254	Potential that bridge clearance data are inaccurate and that clearances are not sufficient for installation of catenary.	Results in additional design and construction to create sufficient clearance.
266	Verizon poles in conflict with OCS may not be removed in advance of OCS installation.	Delay in progress of catenary installation resulting in claims and schedule delay
274	JPB as-built drawings and existing infrastructure to be used as basis of final design and construction is not correct	Additional cleanup of as-builts after PCEP construction
275	DB fails to verify as-built drawings and existing infrastructure	Additional cleanup of as-builts after PCEP construction
278	Failure of D/B contractor and subcontractors and suppliers to meet Buy America requirements	Delays while acceptable materials are procured and additional costs for delays and purchase of duplicative equipment.
282	Failure to maintain dynamic envelope and existing track clearances consistent with requirements.	Redesign entailing cost and schedule impacts.
284	Compliance with project labor agreement could result in inefficiencies in staffing of construction.	Increase in labor costs and less efficient construction resulting in schedule delays.
290	Delays in agreement and acceptance of initial VVSC requirements database.	Delay to design acceptance
293	Readiness of 115kV interconnect for temporary power to support testing	Delay in testing

ID	RISK DESCRIPTION	EFFECT(S)
311	Although project recordable injuries remain below the industry average, there have been numerous small impact incidents occurring that could potentially lead to a more serious event occurring.	The occurrence of a high impact safety event could result in project rework, construction delays, and increased project costs.
325	EMU production delay. Possible that there are quality issues, failed factory tests, poor integration / control of suppliers.	Schedule Increase
326	EMU production delay. Possible that there are failed factory tests	Schedule Increase
327	EMU production delay. Possible that there is poor integration / control of suppliers.	Schedule Increase

Appendix G – MMRP Status Log

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Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
AES-2a: Minimize OCS construction activity on residential and park areas outside the Caltrain ROW.	X	X			Ongoing	The OCS proposed construction schedule has been provided to the JPB. OCS construction began the week of October 2, 2017. The D-B has utilized the potholing process to assist in locating conflicts in the 35% design and attempting to relocate OCS pole locations within the ROW.
AES-2b: Aesthetic treatments for OCS poles, TPFs in sensitive visual locations, and Overbridge Protection Barriers.	X				Ongoing	The design requirements indicated in the measure have been implemented as described, and coordination with the specific jurisdictions regarding pole colors and design is ongoing. Coordination with the JPB & local jurisdiction regarding Overbridge Protection Barriers and TPFs is ongoing.
AES-4a: Minimize spillover light during nighttime construction.		X			Ongoing	OCS construction began the week of October 2, 2017; and the BBI community relations lead has notified nearby residents of upcoming construction. During construction, lighting is faced inward, towards the railroad tracks, and any complaints will be documented and addressed by the BBI community relations lead.
AES-4b: Minimize light spillover at TPFs.	X				Upcoming	The design requirements indicated in the measure are being utilized in the design and construction process.
AQ-2a: Implement BAAQMD basic and additional construction mitigation measures to reduce construction-related dust.	X	X			Ongoing	The Dust Mitigation Plan was submitted to the JPB and approved. The requirements in the Dust Mitigation Plan will be implemented throughout the construction period and documented in daily reports.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
AQ-2b: Implement BAAQMD basic and additional construction mitigation measures to control construction-related ROG and NOX emissions.	X	X			Ongoing	The Equipment Emissions Control Plan was submitted to the JPB and approved. The requirements in the Equipment Emissions Control Plan will be implemented throughout the construction period and documented in daily reports.
AQ-2c: Utilize clean diesel-powered equipment during construction to control construction-related ROG and NOX emissions.	X	X			Ongoing	The Equipment Emissions Control Plan was submitted to the JPB and approved. The requirements in the Equipment Emissions Control Plan will be implemented throughout the construction period and documented in daily reports.
BIO-1a: Implement general biological impact avoidance measures.	X	X			Ongoing	Worker Environmental Awareness Training is provided to all project-related personnel before they work on the project. All measures as described will be implemented throughout the construction period and documented in daily reports.
BIO-1b: Implement special-status plant species avoidance and revegetation measures.	X	X	X		Complete	Not applicable. Subsequent habitat assessment and avoidance of Communication Hill eliminated any potential to affect special-status plant species. The measure is not needed.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing: Pre-Construction	Mitigation Timing: Construction	Mitigation Timing: Post-Construction	Mitigation Timing: Operation	Status	Status Notes
BIO-1c: Implement California red-legged frog and San Francisco garter snake avoidance measures.	X	X			Ongoing	Pre-construction surveys are occurring no more than 7 days prior to the initiation of construction activities nearby/adjacent to potential habitat for CRLF and SFGS. The Wildlife Exclusion Fencing Plans for Segments 1 and 4 were submitted and approved by the wildlife agencies, and installation and monitoring of wildlife exclusion fencing is ongoing. No CRLF / SFGS or sign of each species has been observed to date on the Project.
BIO-1d: Implement western pond turtle avoidance measures.	X	X			Ongoing	Pre-construction surveys are occurring no more than 7 days prior to the initiation of construction activities nearby/adjacent to potential habitat for WPT. No WPT or WPT sign have been observed to date on the Project.
BIO-1e: Implement Townsend's big-eared bat, pallid bat, hoary bat, and fringed myotis avoidance measures.	X	X			Ongoing	Pre-construction surveys are occurring no more than 7 days prior to the initiation of construction activities with the potential to disturb bats or their habitat. No special-status bats or sign have been observed to date on the Project.
BIO-1f: Implement western burrowing owl avoidance measures.	X	X			Ongoing	Protocol surveys for Western Burrowing Owl have been conducted from April–July, in 2017, 2018, and 2019, at previously identified potentially suitable habitat locations. Note that all of these locations are in Construction Segment 4 (southern Santa Clara and San Jose). No Burrowing Owls have been observed during the 2017-2019 surveys. Survey reports for the 2017, 2018, and 2019 surveys have been submitted to the JPB for the project

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing: Pre-Construction	Construction	Post-Construction	Operation	Status	Status Notes
						record. In addition, pre-construction surveys of the potential BUOW habitat areas in Segment 4 are ongoing, as needed, and if required, they occur no more than 7 days prior to the onset of new ground-disturbing of construction activities. Surveys for the 2020 breeding season will commenced in March 2020. On March 24, 2020, two burrowing owls were observed adjacent to the Caltrain ROW, near MP 44.6. The owls were located approximately 150 feet away from the Caltrain ROW. A 200-meter no-disturbance buffer has been continued to be implemented during the reporting period. Any future work scheduled to occur within the 200-meter buffer will be coordinated with the Qualified Biologist, in consultation with the JPB and the CDFW, as needed.
BIO-1g: Implement northern harrier, white-tailed kite, American peregrine falcon, saltmarsh common yellowthroat, purple martin, and other nesting bird avoidance measures.	X	X			Ongoing	Nesting Bird and raptor surveys were conducted from February 1 through September 15, in 2017, 2018 and 2019, prior to project-related activities with the potential to impact nesting birds. Nesting Bird Surveys recommenced on February 1, 2020 for the 2020 nesting season (February 1, 2020). During this reporting period, a 250-foot buffer continued to be implemented around the active Cooper's hawk (COHA) nest in a tree adjacent to the tracks near MP 33.5. Any work that occurred within the buffer area was monitored full-time by a qualified biologist. No impacts to the nest were observed during this reporting period. It is anticipated the nestling(s)

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
						will fledge during the next reporting period.
BIO-1h: Conduct biological resource survey of future contractor-determined staging areas.	X	X			Ongoing	The agency-approved Qualified Biologist has conducted surveys of the staging areas currently being used for construction activities. No special-status species or other potentially sensitive biological resources were observed. The agency-approved Qualified Biologist will continue to survey ahead of the initiation of activities at planned staging areas as the Project moves into new construction areas.
BIO-1i: Minimize impacts on Monarch butterfly overwintering sites.	X	X			Ongoing	The agency-approved Qualified Biologist has periodically monitored the project limits to evaluate the presence of Monarch butterfly overwintering sites. No Monarch butterfly overwintering sites have been observed on the Project to date.
BIO-1j: Avoid nesting birds and bats during vegetation maintenance.				X	Upcoming	To be completed during Project operation.
BIO-2: Implement serpentine bunchgrass avoidance and revegetation measures.	X	X	X		Complete	Not applicable. Subsequent habitat assessment and avoidance of Communication Hill eliminated any potential to affect serpentine bunchgrass. This measure is no longer needed.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
BIO-3: Avoid or compensate for impacts on wetlands and waters.	X	X	X		Complete	The JPB has compensated for unavoidable wetland impacts by purchasing adequate credits from a wetlands mitigation bank approved by USACE and SFRWQCB.
BIO-5: Implement Tree Avoidance, Minimization, and Replacement Plan.	X	X	X		Ongoing	Tree removal and pruning activities were initiated in August 2017, and are ongoing, under the guidance of the BBI Arborist, and in accordance with the Tree Avoidance, Minimization, and Replacement Plan. Tree Removal and Pruning status is provided to the JPB on a regular basis.
BIO-6: Pay *Santa Clara Valley Habitat Plan* land cover fee (if necessary).	X				Complete	Not applicable. The SCVHP does not apply to the Project because TPS2, Option 1 was not selected and OCS does not extend to Communication Hill. This measure is not needed.
CUL-1a: Evaluate and minimize impacts on structural integrity of historic tunnels.	X				Upcoming	To be implemented prior to construction in tunnels.
CUL-1b: Minimize impacts on historic decorative tunnel material.	X				Upcoming	To be implemented prior to construction in tunnels. Historic American Engineering Record (HAER) documentation was completed in October 2018, pursuant to this measure.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing: Pre-Construction	Construction	Post-Construction	Operation	Status	Status Notes
CUL-1c: Install project facilities in a way that minimizes impacts on historic tunnel interiors.	X				Upcoming	To be implemented prior to construction in tunnels.
CUL-1d: Implement design commitments at historic railroad stations	X				Complete	The Qualified Architectural Historian completed and submitted the HABS Level III documents to the JPB for all seven of the historic stations. Pole placement has been designed to minimize the visual impact to historic stations and all design changes are reviewed by the Environmental Compliance Lead to ensure the mitigation measure is being implemented as the design of the project progresses.
CUL-1e: Implement specific tree mitigation considerations at two potentially historic properties and landscape recordation, as necessary.	X	X			Complete	It was determined that the project is not acquiring any ROW at either of the subject properties so all tree effects would be within the JPB ROW. Therefore, the APE does not include these two historic properties. This measure is no longer needed.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing: Pre-Construction	Mitigation Timing: Construction	Mitigation Timing: Post-Construction	Mitigation Timing: Operation	Status	Status Notes
CUL-1f: Implement historic bridge and underpass design requirements.	X				Ongoing	This measure is being implemented as described during the design process and will be incorporated into the final design. The four bridges that are included in the MMRP are rail bridges crossing over another feature. Design of the OCS system is taking into account that there are requirements that restrict the design. Thus far, the designs for Construction Segments 2 & 4 are in process and designs are not yet complete. The D-B will forward to the Architectural Historian once complete.
CUL-2a: Conduct an archaeological resource survey and/or monitoring of the removal of pavement or other obstructions to determine if historical resources under CEQA or unique archaeological resources under PRC 21083.2 are present.	X				Ongoing	Periodic inspections of ground surface areas along the alignment, in conjunction with cultural monitoring as-needed of project activities in culturally sensitive areas are ongoing. The Archaeological Final Report will be provided at the conclusion of construction activities.
CUL-2b: Conduct exploratory trenching or coring of areas where subsurface project disturbance is planned in those areas with "high" or "very high" potential for buried site.	X				Ongoing	Exploratory trenching and subsurface testing of all potentially culturally sensitive areas occurred prior to the initiation of construction activities in those areas. The results will be included in the Archaeological Final Report. No cultural resources requiring the development of a treatment plan were observed. A Native American monitor has been present for all exploratory trenching and subsurface testing work.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
CUL-2c: Conduct limited subsurface testing before performing ground-disturbing work within 50 meters of a known archaeological site.	X				Ongoing	Exploratory trenching and subsurface testing of all potentially culturally sensitive areas occurred prior to the initiation of construction activities in those areas. The results will be included in the Archaeological Final Report. No cultural resources requiring the development of a treatment plan were observed. A Native American monitor has been present for all exploratory trenching and subsurface testing work.
CUL-2d: Conduct exploratory trenching or coring of areas within the three zones of special sensitivity where subsurface project disturbance is planned.	X				Ongoing	Exploratory trenching and subsurface testing of all potentially culturally sensitive areas occurred prior to the initiation of construction activities in those areas. The results will be included in the Archaeological Final Report. No cultural resources requiring the development of a treatment plan were observed. A Native American monitor has been present for all exploratory trenching and subsurface testing work.
CUL-2e: Stop work if cultural resources are encountered during ground-disturbing activities.	X	X			Ongoing	No prehistoric or historic-period cultural materials have been observed during cultural monitoring.
CUL-2f: Conduct archaeological monitoring of ground-disturbing activities in areas as determined by JPB and SHPO.		X			Ongoing	Cultural monitoring as-needed of project activities in culturally sensitive areas is ongoing. The Archaeological Final Report will be provided at the conclusion of construction activities.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
CUL-3: Comply with state and county procedures for the treatment of human remains discoveries.		X			Ongoing	No human remains have been observed to date on the Project.
EMF-2: Minimize EMI effects during final design, Monitor EMI effects during testing, commission and operations, and Remediate Substantial Disruption of Sensitive Electrical Equipment.	X	X	X		Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Designs are submitted and reviewed/commented on by JPB. Monitoring EMI effects will occur post construction.
GEO-1: Perform a site-specific geotechnical study for traction power facilities.	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Geotechnical studies are being conducted by Parikh under subcontract with PGH Wong. Studies and results are submitted to JPB as completed.
GEO-4a: Identification of expansive soils.	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design by the D-B as described. Geotechnical studies are being conducted by Parikh under subcontract with PGH Wong. Studies and results are submitted to JPB as completed.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
GEO-4b: Mitigation of expansive soils.	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design by the D-B as described. Geotechnical studies are being conducted by Parikh under subcontract with PGH Wong. Studies and results are submitted to JPB as completed.
HAZ-2a: Conduct a Phase II Environmental Site Assessment prior to construction.	X				Complete	A Phase II Environmental Assessment was completed prior to construction by the JPB consultant, and the results were provided to BBI, and the required mitigation is being implemented prior to the initiation of construction activities.
HAZ-2b: Implement engineering controls and best management practices during construction.	X	X			Ongoing	D-B field activities are being monitored daily for significant color changes or odors which may indicate contamination. In addition, assessments of existing subsurface pipes by a certified Asbestos Consultant are occurring as needed throughout the project as they are observed. Following the assessments, a specification describing the methods for removal and disposal are provided to the certified asbestos contractor. The removal and disposal work performed by the certified asbestos contractor is monitored by the certified asbestos consultant.
HYD-1: Implement construction dewatering treatment, if necessary.	X	X			Ongoing	Facilities & BMPs are in place to deal with this requirement should it arise in the OCS foundations.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
HYD-4: Minimize floodplain impacts by minimizing new impervious areas for TPFs or relocating these facilities.	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. The TPFs in Construction Segments 2 & 4 are currently in final design and design for TPFs in Construction Segments 1 & 3 has begun. The design minimizes hardscape only to required structure foundations; yard areas are to receive a pervious material.
HYD-5: Provide for electrical safety at TPFs subject to periodic or potential flooding.	X			X	Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. The TPFs in Construction Segments 2 & 4 are currently in final design and design for TPFs in Construction Segments 1 & 3 has begun. The design plan currently raises the TPFs above the floodplain.
HYD-7: Implement sea level rise vulnerability assessment and adaptation plan.				X	Ongoing	The JPB has initiated this measure and preparation of the sea level rise vulnerability assessment and adaptation plan is underway.
NOI-1a: Implement Construction Noise Control Plan.	X	X			Ongoing	The Noise and Vibration Control Plan has been submitted and is being implemented. Field activity is monitored per the Plan. If allowable noise levels are near or exceed allowable noise levels, mitigation such as blankets are used from that point forward.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing: Pre-Construction	Construction	Post-Construction	Operation	Status	Status Notes
NOI-1b: Conduct site-specific acoustical analysis of ancillary facilities based on the final mechanical equipment and site design and implement noise control treatments where required.	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. PGH Wong has completed analysis and design and issued for JPB review.
NOI-2a: Implement Construction Vibration Control Plan.	X	X			Ongoing	The Noise and Vibration Control Plan has been submitted and is being implemented. Field activity is monitored per the Plan.
PSU-8a: Provide continuous coordination with all utility providers.	X	X			Ongoing	The design requirements indicated in the measure will be implemented through the final design as described. Coordination with utility providers is ongoing and there have not been any service interruptions thus far.
PSU-8b: Adjust OCS pole foundation locations.	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described.
PSU-8c: Schedule and notify users about potential service interruptions.	X	X			Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. There have not been any service interruptions thus far.
PSU-9: Require application of relevant construction mitigation measures to utility relocation and transmission line construction by others.	X	X			Ongoing	JPB has initiated coordination with PG&E regarding transmission line construction. PG&E is currently raising overcrossing lines in Segment 2.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing: Pre-Construction	Construction	Post-Construction	Operation	Status	Status Notes
TRA-1a: Implement Construction Road Traffic Control Plan.	X	X			Ongoing	The D-B has begun traffic control design and permit applications with the City of Millbrae, Burlingame and San Mateo. Other communities will follow. Designs have been completed for all cross-over bridges in Segments 2 & 4 and submitted.
TRA-1c: Implement signal optimization and roadway geometry improvements at impacted intersections for the 2020 Project Condition.	X	X			Upcoming	This measure has not started
TRA-2a: Implement construction railway disruption control plan.	X	X			Ongoing	Minimization of railway disruption is being coordinated by the Site Specific Work Plan. A Construction Railway Disruption Control Plan was prepared to document the measures that are being implemented.
TRA-3b: In cooperation with the City and County of San Francisco, implement surface pedestrian facility improvements to address the Proposed Project's additional pedestrian movements at and immediately adjacent to the San Francisco 4th and King Station.	X	X	X		Upcoming	This measure has not started.
TRA-4b: Continue to improve bicycle facilities at Caltrain stations and partner with bike share programs where available following guidance in				X	Ongoing	The JPB adopted the Caltrain Bicycle Parking Management Plan in November 2017, and staff have been working to implement the Plan's recommendations to improve wayside bike parking facilities along

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing: Pre-Construction	Construction	Post-Construction	Operation	Status	Status Notes
Caltrain's Bicycle Access and Parking Plan.						the corridor. Staff have also been coordinating with local jurisdictions that have launched bikeshare pilot programs to safely site bicycles near Caltrain stations.
NOI-CUMUL-1: Implement a phased program to reduce cumulative train noise along the Caltrain corridor as necessary to address future cumulative noise increases over FTA thresholds				X	Upcoming	This measure will be implemented during project operation.
NOI-CUMUL-2: Conduct project-level vibration analysis for Blended System operations and implement vibration reduction measures as necessary and appropriate for the Caltrain corridor				X	In Progress	CHSRA is conducting this analysis as part of the EIR/EIS for the San Francisco to San Jose section.
TRA-CUMUL-1: Implement a phased program to provide traffic improvements to reduce traffic delays near at-grade crossings and Caltrain stations				X	Upcoming	This measure will be implemented during project operation.
TRA-CUMUL-2: Implement technical solution to allow electric trolley bus transit across 16th Street without OCS conflicts in cooperation with SFMTA.	X				Complete	Not applicable. SFMTA has elected to not electrify the 16th Street crossing. This measure no longer applies.
Mitigation Measure TRA-CUMUL-3: As warranted, Caltrain and freight operators will partner to provide Plate H clearance				X	Upcoming	This measure will be implemented during project operation.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing: Pre-Construction	Construction	Post-Construction	Operation	Status	Status Notes
as feasible between San Jose and Bayshore.						
AES-2a: Minimize OCS construction activity on residential and park areas outside the Caltrain ROW.	X	X			Ongoing	The OCS proposed construction schedule has been provided to the JPB. OCS construction began the week of October 2, 2017. The D-B has used the potholing process to assist in locating conflicts in the 35% design and attempting to relocate OCS pole locations within the ROW, thereby avoiding parks and residential areas.
AES-2b: Aesthetic treatments for OCS poles, TPFs in sensitive visual locations, and Overbridge Protection Barriers.	X				Ongoing	The design requirements indicated in the measure have been implemented as described, and coordination with the specific jurisdictions regarding pole colors and design, TPFs, and Overbridge Protection Barriers, is ongoing.
AES-4a: Minimize spillover light during nighttime construction.		X			Ongoing	OCS construction began the week of October 2, 2017. The BBI community relations lead has notified nearby residents of upcoming construction. During construction, lighting is faced inward, towards the railroad tracks, and any complaints will be documented and addressed by the BBI community relations lead.
AES-4b: Minimize light spillover at TPFs.	X				Upcoming	The design requirements indicated in the measure are being used in the design process of the TPFs.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
AQ-2a: Implement BAAQMD basic and additional construction mitigation measures to reduce construction-related dust.	X	X			Ongoing	The Dust Mitigation Plan was submitted to the JPB. The requirements in the Dust Mitigation Plan will be implemented throughout the construction period and documented in daily reports.
AQ-2b: Implement BAAQMD basic and additional construction mitigation measures to control construction-related ROG and NOX emissions.	X	X			Ongoing	The Equipment Emissions Control Plan was submitted to the JPB. The requirements in the Equipment Emissions Control Plan will be implemented throughout the construction period and documented in daily reports.
AQ-2c: Utilize clean diesel-powered equipment during construction to control construction-related ROG and NOX emissions.	X	X			Ongoing	The Equipment Emissions Control Plan was submitted to the JPB. The requirements in the Equipment Emissions Control Plan will be implemented throughout the construction period and documented in daily reports.
BIO-1a: Implement general biological impact avoidance measures.	X	X			Ongoing	Worker Environmental Awareness Training is provided to all project-related personnel before they work on the project. All measures as described will be implemented throughout the construction period and documented in daily reports.
BIO-1b: Implement special-status plant species avoidance and revegetation measures.	X	X	X		Complete	Not applicable. Subsequent habitat assessment and avoidance of Communication Hill eliminated any potential to affect special-status plant species. The measure is not needed.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
BIO-1c: Implement California red-legged frog and San Francisco garter snake avoidance measures.	X	X			Ongoing	Pre-construction surveys are occurring no more than 7 days prior to the initiation of construction activities nearby/adjacent to potential habitat for CRLF and SFGS. The Wildlife Exclusion Fencing Plan for Segments 2 and 4 was submitted and approved by the wildlife agencies, and installation and monitoring of wildlife exclusion fencing is ongoing. No CRLF / SFGS or sign of each species has been observed to date on the Project. A separate Wildlife Exclusion Fencing Plan will be submitted for Segments 1 and 3, prior to initiation of construction activities in those segments.
BIO-1d: Implement western pond turtle avoidance measures.	X	X			Ongoing	Pre-construction surveys are occurring no more than 7 days prior to the initiation of construction activities nearby/adjacent to potential habitat for WPT. No WPT or WPT sign have been observed to date on the Project.
BIO-1e: Implement Townsend's big-eared bat, pallid bat, hoary bat, and fringed myotis avoidance measures.	X	X			Ongoing	Pre-construction surveys are occurring no more than 7 days prior to the initiation of construction activities with the potential to disturb bats or their habitat. No special-status bats or sign have been observed to date on the Project.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
BIO-1f: Implement western burrowing owl avoidance measures.	X	X			Ongoing	Protocol surveys for Western Burrowing Owl were conducted from April 2017 through July 2017 at previously identified potentially suitable habitat locations. Note that all of these locations are in Construction Segment 4 (southern Santa Clara and San Jose). No Burrowing Owls were observed during the surveys. Construction in Segment 4 is anticipated to occur in 2018. Prior to construction activities in Segment 4, pre-construction surveys of the potential habitat areas will occur no more than 7 days prior to the onset of construction activities. In addition, protocol surveys were initiated in March 2018, and were completed in June 2018, at the previously identified potentially suitable habitat locations, which will allow work to occur during the 2019 breeding season, if necessary. No Burrowing Owls were observed during the 2018 surveys.
BIO-1g: Implement northern harrier, white-tailed kite, American peregrine falcon, saltmarsh common yellowthroat, purple martin, and other nesting bird avoidance measures.	X	X			Ongoing	Nesting Bird surveys were conducted from February 1 through September 15, 2017 prior to project-related activities with the potential to impact nesting birds. No active nests were observed during this reporting period. Nesting Bird surveys were initiated on February 1, 2018 and continued throughout the reporting period. Active nests were observed during this reporting period, and no-disturbance buffers were implemented to avoid any impacts to active nests, and all project activities which occurred nearby active nests

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing: Pre-Construction	Mitigation Timing: Construction	Mitigation Timing: Post-Construction	Mitigation Timing: Operation	Status	Status Notes
						were monitored by agency-approved biological monitors.
BIO-1h: Conduct biological resource survey of future contractor-determined staging areas.	X	X			Ongoing	The agency-approved Qualified Biologist has conducted surveys of the staging areas currently being used for construction activities. No special-status species or other potentially sensitive biological resources were observed. The agency-approved Qualified Biologist will continue to survey ahead of the initiation of activities at planned staging areas as the Project moves into new construction areas.
BIO-1i: Minimize impacts on Monarch butterfly overwintering sites.	X	X			Ongoing	The agency-approved Qualified Biologist has periodically monitored the project limits to evaluate the presence of Monarch butterfly overwintering sites. No Monarch butterfly overwintering sites have been observed on the Project to date.
BIO-1j: Avoid nesting birds and bats during vegetation maintenance.				X	Upcoming	To be completed during Project operation.
BIO-2: Implement serpentine bunchgrass avoidance and revegetation measures.	X	X	X		Complete	Not applicable. Subsequent habitat assessment and avoidance of Communication Hill eliminated any potential to affect serpentine bunchgrass. This measure is no longer needed.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
BIO-3: Avoid or compensate for impacts on wetlands and waters.	X	X	X		Complete	The JPB has compensated for unavoidable wetland impacts by purchasing adequate credits from a wetlands mitigation bank approved by USACE and SFRWQCB.
BIO-5: Implement Tree Avoidance, Minimization, and Replacement Plan.	X	X	X		Ongoing	Tree removal and pruning activities were initiated in August 2017, and are ongoing, under the guidance of the BBI Arborist, and in accordance with the Tree Avoidance, Minimization, and Replacement Plan. Tree Removal and Pruning status is provided to the JPB on a weekly basis.
BIO-6: Pay *Santa Clara Valley Habitat Plan* land cover fee (if necessary).	X				Complete	Not applicable. The SCVHP does not apply to the Project because TPS2, Option 1 was not selected and OCS does not extend to Communication Hill. This measure is not needed.
CUL-1a: Evaluate and minimize impacts on structural integrity of historic tunnels.	X				Upcoming	To be implemented prior to construction in tunnels.
CUL-1b: Minimize impacts on historic decorative tunnel material.	X				Upcoming	To be implemented prior to construction in tunnels.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
CUL-1c: Install project facilities in a way that minimizes impacts on historic tunnel interiors.	X				Upcoming	To be implemented prior to construction in tunnels.
CUL-1d: Implement design commitments at historic railroad stations	X				Complete	The Qualified Architectural Historian completed and submitted the HABS Level III documents to the JPB for all seven of the historic stations. Pole placement has been designed to minimize the visual impact to historic stations and all design changes are reviewed by the Environmental Compliance Lead to ensure the mitigation measure is being implemented as the design of the project progresses.
CUL-1e: Implement specific tree mitigation considerations at two potentially historic properties and landscape recordation, as necessary.	X	X			Complete	It was determined that the project is not acquiring any ROW at either of the subject properties so all tree effects would be within the JPB ROW. Therefore, the APE does not include these two historic properties. This measure is no longer needed.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
CUL-1f: Implement historic bridge and underpass design requirements.	X				Ongoing	This measure is being implemented as described during the design process and will be incorporated into the final design. The four bridges that are included in the MMRP are rail bridges crossing over another feature. Design of the OCS system is taking into account that there are requirements that restrict the design. Thus far, the designs for Construction Segments 2 & 4 are in process and designs are not yet complete. The D-B will forward to the Architectural Historian once complete.
CUL-2a: Conduct an archaeological resource survey and/or monitoring of the removal of pavement or other obstructions to determine if historical resources under CEQA or unique archaeological resources under PRC 21083.2 are present.	X				Ongoing	Periodic inspections of ground surface areas along the alignment, in conjunction with cultural monitoring as-needed of project activities in culturally sensitive areas are ongoing. The Archaeological Final Report will be provided at the conclusion of construction activities.
CUL-2b: Conduct exploratory trenching or coring of areas where subsurface project disturbance is planned in those areas with "high" or "very high" potential for buried site.	X				Ongoing	Exploratory trenching and subsurface testing of all potentially culturally sensitive areas occurred prior to the initiation of construction activities in those areas. The results will be included in the Archaeological Final Report. No cultural resources requiring the development of a treatment plan were observed. A Native American monitor has been present for all exploratory trenching and subsurface testing work.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
CUL-2c: Conduct limited subsurface testing before performing ground-disturbing work within 50 meters of a known archaeological site.	X				Ongoing	Exploratory trenching and subsurface testing of all potentially culturally sensitive areas occurred prior to the initiation of construction activities in those areas. The results will be included in the Archaeological Final Report. No cultural resources requiring the development of a treatment plan were observed. A Native American monitor has been present for all exploratory trenching and subsurface testing work.
CUL-2d: Conduct exploratory trenching or coring of areas within the three zones of special sensitivity where subsurface project disturbance is planned.	X				Ongoing	Exploratory trenching and subsurface testing of all potentially culturally sensitive areas occurred prior to the initiation of construction activities in those areas. The results will be included in the Archaeological Final Report. No cultural resources requiring the development of a treatment plan were observed. A Native American monitor has been present for all exploratory trenching and subsurface testing work.
CUL-2e: Stop work if cultural resources are encountered during ground-disturbing activities.	X	X			Ongoing	No prehistoric or historic-period cultural materials have been observed during cultural monitoring.
CUL-2f: Conduct archaeological monitoring of ground-disturbing activities in areas as determined by JPB and SHPO.		X			Ongoing	Cultural monitoring as-needed of project activities in culturally sensitive areas is ongoing. The Archaeological Final Report will be provided at the conclusion of construction activities.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
CUL-3: Comply with state and county procedures for the treatment of human remains discoveries.		X			Ongoing	No human remains have been observed to date on the Project.
EMF-2: Minimize EMI effects during final design, Monitor EMI effects during testing, commission and operations, and Remediate Substantial Disruption of Sensitive Electrical Equipment.	X	X	X		Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Designs are submitted and reviewed/commented on by JPB. Monitoring EMI effects will occur post construction.
GEO-1: Perform a site-specific geotechnical study for traction power facilities.	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Geotechnical studies and results are submitted to JPB as completed.
GEO-4a: Identification of expansive soils.	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Geotechnical studies and results are submitted to JPB as completed.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing: Pre-Construction	Construction	Post-Construction	Operation	Status	Status Notes
GEO-4b: Mitigation of expansive soils.	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Geotechnical studies and results are submitted to JPB as completed.
HAZ-2a: Conduct a Phase II Environmental Site Assessment prior to construction.	X				Complete	A Phase II Environmental Assessment was completed prior to construction by the JPB consultant, and the results were provided to BBI, and the required mitigation is being implemented prior to the initiation of construction activities.
HAZ-2b: Implement engineering controls and best management practices during construction.	X	X			Ongoing	Field activities are being monitored daily for significant color changes or odors which may indicate contamination. In addition, an assessment of two existing subsurface pipes by a certified Asbestos Consultant occurred during this reporting period, and a specification describing the methods for removal and disposal is currently in progress.
HYD-1: Implement construction dewatering treatment, if necessary.	X	X			Ongoing	Facilities & BMPs are in place to deal with this requirement should it arise in the OCS foundations.
HYD-4: Minimize floodplain impacts by minimizing new impervious areas for TPFs or relocating these facilities.	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. The TPFs in Construction Segments 2 & 4 are currently in final design and design for TPFs in Construction Segments 1 & 3 has begun. The design minimizes

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
						hardscape only to required structure foundations; yard areas are to receive a pervious material.
HYD-5: Provide for electrical safety at TPFs subject to periodic or potential flooding.	X			X	Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. The TPFs in Construction Segments 2 & 4 are currently in final design and design for TPFs in Construction Segments 1 & 3 has begun. The design plan currently raises the TPFs above the floodplain.
HYD-7: Implement sea level rise vulnerability assessment and adaptation plan.				X	Ongoing	The JPB has initiated this measure and preparation of the sea level rise vulnerability assessment and adaptation plan is underway.
NOI-1a: Implement Construction Noise Control Plan.	X	X			Ongoing	The Noise and Vibration Control Plan has been submitted and is being implemented. Field activity is monitored per the Plan. If allowable noise levels are near or exceed allowable noise levels, mitigation such as blankets are used from that point forward.
NOI-1b: Conduct site-specific acoustical analysis of ancillary facilities based on the final mechanical equipment and site design and implement noise control treatments where required.	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. Design is still in process and a noise study is currently being performed.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
NOI-2a: Implement Construction Vibration Control Plan.	X	X			Ongoing	The Noise and Vibration Control Plan has been submitted and is being implemented. Field activity is monitored per the Plan.
PSU-8a: Provide continuous coordination with all utility providers.	X	X			Ongoing	The design requirements indicated in the measure will be implemented through the final design as described. Coordination with utility providers is ongoing and there have not been any service interruptions thus far.
PSU-8b: Adjust OCS pole foundation locations.	X				Ongoing	The design requirements indicated in the measure are being implemented through the final design as described.
PSU-8c: Schedule and notify users about potential service interruptions.	X	X			Ongoing	The design requirements indicated in the measure are being implemented through the final design as described. There have not been any service interruptions thus far.
PSU-9: Require application of relevant construction mitigation measures to utility relocation and transmission line construction by others.	X	X			Ongoing	JPB has initiated coordination with PG&E regarding transmission line construction. PG&E is currently raising overcrossing lines in Segment 2.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
TRA-1a: Implement Construction Road Traffic Control Plan.	X	X			Ongoing	The D-B has begun traffic control design and permit applications with cities in Segments 2 and 4. Designs have been completed and approved for all cross-over bridges in Segments 2 and 4.
TRA-1c: Implement signal optimization and roadway geometry improvements at impacted intersections for the 2020 Project Condition.	X	X			Upcoming	This measure has not started
TRA-2a: Implement construction railway disruption control plan.	X	X			Ongoing	Minimization of railway disruption is being coordinated by the Site Specific Work Plan. A Construction Railway Disruption Control Plan was prepared to document the measures that are being implemented.
TRA-3b: In cooperation with the City and County of San Francisco, implement surface pedestrian facility improvements to address the Proposed Project's additional pedestrian movements at and immediately adjacent to the San Francisco 4th and King Station.	X	X	X		Upcoming	This measure has not started.
TRA-4b: Continue to improve bicycle facilities at Caltrain stations and partner with bike share programs where available following guidance in				X	Ongoing	The JPB adopted the Caltrain Bicycle Parking Management Plan in November 2017, and staff have been working to implement the Plan's recommendations to improve wayside bike parking facilities along

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing: Pre-Construction	Construction	Post-Construction	Operation	Status	Status Notes
Caltrain's Bicycle Access and Parking Plan.						the corridor. Staff have also been coordinating with local jurisdictions that have launched bikeshare pilot programs to safely site bicycles near Caltrain stations.
NOI-CUMUL-1: Implement a phased program to reduce cumulative train noise along the Caltrain corridor as necessary to address future cumulative noise increases over FTA thresholds				X	Upcoming	This measure will be implemented during project operation.
NOI-CUMUL-2: Conduct project-level vibration analysis for Blended System operations and implement vibration reduction measures as necessary and appropriate for the Caltrain corridor				X	In Progress	CHSRA is conducting this analysis as part of the EIR/EIS for the San Francisco to San Jose section.
TRA-CUMUL-1: Implement a phased program to provide traffic improvements to reduce traffic delays near at-grade crossings and Caltrain stations				X	Upcoming	This measure will be implemented during project operation.
TRA-CUMUL-2: Implement technical solution to allow electric trolley bus transit across 16th Street without OCS conflicts in cooperation with SFMTA.	X				Complete	Not applicable. SFMTA has elected to not electrify the 16th Street crossing. This measure no longer applies.
Mitigation Measure TRA-CUMUL-3: As warranted, Caltrain and freight operators will partner to provide Plate H clearance				X	Upcoming	This measure will be implemented during project operation.

Mitigation Monitoring and Reporting

Mitigation Measure	Mitigation Timing				Status	Status Notes
	Pre-Construction	Construction	Post-Construction	Operation		
as feasible between San Jose and Bayshore.						

DRAFT

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

MINUTES OF JUNE 17, 2020

MEMBERS PRESENT: A. Brandt (Vice Chair), A. Dagum, L. Klein, P. Leung, P. Flautt, R. Valenciana, B. Shaw (Chair)

MEMBERS ABSENT: M. Romo, R. Kutler

STAFF PRESENT: D. Hansel, M. Jones, R. McCauley, J. Navarrete, J. Navarro, S. Petty, M. Salazar

Due to COVID-19, this meeting was conducted as a teleconference pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, which suspends certain requirements of the Ralph M. Brown Act.

Chair Brian Shaw called the meeting to order at 5:40 p.m. and led the Pledge of Allegiance.

APPROVAL OF MINUTES OF MAY 20, 2020
Motion/Second: Klein / Leung
Ayes: Brandt, Dagum, Flautt, Valenciana, Shaw
Absent: Kutler, Romo

PUBLIC COMMENT
Public Comment received via email at cacsecretary@caltrain.com

Jeff Carter, Millbrae, I appreciate that Caltrain may consider station-to-station fares in the future, however, I am disappointed that Caltrain is choosing to wait to "study" this after completion of the Regional Fare Coordination & Integration Study. This means it could take two years before Caltrain ends the unfair and inequitable zone fare system. The current system hurts and discourages low-income riders as well as short-distance, non-traditional and off-peak riders. The extra bulky 13-mile zones make the base fare and zone fares abnormally high and discourages ridership by some potential customers. Whereas a low base fare and small incremental distance fares can bring new ridership to Caltrain.

I have recently provided a template/fare matrix spreadsheet that can be a foundation for distance-based fares to Caltrain staff, there is no reason to spend scare dollars on additional lengthy studies.
Please see attached presentation that illustrates the unfairness and inequities of the current zone fare system.
My Best Regards,
Jeff Carter

Roland Lebrun, San Jose, via Zoom Q&A, requested that the CAC correspondence be posted weekly as the Board does, instead of posting it once a month. He then stated that the COVID report is missing from the agenda and would have liked to have seen what is being done to ensure social distancing on the trains. He stated that making passengers feel safe riding Caltrain would help address the number one barrier to restoring ridership. Roland stated that he also agreed with the previous public comment from Jeff Carter. Lastly, Roland stated that when Caltrain begins allowing passengers to use Samtrans bus passes on Caltrain, it will mean bankruptcy for Caltrain. He stated that at that point, staff will need to separate the infrastructure, Rail, Operations and everything else and basically let another entity operate the new system that will be financially viable and that will provide service for all of the community.

Aleta Dupree, via Zoom Q&A, stated that she is interested in the possibilities of fair integration and emphasized the importance of clipper, to continue to develop clipper for Caltrain and the mobile app and work toward a Title VI analysis to move away from doing paper tickets. Aleta then asked for the committee's continued advocacy as citizens on the electrification project.

Jeff Carter Millbrae, via Zoom Q&A, stated that the comments read during the public comment were specifically for item eight along with the attachment of slides that explains the visual inequity of the zone system.

CHAIRPERSON'S REPORT

Chair Brian Shaw recommended the committee and staff look up an article in The Atlantic about the safety of riding transit and the ability of the virus to be transmitted in that setting. He stated that it debunked an earlier MIT study in New York that was alluding that the virus was being transmitted by the subways. He stated that the more people understand the virus' behavior, where it transmits and what people can do when they are riding transit, which is wearing a mask and washing their hands, can really mitigate any potential issues. He also stated that the ability to socially distance on transit is going to be a challenge, particularly with Caltrain as it cannot add any more capacity. He stated passengers will probably need to get accustomed to what they are doing in higher density cities like Hong Kong, Seoul and Beijing where they wear masks, keep their hands clean and keep to themselves while they ride the train. He hopes passengers begin to understand and appreciate the realistic approach in getting people back on to Caltrain and transit system. Chair Shaw then shared that he was very pleased that Caltrain increased its service that week and that hopes more customers avail themselves to using the system.

COMMITTEE COMMENTS

Vice Chair Adrian Brandt stated that he was glad to see the 70 trains skip stop schedule that may help lure riders back, however, was surprised that Redwood City and Mountain View are not all stops station as they were with bullets. He stated that Belmont, which is virtual Hillsdale right now, and Palo Alto get all trains. He requested staff to address that matter and urged staff to make a balanced schedule, and if not, to at least to help the committee and the public understand why that is. Mr. Brandt also asked why the schedule for the skip stop train seem excessively padded and said that the end to end travel time could be tightened up a bit. He then shared his concern regarding the deferral of the one eighth cent sales tax because if it fails there may not be another opportunity and he senses a very high chance of failure, even though it's urgently needed and he urged a deferral. He then said that if, on the other hand, it fails and the authorizing legislation allows the second shot at it, then he is for it. Mr. Brandt then agreed with Chair Shaw and urged anyone interested, to Google "Atlantic COVID transit". He then requested staff to continue to investigate the use of HEPA quality filtration in the HVAC system and installation, if it's possible with the budget, of UV light systems that would kill or neutralize any micro particles that carry COVID through the air. Lastly, he shared his concern with Caltrain possibly facing major financial crises after the Cares Act funding runs out if there are no further tranches. 70% of Caltrain's operating budget came from fares and parking and up to 98% of that has disappeared. He stated that staff needs to be thinking about that and there needs to be some major creative thinking about how to keep Caltrain funded after government funding runs out.

Public Comments:
Roland Lebrun, San Jose, via Zoom Q&A, stated that the Go Passes are being extended for free for at least two months. He then stated that the complete collapse of ridership was a direct result of attempting to turn Caltrain into a Samtrans version of the VTA light rail with the same result, 100% lost ridership. He then stated that Caltrain has an opportunity to get it right. He referred the committee and staff to his letter in the correspondence packet that explains how it can be done. He then stated that regarding COVID, the UV light, is a critical part of the solution. He suggested to visit the website for further details. He also stated that the cost should be covered 100% by FEMA, the Federal Emergency Management Agency. Lastly, he stated that giving out free passes in this current crisis is beyond irresponsible and that social distancing protocols need to be observed as recommended by the CDC, the Center for Disease Control.

COVID-19: FINANCIAL IMPACTS AND RESPONSE PLANNING
Derek Hansel, Chief Financial Officer, and Sebastian Petty, Director, Caltrain Policy Dev, presented the COVID-19: Financial Impacts and Response Planning

Committee Comments:
Member Patrick Flautt thanked both Derek and Sebastian for the presentation.
Member Flautt shared his thoughts and stated that currently on Caltrain's Social Media channels the virus is talked about in general terms and recommend face coverings be worn, however Caltrain is not telling a story and not creating a perception that there is safety on Caltrain. He suggested a story be told across all social channels that starts to engender trust in the experience and the services Caltrain provides. He suggested staff to coordinate with the Social Media Officer to potentially get a program like this underway, where although Caltrain is still in the thick of things, that things are not as bad.
Vice Chair Adrian Brandt stated that he noted some references to non-labor cost savings. He then stated that he understands the Cares Act has Caltrain's hands tied but is curious about labor productivity. He stated that BART is running ten car trains to facilitate social distancing with one employee, and Caltrain, on the other hand, per the labor contract, once it adds a seventh car to a train, it automatically runs with four employees and is a glaring labor productivity disparity and asked whether staff could look at. Mr. Hansel responded that staff is aware of the issue. Mr. Brandt then asked Sebastian about his earlier comment regarding the imbalances of the 70-train schedule. Mr. Sebastian Petty responded that in general terms of putting the schedule together, it was approached in a very conservative manner and that there was a real

concerted focus on, not knowing how fast ridership might come back and wanting to make sure that staff is doing everything it could to not make a particular train more attractive than the other ones. So, some of the stop patterns that might be most attractive from a rider perspective, under normal circumstances, were not the ones chosen. Mr. Petty reassured A. Brandt that it will be monitored very closely to determine how well the schedule is performing and to ensure opportunities to adjust and adapt.

Member Anna Dagum asked Derek to break down the Rail Operator Service expenses on slide 10. Mr. Hansel said that he would follow-up at a later date.

Chair Brian Shaw asked whether there is a process to scale back service or would the service need to shut down due to lack of funds, if Caltrain is unable to afford to operate come September. Mr. Hansel stated that September is when staff anticipates that the Tranche One money of the Cares Act runs out, and there will be a Tranche Two and staff is working very hard and trying to make a case for appropriate distribution to Caltrain and appropriate support to Caltrain through the Second Tranche of funding.

Member Anna Dagum asked whether staff has investigated switching to another mode of transportation while preserving the corridor, as in a rapid bus line instead of a train. Mr. Hansel stated that it has not been considered by the Board to date. He stated that simply shutting down revenue service certainly would reduce costs dramatically, but it does not eliminate those costs because Caltrain has 10 other railroads that use the line. Staff needs to understand what the implications of a variety of scenarios are and that it is not a switch.

Public Comments:
Roland Lebrun, San Jose, via Zoom Q&A, asked why Derek's presentation was not posted on the website. He then stated that regarding reduction of expenses, the VTA managed to reduce monthly expenses by $4 million back in April. He then stated that the message about restrooms, with all due respect, is unfortunate because the CDC made a straight recommendation for members of the public to not use public restrooms, if they in any way avoid it. BART does not have that problem on trains, but they do have public restrooms in the stations. Roland then stated that contributions from the other agencies is a real problem. He stated that basically $3 billion just disappeared so moving forward, he thinks contributions could be an issue. Lastly, Roland stated that the one eighth sales tax is dead and will not happen.

REGIONAL FARE COORDINATION AND INTEGRATION STUDY UPDATE
Melissa Jones, Principal Planner, presented the Regional Fare Coordination and Integration Study Update

Committee Comments:
Vice Chair Adrian Brandt shared his concern regarding the presentation not including background research from Europe Western Europe, Germany, has been doing. He hopes staff does not reinvent the wheel and hires a consultant agency that is intimately familiar and knowledgeable about how the best practices in the world. He also noticed that SMART was not listed in the logos. Mr. Brandt then stated that in his view a switch to a far more equitable tariff instead of buying travel on Caltrain in 12.5 mile chunks and switching to a distance based system, he views that as parallel to the Regional Fare Study and can be a separate effort. He was disappointed about yet

another reason to put this off, possibly for a year or two. He would like to see this move forward asap because it is long overdue and can make Caltrain more attractive and more accessible to a different rider demographic that isn't riding today because it is so cost prohibitive to step aboard. It can draw a lot more people that are either not riding transit at all or riding other transit, if the fare structure allows to pay for only what is used.

Public Comments:
Jeff Carter Millbrae, via Zoom Q&A, voiced his support of coordinating fares and believes that it is long overdue. He stated that the study needs to be done right and look at how they do it in Europe. He stated that integrated fares will bring a lot more people to transit and will bring more revenue to the transit agencies. He then stated that unfortunately transit is totally underfunded and needs to get better sources of funding for transit. He shared his disappointment that the Distance Based Fares are not given quicker consideration. He stated that he emailed the CAC inbox in the morning that included a slide presentation that demonstrates the inequities of the zone system and how it can make a distance based Caltrain better and more equitable. He then stated that he has created a fare matrix, which has been submitted to staff that can be provide that to the CAC members if they request it. Lastly, he stated that both integrated fares in the Bay Area and Distance Based on Caltrain is long overdue and needs to be done as soon as possible.

Roland Lebrun, San Jose, via Zoom Q&A, stated that he is glad that staff is finally starting to think about distance-based fares and is long overdue. He then stated that regarding the one eighth sales tax, people will not spend in excess of $100M a year supporting 1300 passengers and day. Caltrain will need to restore ridership by providing a service that is attractive to the general population and any surplus revenues is distributed to the less fortunate part of the community. Lastly he stated that London has complete integration within zones and at the end of the day, you get what you pay for.

STAFF REPORT UPDATE
Joe Navarro, Deputy Chief, Rail Operations, reported:
(The full report can be found on caltrain.com)

On-time Performance (OTP) –

- **May:** The May 2020 OTP was 95.8% compared to 95% for May 2019.
    - **Mechanical Delays –** In May 2020 there were 278 minutes of delay due to mechanical issues compared to 351 minutes in May 2019.
    - **Trespasser Strikes –** There were two trespasser strikes on May 4 and 16, both resulting in fatalities.

- **April:** The April 2020 OTP was 94.3% compared to 93.6% for April 2019
    - **Trespasser Strike –** There were two trespasser strikes on April 17, one resulting in a fatality.
    -

Committee Comments:
Vice Chair Adrian Brandt stated that if all trains are local, with three trains per hour, the average wait time with 20-minute headways, would only be 10 minutes for random arrival at the station. So Caltrain is trading more frequent reliable service for slightly longer ride times and that might be a more successful overall schedule, serving more people. Mr. Brandt requested it be considered. Mr. Navarro responded that staff

would consider and look into it. He also stated that things will change as ridership comes and that trains cannot be made so attractive to generate ridership that will not permit Caltrain to mitigate social distancing on the train. Mr. Navarro stated that staff will take everything into consideration for the next schedule change, potentially when Hillsdale station reopens.

Member Ricardo Valenciana advised that his term ends this month and that it would be his last meeting on the committee. He thanked all of the committee members and let them know that they all do an exceptional job. He thanked Brian and Adrian for all the impressive work they put in and that it is a high standard to meet. He let the committee know that he will be stepping down to allow someone else to rise to that standard and join the committee. He has been impressed with everyone's passion for the railway. He also advised Joe Navarro that it has been a real pleasure working with him every month and that he is, by far, the most involved government employee he has ever had the pleasure to work with. He acknowledged that as an Agency representative he also has a high standard and really impressive how he gets thrown some real curveball questions from folks and is always on point and super impressed and is glad that someone like Joe Navarro is representing the JPB, especially during this extremely challenging time for the railway. He reiterated to everyone that they are all in the best hands possible with the committee, the agency and the community. He stated that he looks forward to hopefully coming back someday and being able to help again.

Public comments:
Roland Lebrun, San Jose, via Zoom Q&A, respectfully stated that Mr. Joe Navarro is being really thoughtful with how to approach this and asked not to criticize staff and to allow this plan to play out. He stated the Mr. Navarro made it very clear that moving forward, staff will be looking at what's happening, and will be flexible. Roland then stated that people are commuting and not staying at home and is why the freeways are going red again. On Google Maps if customers flip back and forth between driving and transit, it is a solid hour faster to drive and passengers will not come back until that is resolved. Lastly, Roland stated that the Stadler trains are two years late.

Doug DeLong, via Zoom Q&A, asked about something in the capital project report that was delivered at the last Board Meeting, that was an unusual situation. He stated that the 25th Avenue grade separation project showed a red traffic signal for safety and it mentioned that there were four reportable incidents during a month. He stated that he does not recall another project having a red traffic signal for safety. He asked whether there was any information that could be shared. Mr. Navarro advised that he would look into it and follow-up at a later date.

JPB CAC Work Plan

<u>July 15, 2020</u>
- Industry Safe Functionality
- Mobile Parking App / TVM's

<u>August 19, 2020</u>
- FY 2021JPB Preliminary Operating & Capital Budgets
- Brown Act Training
- COVID-19 Productivity Report

<u>September 16, 2020</u>
- Rail Safety Education / Suicide Prevention Efforts

October 21, 2020

-

November 18, 2020

-

December 16, 2020

-

Items to be scheduled

- Schedule Audit – requested by Member Lauren Fernandez on 3/6/18
- Go Pass cost per ride factors – requested by Chair, Brian Shaw on 6/19/19
- San Mateo County Climate Action Plan – requested by Member Rosalind Kutler on 10/16/19
- MTC Means-Based Discount Fare program update
- Caltrain connections with other agencies – requested by Member Rosalind Kutler on 12/18/19
- Update on grade crossing pilot six months after installation – requested by Member, Patrick Flautt on 12/18/19
- Summary video of the CAC meetings by the Social Media Officer – requested by Chair, Brian Shaw on 12/18/19
- Grade Crossing Improvements to be scheduled for a future meeting
- Operating Costs – requested by Member Adrian Brandt on 2/13/20

DATE, TIME AND LOCATION OF NEXT REGULAR MEETING:
July 15, 2020 at 5:40 p.m., San Mateo County Transit District Administrative Building, 2nd Floor Bacciocco Auditorium, 1250 San Carlos Avenue, San Carlos, CA.

Adjourned at 7:29 pm

AGENDA ITEM #9
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Seamus Murphy
Chief Communications Officer, Caltrain

SUBJECT: **SB797 Update**

ACTION

The Staff Coordinating Council (SCC) recommends that the Board receive an informational update on the progress related to Senate Bill (SB) 797.

SIGNIFICANCE

Since its inception, the JPB has had no dedicated source of funding other than passenger fares and, instead, relies on contributions from its Member Agencies to fill minimum financial requirements in its operating and capital budgets under two different funding formulas. Each of the Member Agencies (a) contributes an equal amount of capital funding each year and (b) supplements operating funding based on the percentage of system ridership originating in each County. The levels of both capital and operating funding are determined by the funding capacity of the Member Agency with the least ability to provide its share of funding in any given year, and the amount that Member Agency can make available then becomes the standard against which the contributions of the other Member Agencies are calculated.

This approach fosters an uncertain financial and planning environment for the JPB, which is exacerbated by continually-escalating operating, maintenance and repair costs, thereby keeping the JPB from operating at service levels that meet the rising passenger demands for Caltrain service.

To provide a means to help address the JPB's financial challenges, Caltrain has been coordinating with the relevant seven-party agencies to place a sales tax measure on the November 2020 ballot. The presentation will provide a status update on these coordination efforts as well as the results of public polling.

BUDGET IMPACT

There is no budget impact associated with receiving this update and presentation. Should a ballot measure pass in November 2020, significant resources would be available to the JPB.

BACKGROUND

In 2017 the Governor signed SB797, introduced by Senator Jerry Hill, authorizing the JPB to implement a new retail transactions and use tax of up to 0.125 percent in the three Counties served by Caltrain if (i) the Board of Directors of the JPB adopts a resolution submitting the measure to the voters, (ii) the measure is approved by the Boards of Supervisors in the Counties of Santa Clara, San Mateo and San Francisco, (iii) the measure is approved by a majority vote of the governing boards of the San Francisco Municipal Transportation Agency, the SMCTD, and VTA, and (iv) the tax is adopted by a two-thirds vote of the three Counties' voters.

Prepared by: Casey Fromson, Gov. and Community Affairs Director 650.508.6493

AGENDA ITEM #10
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Michelle Bouchard
Chief Operating Officer, Caltrain

SUBJECT: **COVID UPDATE – DRAFT EQUITY, CONNECTIVITY, RECOVERY & GROWTH FRAMEWORK**

ACTION

Staff Coordinating Council recommends the Board of Directors (Board) receive the attached draft "Equity, Connectivity, Recovery & Growth Framework" along with an informational ppt.

SIGNIFICANCE

At the June 2020 Board Meeting, Peninsula Corridor Joint Powers Board (JPB) staff announced that activity on the Caltrain Business Plan would pause and pivot toward COVID Recovery efforts. The accompanying presentation and draft "Equity, Connectivity, Recovery and Growth Framework" are the first in what is anticipated to be a series of recovery planning updates and requests for action that will be brought to the Board over the coming months.

The Draft Framework is a policy statement that has been developed within the context of the COVID crisis, leveraging work conducted through the Caltrain Business Plan. The Framework is similar to the Long Range Service Vision (adopted by the JPB in 2019) in that it is intended to constitute an interim policy decision by the Board within the larger Caltrain Business Plan process. The framework has been developed to provide high level policy guidance on the following questions related to equity, connectivity, recovery and growth;

- What are Caltrain's guiding principles for recovery planning during the COVID Crisis?
- How can Caltrain ensure that our system benefits those who need it most?
- How can Caltrain best fulfill our role as part of an essential regional network?
- How can can Caltrain accelerate our plans for equity and connectivity to meet the current moment?
- How does the current crisis relate to and inform our long-range plans for growth?

Following the Board's consideration of the Draft "Equity, Connectivity, Recovery and Growth Framework," staff will solicit feedback from multiple stakeholder groups used as part of the Business Plan process including;

- The Business Plan Project Partner Committee
- The Business Plan Stakeholder Advisory Group
- The City / County Staff Group
- The Local Policy Maker Group

Staff will return to the Board with a revised Equity, Connectivity, Recovery and Growth Framework in August.

BUDGET IMPACT

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

BACKGROUND

In 2017, the JPB secured full funding for the Peninsula Corridor Electrification Project and issued notices to proceed to its contractors for corridor electrification and purchase of Electric Multiple Unit railcars.

Now that construction on this long-awaited project is underway, the agency has the opportunity to articulate a long-term business strategy for the future of the system. The initial concept for a Caltrain "Business Plan" was brought to the Board in April of 2017. The Board reviewed a draft scope of work for the Business Plan in December of 2017 and adopted a final Business Strategy and Scope of Work in February of 2018. Technical work on the Plan commenced in the summer of 2018. The Business Plan has been scoped to include long-range demand modeling, and service and infrastructure planning, as well as organizational analysis and an assessment of Caltrain's interface with the communities it traverses. In October of 2019, the JPB marked a major milestone in the Business Plan process with its adoption of a "2040 Service Vision" for the Caltrain system. This action set long-range policy guidance for the future of the Caltrain service and allowed staff to advance toward the completion of the overall plan by summer of 2020.

Starting in March of 2020, however, the emergence of the COVID-19 Pandemic resulted in a rapid and severe crisis for the railroad, with ridership plummeting by as much as 98% and the implementation of significant service cuts. Based on this unprecedented circumstance, staff informed the Board of their decision to temporarily pivot Business Plan efforts toward recovery planning in June of 2020.

Prepared by: Sebastian Petty, Deputy Chief, Caltrain Planning 650.622.7831

AGENDA ITEM #11
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Joint Powers Board

THROUGH: Jim Hartnett
Executive Director

FROM: Michelle Bouchard
Chief Operating Officer, Rail

SUBJECT: **GOVERNANCE UPDATE-REPORT OF THE SPECIAL COUNSEL**

ACTION
Staff Coordinating Council recommends the Board receive this report of the Special Counsel and update from the Governance Ad Hoc Committee.

SIGNIFICANCE
Following the November 21, 2019 Board Governance workshop and the subsequent December 5th JPB Board meeting, staff was directed to establish a Governance Ad Hoc committee for an initial 6 month effort focused on:

a) Gathering the facts related to JPB's financial relationships, real estate ownership and member responsibilities; and
b) Identifying options for direct accountability of the Executive Director and key organizational functions to the JPB with San Mateo County Transit District retaining responsibility as managing agency.

The Board also directed staff to procure Special Counsel to support the Ad Hoc Committee. The Special Counsel has completed a report that documents and summarizes the facts related to JPB's financial relationships, real estate ownership and member responsibilities. The full Special Counsel report can be accessed at **https://www.caltrain.com/Assets/7.01.2020+Full+Special+Counsel+report.pdf.** A verbal update will also be provided on discussions related to accountability measures.

BUDGET IMPACT
There is no budget impact related to this informational item.

BACKGROUND

Establishment of the Governance Committee
The Ad Hoc Governance committee was established to frame issues related to Caltrain governance and provide information to the full Board on the legal and financial relationships among the three partner agencies.

In 2018, Caltrain launched the Caltrain Business Plan comprised of four major focus areas that address key questions shaping the future of the railroad, including service vision, a business case to support the chosen service vision, community interface, and an organizational assessment to address options for a railroad organizational structure capable of overseeing and growing Caltrain service in the future.

The organizational assessment component of the plan was developed by Howard Permut of Permut Consulting LLC, under contract to Stanford University. This report was provided to the Board in August of 2019 and the findings of the organizational assessment were a key topic at a November 21st Board workshop.

The November 21, 2019 workshop included a significant focus on developing a framework for considering a range of issues related to Caltrain governance. During the workshop several straw proposals were developed to facilitate discussion. These include 1) Stay the Course; 2) Direct Accountability; 3) Separate Organization; and 4) Construction Authority. Following involved discussions by Board members, it was unanimously decided to immediately pursue the Direct Accountability path, as described below, with later future discussion of other options to remain a possibility.

Straw Proposal 2: Direct Accountability

- A special counsel is appointed as soon as practicable to directly represent the JPB on governance matters
- A process to discuss governance is established that, over the next 6 months, results in agreement to provide for accountability of an executive director and key organizational functions directly to the JPB
- The JPB remains in place and the San Mateo County Transit District remains as the managing agency

The Board has indicated that other scenarios should not be dismissed for longer-term consideration at some time in the future. Staff was also directed to continue to track regional discussions regarding funding and regional rail governance. The report out from the November workshop can be viewed at the following link:

http://www.caltrain.com/Assets/__Agendas+and+Minutes/JPB/2019/Presentation+and+Attachment+re.+Conclusions+from+Special+11-21-2019+meeting$!2c+posted+12-02-2019.pdf

The Governance Ad Hoc committee held its first meeting on February 21, 2020 and has convened six times. Given the nature of the discussion, the Committee is comprised of JPB Board members (Pine, Walton and Chavez), the General Managers from the member agencies comprising the JPA with SamTrans represented by its Deputy General Manager. The Committee is staffed by JPB staff and is facilitated by Grace Crunican.

Retention of Special Counsel

At the December Board meeting, the Board directed staff to commence a competitive process to retain Special Counsel for the purpose of supporting the work of the Governance Ad Hoc Committee. A $250,000 budget was authorized for this purpose, with the three JPB member agencies each contributing a third of that budget. Through a competitive process, Olsen Remcho was retained to function as Special Counsel. This item was approved by the JPB at the March 5, 2020 Board meeting. Staff began immediately working with the Special Counsel to identify the path for providing a report to the Ad Hoc Committee on foundational facts of the JPB.

In order to develop the report presented at this meeting, the Special Counsel reviewed the JPB foundational documents, conducted interviews of stakeholders and reviewed related documentation from Member Agencies. Specific questions were also solicited from Board members and answered by Remcho. They are included as an attachment to the final report.

Prepared by: Michelle Bouchard, COO 650.508.6420

Olson | Remcho

MEMORANDUM

DATE: July 01, 2020

TO: Joint Powers Board

FROM: Robin B. Johansen, James C. Harrison, and Thomas A. Willis

RE: Summary of Special Counsel Report

We present to you the Special Counsel Report, which outlines a series of facts about the governance and financial history of the Peninsula Corridor Joint Powers Board (JPB).

Three basic agreements define Caltrain:

a. The 1996 Joint Powers Agreement defines the governmental structure for the Joint Powers Authority.

b. The 1991 Purchase Agreement of the right of way from Southern Pacific (SP) describes the property and operational rights that the JPB acquired from SP.

c. The 1991 Real Property Ownership Agreement (RPOA) defines four types of property and the ownership rights and obligations of the JPB and each member agency with respect to those properties. (This agreement was amended in 2008.) The four types of properties are:

   i. Mainline ROW – ROW from San Francisco to Lick, trackage rights for Gilroy Service, and other assets acquired pursuant to Purchase Agreement (except local option properties);
   ii. System option properties – parking lots and grade separations which were available for purchase from SP pursuant to the Purchase Agreement;
   iii. Local option properties – Moffett, San Bruno, Vasona I and II, which were available for purchase from SP pursuant to the Purchase Agreement; and
   iv. State Transferred properties – stations, facilities, equipment, and inventory transferred from Caltrans to JPB.

These three documents (plus the 2008 RPOA amendment) govern all issues concerning JPB governance and the current relationships among the JPB and its members.

The report clarifies several issues, specifically:

1. Repayment of SamTrans. On behalf of the JPB, in 1991, SamTrans provided $82 million of the purchase price for the ROW and various other property options. Of the $82 million advanced by SamTrans, the portion advanced on behalf of VTA was $34.7 million and the amount advanced on behalf of San Francisco was $8.3 million (for a total of $43 million). Under the 1991 Real Property Agreement, it was contemplated that when repayment occurred, SamTrans would be entitled to compounded interest, which amounted to $48.5 million when the parties entered into the 2008 RPOA amendment. In total, by 2008, SamTrans was owed $91.5 million. The 2008 amendment to the 1991 Real Property Agreement reset the total amount to be repaid to SamTrans at $53.3 million.
    a. VTA has repaid all that it agreed to pay SamTrans under the 2008 agreement;
    b. The City and County of San Francisco still owes $200,000 to SamTrans under the 2008 agreement.
    c. SamTrans is still owed $19.8 million, including the $200,000 from the City and County of San Francisco, for repayment to be complete under the 2008 agreement, though $19.6 million of the debt is not specific to a jurisdiction. Under the 2008 agreement, no interest is due on that amount. In addition, MTC is authorized to find alternative sources of non-local funding to use to repay SamTrans but there is no binding contractual obligation on the part of MTC or the other member agencies to repay that amount.

2. Managing Agency. As a result of the 2008 amendment to the 1991 Real Property Ownership Agreement, in which SamTrans agreed to forego the recovery of $38.2 million of the $48.5 million it was owed in accrued interest on its initial contribution, SamTrans is the managing agency for as long as it chooses to play that role.

3. Rights SamTrans Has Until It is Repaid. In exchange for advancing funds for both VTA and San Francisco, SamTrans holds various property rights until it is repaid. These include:
    a. Sam Trans holds title to the ROW in San Mateo County as a “tenant in common” with the JPB.
    b. SamTrans has the right to use net revenues from certain assets to pay itself back for the original purchase. In some cases, it has earned money from assets such as parking lots, but those funds have been used to pay Caltrain operating costs and have not gone to SamTrans.

c. SamTrans has the right to convert its contribution towards the purchase of the railroad into an ownership interest in all or part of the ROW. There are some conditions on that right that are spelled out in detail in the report.

4. Discrepancies Between the Agreements and Practice. There are ongoing contradictions between the written agreements and current practices agreed to by the member agencies.
   a. Under the 1996 JPA, , the Gilroy service operating costs are to be paid by VTA. Since 2001, the annual operating costs have been treated as a mainline cost and are paid by all member agencies.
   b. Under the 1996 JPA, subsidies from the member agencies are to be allocated by a formula using AM peak ridership, adjusted annually. Over the years, the parties have changed the formula several times, the first occurring in 2001 with the introduction of a five year averaging applied to the AM boardings. As of fiscal year 2014, the practice has been to allocate costs based on average all-day boardings, adjusted annually. Finally, in 2018, the member agencies established average mid-week boardings, adjusted annually as the means of allocating operating costs amongst the member agencies

5. Withdrawal and Termination. The report indicates that there are conflicting provisions relating to withdrawal and termination of the JPA, and it recommends that if the Board decides to amend the Joint Powers Agreement, that these inconsistencies be harmonized.

These and other findings from the report will be discussed when the Board meets on July 9, 2020.

Special Counsel Report on Caltrain Governing Documents

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July 1, 2020

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INTRODUCTION

This draft report is intended to provide the Joint Powers Board ("JPB") with a baseline set of facts about the governance and financial history of Caltrain, with an emphasis on the rights and responsibilities of each of the member agencies under the various agreements made since entry of the first Joint Powers Agreement in 1988. To that end, we have examined each of the agreements, interviewed individuals who were involved in negotiating and drafting those agreements or have historical knowledge about them, and talked with staff who were responsible for maintaining records regarding the various payments made under those agreements. We have also spoken with members of the Ad Hoc Governance Committee and with the General Managers of each of the member agencies.

The report begins with a brief history of Caltrain and the agreements that were made to guide its governance, starting in 1988. The next section covers the rights and responsibilities of the member agencies with respect to real property ownership, the repayment of the funds that SamTrans advanced on behalf of San Francisco and VTA[1] for the purchase of the railway right of way, the management and financial support of the system, the Gilroy service, and amendment or withdrawal from the JPA. We summarize our conclusions at the end of the report, followed by an attachment that addresses questions posed by the three member agencies. Other attachments include copies of the three main governing documents, a list of the people we interviewed for the report, and charts regarding the types and ownership of Caltrain property.

Finally, as discussed more fully below, some of the governing documents are confusing or seemingly contradictory. Others are out of date in that they do not reflect subsequent agreements among the parties that contradict some of the provisions in those agreements. Where that is the case, the parties may wish to amend the governing documents to eliminate inconsistencies or to reflect agreements that have not been incorporated into the JPA. A brief summary of those topics appears at the end of the report.

FACTUAL BACKGROUND

I. Peninsula Railway Service Prior to Caltrain

Passenger service on the Peninsula corridor began on October 18, 1863 under the San Francisco and San Jose Railroad Company, which was purchased by the Southern Pacific Railway in 1870. In the late 1970s, Southern Pacific determined that the rail commuter business was unprofitable and no longer sustainable as a private enterprise, and it petitioned the Public Utilities Commission to discontinue the service in 1977.

Ultimately, the Interstate Commerce Commission determined that Southern Pacific should continue to operate the commuter service but only if it received a subsidy to cover all of its costs related to the service. In 1980, the State of California executed an agreement with

[1] For ease of reference, we refer to both the Santa Clara County Transit District and the Santa Clara Valley Transportation Authority as VTA, and we refer to the City and County of San Francisco and the San Francisco Municipal Transportation Agency, collectively, as San Francisco.

Southern Pacific to subsidize the rail operation, and administration of and financial responsibility for the service moved into the hands of the State and the three member agencies (SamTrans, VTA, and San Francisco) pursuant to a formal 10-year Cooperative Agreement.

The State and local partnership under the Cooperative Agreement called for a Project Management Committee with representatives from each of the parties to oversee the rail operations and to manage the contract. The four parties agreed to share the burden of the operating subsidies, with Caltrans paying 50% of the net deficit and the three local agencies sharing the balance of the operating deficit based upon a ridership formula.

In the late 1980s, California's governor announced his decision to terminate the State's role in the Peninsula commute operations as of 1990. With that announcement, San Mateo, Santa Clara and San Francisco counties began to formulate a strategy to save the rail service.

The three counties formed the Peninsula Corridor Study Joint Powers Board in 1988, which was to be responsible for development of the Peninsula Commute Service ("PCS"), including the preparation for local control and acquisition of the corridor right-of-way. The 1988 agreement did not provide for a managing agency, but it specified that the SamTrans Finance Director would serve as treasurer and controller of the JPB and that the power of the JPB was subject to the restrictions upon the manner of exercising the power of the San Mateo County Transit District. Although not specified in the agreement, the SamTrans organization headed by its General Manager/CEO served as staff to the organization.

II. Formation of Caltrain

Three primary agreements define the history of Caltrain's formation:

(1) the Joint Powers Agreement, which created the Peninsula Corridor Joint Powers Board ("JPB") and which was executed by San Francisco, SamTrans, and VTA on October 18, 1991 (the "1991 JPA");

(2) the Purchase, Sale and Option Agreement, pursuant to which Southern Pacific sold the right of way between San Francisco and Tamien Station in San Jose and the trackage rights between Lick and Gilroy. The agreement provided the JPB with an option to purchase other properties and was executed by Southern Pacific, the JPB, and SamTrans on November 22, 1991 (the "Purchase Agreement"); and

(3) the Real Property Ownership Agreement, which defines the JPB and member agencies' property ownership rights and which was executed by the JPB, SamTrans, San Francisco, and VTA on December 24, 1991 (the "1991 RPOA"). The 1991 RPOA is included as Attachment C to this report.

These agreements, and the role they played in Caltrain's formation, are described below.

A. The 1991 JPA

In order to implement the acquisition and management of the PCS, the parties to the Peninsula Corridor Study Joint Powers Board entered into a new joint powers agreement in 1991. The 1991 JPA expanded the purposes and powers of the JPB to plan, oversee, and operate the PCS once the system was transferred to local control. The 1991 JPA designated SamTrans as managing agency, subject to replacement by the JPB on one year's written notice if SamTrans had been reimbursed for the money it advanced to purchase the right of way. The agreement also established that member agency subsidies for operating the Main Line Service would be based on an a.m. boarding formula, while VTA would be responsible for the net operating costs of the Gilroy Service. Capital replacement and enhancement projects were to be shared equally among the members to the extent other funds could not be obtained, but VTA was responsible for obtaining funding for all Gilroy service capital projects. That basic structure of cost sharing and SamTrans managing the system has continued to the present.

B. The Purchase Agreement

The 1991 JPA agreement was conditioned on the JPB securing funding to purchase the Main Line Right of Way (ROW) between San Francisco and Tamien Station in San Jose from Southern Pacific. In November 1990, California voters approved Proposition 116, a statewide $1.99 billion general obligation measure to fund rail projects. Prop. 116 earmarked $120 million in bond proceeds to the JPB to purchase the right of way. However, as negotiations with Southern Pacific advanced, it became clear the price for the right of way would exceed $120 million, requiring additional resources.

Those negotiations culminated on November 22, 1991, when the JPB, SamTrans, and Southern Pacific entered into the Purchase Agreement. Under that Agreement, the JPB purchased the Main Line ROW for approximately $202 million, with $120 million from Prop. 116 funds and $82 million advanced by SamTrans on behalf of the JPB. Under the Purchase Agreement, the JPB also purchased limited track rights between Lick and Gilroy for $8 million, with $4 million from Prop. 116 funds dedicated to VTA and $4 million paid directly by VTA. Southern Pacific maintained rights to operate limited freight service on the Main Line, and its successor, Union Pacific, continues to operate such service today.

The Purchase Agreement also provided the JPB options to purchase additional property for a limited period of time. Those options included Dumbarton Branch, Vasona Branch I and II, San Bruno Branch, Moffett Drill Track, the Lick-Gilroy Line, and various station parking lot and grade separation parcels.

C. The 1991 RPOA

As a consequence of the purchase of the ROW and the option to acquire additional properties, the member agencies entered into a Real Property Ownership Agreement (the "1991 RPOA") on December 24, 1991. The agreement defines the various types of property subject to the agreement, establishes property rights among the JPB and member agencies, and provides two alternative mechanisms by which SamTrans could be repaid for the $82 million it had advanced towards the purchase of the ROW, which the parties called the "Additional Contribution."

1. Categories of Property

The 1991 RPOA defines four main types of property: (1) the ROW; (2) System Option Properties; (3) Local Option Properties; and (4)State-Transferred Properties.

a. ROW

The 1991 RPOA defines the "ROW" to include all real property and other assets acquired by the JPB and SamTrans pursuant to the 1991 Purchase Agreement with Southern Pacific, other than local option properties, which are defined below. 1991 RPOA, § 1.15. This is the broadest category of property, encompassing the right of way, trackage, stations formerly owned by SP, structures, parking lots, and grade separations of the Peninsula Main Line from 4th and Townsend Street in San Francisco (Milepost 0.147) to Lick (Milepost 51.4), except that the right of way between Santa Clara Junction and Lick excludes one track owned by the freight operator.

b. System Option Properties

The 1991 RPOA divides the option properties described in the Purchase Agreement into two categories. The "System Option Properties" are defined as those properties to be acquired pursuant to the options established in the Purchase Agreement other than "Local Option Properties". 1991 RPOA, § 1.17. The system options properties include the grade separation and parking lot options described in an exhibit to the Purchase Agreement and the Lick-Gilroy Line.

c. Local Option Properties

The "Local Option Properties" are properties in which member agencies had an interest but which were not directly tied to the operation of the PCS. The 1991 RPOA identified the "local option properties" as the Moffett, San Bruno, Vasona I, and Vasona II options. 1991 RPOA, § 1.5.

d. State Transferred Properties

The 1991 RPOA defines "State Transferred Properties" as the real property and other assets transferred from Caltrans to the JPB, including stations, facilities, equipment, and inventory. 1991 RPOA, § 1.16. This includes 26 stations and locomotives and passenger cars.

2. Operational and Nonoperational Assets

The 1991 RPOA also distinguishes between "operational assets" and "nonoperational assets." 1991 RPOA, §§ 1.13 & 1.12. "Operational assets" are defined as the portion of the ROW that is used to operate and maintain the railway service, i.e., the 80-foot wide strip (40 feet on each side of the median of the ROW), and any system options properties determined by the parties to be operational assets. 1991 RPOA, § 1.13. "Nonoperational assets" are defined as all areas and assets owned and operated by the JPB (alone or with SamTrans) exclusive of operational assets. 1991 RPOA, § 1.12. This distinction is important because as discussed below, until SamTrans is reimbursed for the funds it advanced to purchase the ROW, it has additional rights to manage and receive net revenues from “nonoperational assets.”

3. Additional Contribution

The 1991 RPOA provided two alternate ways SamTrans could be reimbursed for advancing the entire additional $82 million needed for the purchase of the ROW (referred to as the “Additional Contribution”).

Under the first option (referred to as “full reimbursement”), the parties agreed to use their best efforts to obtain non-local sources of funds to repay SamTrans the Additional Contribution (the $82 million) plus compound interest, and agreed to dedicate net nonoperating revenues from nonoperational assets included in the system option properties and state-transferred properties to repayment.

Under the second option (referred to as “full participation”), the parties agreed that neither San Francisco nor VTA had any legal obligation to repay SamTrans but they could elect to reimburse SamTrans their share of the Additional Contribution plus compound interest from their own assets. VTA and San Francisco’s share of the Additional Contribution was based on the percentage of ROW track mileage in their respective counties (this is known as the mileage formula). Thus, VTA’s share of the Additional Contribution was $34.7 million (42.2%), and San Francisco’s was $8.3 million (10.1%).

Finally, the member agencies agreed that until SamTrans was repaid, SamTrans would have title to the portion of the ROW in San Mateo County as a tenant in common with the JPB, would receive net nonoperating revenue from nonoperational assets and state transferred properties, and would have the right to convert the Additional Contribution into an ownership interest in all or part of the ROW.

III. Changes in the Governing Documents Between 1991 and 2008

In October 1996, the parties revised the JPA to incorporate a 1994 amendment modifying allocation of administrative and capital costs among the parties and to include changes that VTA requested regarding appointment of its representatives to the JPB. It is that document that governs the JPB today (the “1996 JPA”). The 1996 JPA, however, did not change most of the relevant provisions discussed above that were part of the original 1991 JPA. The 1996 JPA appears as Attachment B to this report.

Between 1996 and 2007, there were several attempts to revise either the 1996 JPA or the 1991 RPOA, or both, but the parties did not agree on revisions. Further, no cash payments were made to reimburse SamTrans for the Additional Contribution, and the interest grew to exceed the principal.

IV. The 2008 Agreement to Revise the 1991 Real Property Agreement

In 2007, the Metropolitan Transportation Commission (MTC) told VTA and San Francisco it would not release their shares of what were called "spillover" funds, additional funds allocated for local transit purposes from the state gasoline tax, unless they found a way to resolve the reimbursement of the Additional Contribution with SamTrans. Steve Heminger, then Executive Director at MTC, negotiated an agreement with Tom Nolan from San Francisco, Mike Scanlon of SamTrans, and Michael Burns from VTA. In 2008, the member agencies amended the 1991 RPOA to reset the Additional Contribution amounts attributable to San Francisco and VTA and to provide that part of those amounts would come from state transit funds allocated to the two member agencies and the rest from the spillover funds distributed by MTC. The amendment, which will be referred to as the 2008 RPOA, also provided that SamTrans would be designated to serve as the managing agency for as long as it chooses to do so. The 2008 RPOA appears as Attachment D to this report. There have been no further amendments to the governing documents since 2008.

DESCRIPTION OF AGREEMENTS AND ANALYSIS

As noted above, it is important to establish a common understanding about how the governing documents treat certain areas of governance in order for the Board to explore whether changes are appropriate and if so, what those changes might be. The analyses that follow are based primarily on our reading of the governing documents, augmented by records and other information provided by the member agencies.

We begin with the property ownership rights of the JPB and, for certain properties, those of the member agencies. After that, we discuss the agreements regarding repayment of SamTrans' Additional Contribution to cover the shares of San Francisco and VTA for purchase of the right of way and the payments that have been made to SamTrans under those agreements. We then turn to SamTrans' rights and responsibilities as managing agent for the JPB, followed by the history and operation of the Gilroy Service, the cost allocation among the member agencies for Caltrain's operating and capital budgets, and a discussion of areas in the governing documents that could be amended to include agreements reached among the parties over time and/or to clarify existing provisions in the governing documents.

I. Property Ownership Rights

The 1991 Real Property Ownership Agreement ("1991 RPOA") is the foundational document that establishes the property rights of the JPB and its member agencies in all property acquired since 1991. It also sets forth two alternate ways SamTrans could be reimbursed for the

Additional Contribution. This section discusses the JPB and member agencies' property rights,[2] while Section II discusses the repayment provisions.

A. **Ownership of Property**

1. **The Mainline Right of Way**

The 1991 RPOA provides that the JPB holds title to the ROW but SamTrans holds title as a tenant in common with the JPB to all ROW property located in San Mateo County unless and until SamTrans receives reimbursement for paying all of the Additional Contribution, discussed in Section II below. *See* 1991 RPOA, § 4.1. Under California law, tenants in common each have an undivided interest in the property. This means that each of them owns a fractional share of the entire property, and their ownership does not automatically entitle them to rights to the other portion, such as through rights of survivorship if held by a natural person.

2. **System Option Properties**

Under the Purchase Agreement, the JPB was granted options to purchase the Lick-Gilroy Line and certain station parking lot and grade separation parcels, defined as "system option properties" under the 1991 RPOA.[3]

In 1996, the JPB, SamTrans, and Southern Pacific agreed to amend the Purchase Agreement to add additional system option properties (Redwood City-Whipple Avenue Adjacent, San Francisco-Evans Street, and Brisbane), extend the time for the JPB to exercise its option to acquire certain option properties, and authorize the San Mateo County Transportation Authority to exercise the option to purchase certain option properties.[4]

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[2] Most of these transactions occurred more than 25 years ago, and some of the records are unavailable as of this writing. As a result, we have not been able to independently confirm all of these facts. In addition, although the various sets of track maps we have reviewed identify ownership rights, these maps have not been verified. We understand that SamTrans intends to hire a district surveyor, which should provide greater certainty with respect to property ownership. Having said that, this section provides our best understanding of property ownership to date.

[3] The parking lot options included: 22nd Street, Bayshore, South San Francisco Station, Hillsdale Station, San Carlos Station, Palo Alto Station, Mountain View Station, Sunnyvale Station, and Lawrence Station. The grade separation parcels included Redwood City-Brewster Avenue, Redwood City-Whipple Avenue, and other grade separation parcels identified in Exhibit A to the Purchase Agreement.

[4] The options assigned to the San Mateo County Transportation Authority included: San Mateo-25th Avenue, Redwood City-Whipple Avenue, Redwood City-Whipple Avenue Adjacent, Redwood City-Brewster Avenue, and the Burlingame-Broadway Station. The amended agreement extended the JPB's time to acquire the following option properties: South San Francisco Station, San Mateo-Hillsdale, Mountain View Station, San Francisco-Evans Street, and Brisbane.

Ultimately, the JPB, SamTrans, and the San Mateo County Transportation Authority exercised the right to acquire the system option properties described in Attachment F to this report. In 1997, the JPB acquired several of the system option properties from the San Mateo County Transportation Authority. These properties included parking lots at the South San Francisco Station, Hillsdale Station, Mountain View Station, and Palo Alto Station, and grade separations at San Mateo-Hillsdale, Redwood City-Brewster Avenue, San Francisco-Evans Street.

The option to purchase half of the Lick-Gilroy line was not exercised.

3. <u>Local Option Properties</u>

The 1991 RPOA assigned the right to acquire the San Bruno option to SamTrans and the Moffett and Vasona I and II options to VTA, provided that the assignment and exercise of options would not affect each member agency's percentage under the mileage formula, and provided that title to the property would vest in the member agency that exercised the option. 1991 RPOA, § 4.3.

Pursuant to the assignment in the 1991 RPOA, SamTrans acquired the San Bruno Branch, and VTA acquired the Moffett Drill Track and the Vasona I and II branches.

4. <u>State Transferred Properties</u>

The JPB holds title to all the state transferred property, including 26 stations and locomotives and passenger cars. The stations are listed in Attachment G to this report. The JPB has a railroad easement to the station at 4th and Townsend in San Francisco, but does not own the property.

5. <u>The Gilroy/Lick Trackage Rights</u>

Under the Purchase Agreement, the JPB also acquired limited trackage rights to the Gilroy-Lick Line (from Milepost 51.4 to Milepost 80.7) for $8 million; VTA paid $4 million and the remaining $4 million came from Prop. 116 funds earmarked for VTA. Although the Purchase Agreement grants these rights to the JPB, the 1991 RPOA provides that the JPB shall assign title to the trackage rights to the Lick-Gilroy Line to VTA upon VTA's request. 1991 RPOA, § 4.4. VTA has not exercised this right to date.

6. <u>Operational and Nonoperational Assets</u>

As discussed above, "operational assets" include the portion of the ROW that is used to operate and maintain the railway service, i.e., the 80-foot wide strip (40 feet on each side of the median of the ROW), and any system options properties (the grade separations and parking lots) determined by the parties to be operational assets. 1991 RPOA, § 1.13. As discussed above, the JPB acquired grade separations and parking lots, but to date no action has been taken to determine which, if any, of these properties should be added to the "operational assets." As a result, these properties continue to be considered "nonoperational assets," which is defined to mean all areas and assets owned and operated by the JPB (alone or in conjunction with

SamTrans) exclusive of operational assets. 1991 RPOA, § 1.12. As discussed below, this distinction is relevant because the 1991 RPOA provides that net revenue from nonoperational assets included in the system option properties and state transferred properties shall be paid to SamTrans until full reimbursement of the Additional Contribution from non-local sources of funds, or full participation in the Additional Contribution by the member agencies from their own assets, occurs. 1991 RPOA, § 6.5. According to SamTrans, it has not applied net revenues from nonoperational assets towards the Additional Contribution; instead those net revenues have been allocated to defray Caltrain rail operations costs.

B. SamTrans' Property Rights

The 1991 RPOA provides SamTrans several additional property rights to secure its right to be repaid for advancing the full $82 million as part of the 1991 Purchase Agreement.

First, the 1991 RPOA provides that SamTrans may require the JPB to assign the right to acquire system option properties to SamTrans until such time as SamTrans has been fully reimbursed for the money it advanced on behalf of San Francisco and VTA, or SamTrans withdraws its operational subsidy. 1991 RPOA, § 4.2. If SamTrans elects to pay for system option properties, the 1991 RPOA requires such payments to be added to the amount of SamTrans' Additional Contribution. 1991 RPOA, § 3.2. Although SamTrans and the San Mateo County Transportation Authority paid to acquire certain system option properties, none of these expenditures were added to SamTrans' Additional Contribution. As discussed above, the San Mateo County Transportation Authority sold some of these properties to the JPB in 1997. The San Mateo County Transportation Authority and SamTrans continue to hold title with respect to other system option properties. *See* System Option Properties Chart, Att. F.

Second, as discussed above, SamTrans holds title to the ROW in San Mateo County as a tenant in common with the JPB until such time as SamTrans is fully reimbursed for the Additional Contribution towards the purchase of the ROW, or the other member agencies contribute towards the Additional Contribution to the extent of their percentage of the mileage formula. 1991 RPOA, § 4.1. Because neither of these conditions has occurred, SamTrans continues to hold title as a tenant in common with the JPB to the ROW in San Mateo County.

Third, the 1991 RPOA gives SamTrans the right to convert its Additional Contribution into an ownership interest in all or part of the ROW until it is fully reimbursed for its Additional Contribution or the other member agencies participate in the Additional Contribution to the extent of their percentage of the mileage formula, or SamTrans withdraws its operational subsidy.[5] 1991 RPOA, § 7.1. SamTrans' equity conversion right does not extend to the state-transferred properties, including the 26 stations and the locomotives and passenger cars transferred to the JPB in 1991. 1991 RPOA, § 7.1. In addition, if SamTrans were to exercise its

5 SamTrans has recorded its interest in the ROW in San Francisco and Santa Clara Counties by filing a Memorandum of Real Property Ownership Agreement, which describes SamTrans option to acquire sole title to the ROW and system option properties.

conversion right, it would be required to license the operational assets to the JPB at no cost.[6] 1991 RPOA, § 7.2. To date, SamTrans has not exercised its equity conversion right.

If SamTrans were to exercise its equity conversion right, it would have control over and responsibility for the management, use, and development of nonoperational assets. 1991 RPOA, § 7.3. However, SamTrans' exercise of this right is subject to the JPB's continuing authority to delegate responsibility for the administration and management of "certain Nonoperational Assets" to another member agency. 1991 RPOA, §§ 7.3 & 6.3. As discussed below, while the term "certain Nonoperational Assets" is not defined, the JPB's authority to delegate responsibility for management of at least some nonoperational assets limits SamTrans' authority over nonoperational assets, even if it were to exercise its equity conversion right. The documents are not clear, however, about what would happen if, for example, the Board had delegated management of a certain asset to VTA or San Francisco, but then SamTrans exercised its equity conversion right with respect to that asset, or if SamTrans had exercised its conversion right and the Board then tried to delegate management after that. The outcome may depend upon whether SamTrans' equity rights could be made compatible with management of the asset by another agency.

SamTrans' equity conversion right is also limited by the right of the other member agencies to participate in management and development decisions regarding nonoperational assets through voting rights equal to the percentage of the member agency's participation in the principal of the Additional Contribution compared to the total Additional Contribution. 1991 RPOA, § 7.7. Although the current application of this provision is unclear, it appears to mean that VTA and San Francisco's payments under section 3.3 of the 2008 RPOA, described below, would allow them to participate in SamTrans' decisions regarding the development and management of nonoperational assets.

C. Restrictions on Transferring the ROW

The 1991 RPOA prohibits the JPB or SamTrans from selling, encumbering, or transferring their interest in the ROW, system option properties, and the state-transferred properties, without the written approval of the other. 1991 RPOA, § 8. Unlike other rights assigned to SamTrans which are extinguished upon full reimbursement of, or full participation in, the Additional Contribution, such as SamTrans' right to convert the Additional Contribution into an ownership interest, this right is not contingent. That means that the JPB could not sell the ROW or a System Option Property without SamTrans' approval, and vice versa.

However, in the event that SamTrans exercises its equity conversion right, it has the right, with respect to any ROW property to which it holds title, to lease or encumber such property as necessary or desirable to develop nonoperational assets without the approval of the JPB. 1991 RPOA, § 8. Similarly, it has the right to sell nonoperational assets, without the JPB's

[6] For purposes of SamTrans' equity conversion right, "station properties" are treated as nonoperational assets. 1991 RPOA, § 7.1. In light of the fact that the state transferred properties are excluded from the scope of SamTrans' equity conversion right, however, the effect of treating "station properties" as nonoperational assets is not clear.

approval, if a member agency withdraws its operational subsidy. With respect to property located outside of San Mateo County, this authority is limited to the nonoperational assets at certain locations in Mountain View, Sunnyvale, and Santa Clara. 1991 RPOA, § 8; 1991 RPOA, Ex. B (identifying locations). SamTrans also has the authority to sell any operational asset in the event that both San Francisco and VTA withdraw their operational subsidy. 1991 RPOA, § 8.

II. ROW Purchase and Reimbursements to SamTrans

A. The 1991 RPOA

The three member agencies entered into the 1991 RPOA to establish their rights and obligations occasioned by the fact SamTrans had contributed to the purchase of the ROW but VTA and San Francisco had not. The 1991 RPOA provided two different paths for San Francisco and VTA to repay SamTrans for their shares of the Additional Contribution. 1991 RPOA, § 1.2.

First, Section 3.3 of the 1991 RPOA required the member agencies to use "their best efforts" to advocate for and obtain funds from non-local sources to repay the Additional Contribution (the $82 million) in full and to use net nonoperating revenues from system option properties, such as parking lots, to reimburse SamTrans for paying all of the Additional Contribution. 1991 RPOA, § 3.3. The 1991 RPOA also provided for compound interest to be added annually to the Additional Contribution amounts, at a rate equal to SamTrans' average rate of return on its investment portfolio. 1991 RPOA, § 3.3. Repayment under section 3.3 of the 1991 RPOA is referred to as "full reimbursement."

Second, in addition to providing a path for repayment from non-local sources, the 1991 RPOA also created an alternative mechanism, referred to as "full participation." Under section 3.4 of the 1991 RPOA, the member agencies agreed that San Francisco and VTA had no "legal obligation to participate in the Additional Contribution," but recognized that SamTrans had incurred a substantial financial burden that benefitted all of the parties and that their collective efforts to obtain non-local sources of funds to effect "full reimbursement" may be unavailing. 1991 RPOA, § 3.4. The member agencies therefore agreed that San Francisco and VTA could "at their election undertake good faith efforts to contribute a lump sum or equivalent assets or establish a schedule of payments to SamTrans by which they will share in the burden of the Additional Contribution to the extent of their percentages under the Mileage Formula," plus interest as provided for in section 3.3. 1991 RPOA, § 3.4. Thus, VTA and San Francisco's portion of the Additional Contribution under section 3.4 was tied to the mileage formula, where a member agency's percentage was equal to the number of miles of ROW track, from San Francisco (milepost .147) to San Jose (milepost 51.4), located in their jurisdiction. Under that formula, VTA's portion of the Additional Contribution was $34.7 million (42.2%) and San Francisco's was $8.3 million (10.1%).

As discussed in Section I, the 1991 RPOA required SamTrans to reconvey its title to the ROW in San Mateo once either full reimbursement under section 3.3 or full participation under section 3.4 occurred. 1991 RPOA, § 4.1. In addition, the 1991 RPOA provided that SamTrans' right to convert the Additional Contribution into an ownership interest in all or part of the ROW and its right to receive net nonoperating revenues from the system option properties would terminate upon the occurrence of full reimbursement or full participation. 1991 RPOA, §§ 6.5 & 7.1. However, regardless of whether VTA and San Francisco reimbursed SamTrans, SamTrans retained a right to veto any sale, transfer, or conveyance of the ROW. 1991 RPOA, § 8.

B. Events Leading Up to the 2008 Amendment of the RPOA

From the time the parties entered into the 1991 RPOA until 2007, no cash payments were made to SamTrans under either alternate method of repayment. In interviews, representatives of VTA and SamTrans stated that in 1997, 1999, and 2004, they attempted to negotiate a resolution to the ROW reimbursement issue. We have not obtained all of the correspondence between the two agencies concerning those negotiations, but the parties agree that those efforts did not result in any settlement or subsequent payment of any portion of the Additional Contribution.

The issue arose again in 2007. By then, the Additional Contribution amounts for VTA and San Francisco had increased substantially due to the addition of compound interest. The initial Additional Contribution amount for VTA, \$34.7 million, had grown to \$74.2 million (including \$39.5 million in interest) and the initial amount for San Francisco, \$8.3 million, had grown to \$17.3 million (including \$9 million in interest).[7]

In 2007, MTC decided to condition distribution of Proposition 1B funds to VTA and San Francisco on resolution of the ROW reimbursement issue. As a result, MTC and the three member agencies entered into negotiations that resulted in an agreement in principle in June 2007. That agreement reset the amount owed to SamTrans as \$53.3 million, to be paid partly by San Francisco and VTA and partly by MTC.

On June 25, 2007, Steve Heminger, who participated in the negotiations as Executive Director of MTC, sent a memo to the MTC Board summarizing the agreement. He began by stating that MTC staff had proposed the resolution of the ROW issue as "a condition of allocation of certain new project funds to the San Francisco Metropolitan Transportation Agency and the Santa Clara Valley Transportation Authority from the Proposition 1B Regional Transit Funding Program." June 25, 2007 Memorandum from S. Heminger to MTC Board ("June 25, 2007 MTC Memo"). Mr. Heminger then summarized the agreement:

> In brief, the agreement will reimburse SamTrans for advancing its own local funds on behalf of the three agencies to purchase the Caltrain ROW nearly 16 years ago. The revenues will come from two sources of 'spillover' state transit funds that are expected to flow to the region over the next few years: (1) \$43 million in population-based spillover funds under the MTC's control; and (2) \$10 million in revenue-based spillover funds, \$8 million from VTA and \$2 million from MTA. This arrangement is consistent with the three agencies' original 1991 agreement that they would

[7] *See* March 9, 2011 Memorandum from MTA Executive Director Steve Heminger to Programming and Allocations Committee (the "March 9, 2011 MTC Memo").

> 'use their best efforts individually and collectively to advocate for and obtain from non-local sources grants to be used for reimbursement of the additional contribution' [i.e. San Mateo advance].[8]
>
> June 25, 2007 MTC Memo.

Mr. Heminger estimated that it would take "2-4 or more years" to retire the payment to SamTrans. But he cautioned that "[s]pillover revenue carries with it some risk. It has varied widely in the past due to fluctuations in the price of gasoline. It also has been the subject to budgetary diversions in recent years. In any event we believe it is reasonable to expect that within the 10-year life of our Proposition 1B Regional Transit Funding program, [the claim] can be satisfied." June 25, 2007 MTC Memo.

Attached to the June memo were two letters to MTC, one from VTA and one from San Francisco, confirming the agreement was contingent on MTC releasing Prop. 1B funds to those agencies. The VTA letter states that the "agreement is contingent upon the removal of the condition imposed by MTC on the allocation of $45 million in Proposition 1B transit capital revenues to VTA for its Line 522/523 Bus Rapid Transit Project." San Francisco's letter states the "agreement is contingent upon the removal of the condition imposed by the MTC on the allocation of Proposition 1B transit capital revenues to the SFMTA for the Central Subway project." June 25, 2007 MTC Memo.

The agreement was formalized a year later, in October 2008, with the execution of the 2008 amendments to the RPOA by the three member agencies. The member agencies agreed that the 2008 RPOA was meant "to fully resolve all outstanding financial issues related to the acquisition of the ROW." 2008 RPOA, Recitals.

The boards of each member agency approved the 2008 RPOA. In addition to MTA, the San Francisco Board of Supervisors also approved the agreement through a separate resolution because San Francisco was a party to the agreement. The SamTrans and San Francisco resolutions make clear that the agreement is meant to fully resolve the financial issues among the parties related to the ROW *and* that the new agreement will designate SamTrans as the managing agency of the JPB until it no longer chooses to do so.[9] For example, the San Francisco Board of Supervisor's Resolution No. 389-08 (adopted 11-0 on September 17, 2008) stated that (1) the agreement will "fully resolve all outstanding financial issues related to the repayment of SamTrans for its Additional Contribution for the acquisition of the ROW" and (2) that

[8] In the 2008 RPOA, the final amount MTC was to pay from spillover funds was set at $43.3 million, not $43 million as stated in the June 25, 2007 MTC Memo.

[9] VTA's board also approved the repayment plan in February 2008 but its resolution does not refer to the fact that the agreement provides for SamTrans to serve as managing agency for so long as it chooses to do so.

"SamTrans will be designated as the managing agency of the JPB unless and until it no longer chooses to do so."

C. The 2008 RPOA

Under the 2008 RPOA, the parties agreed to reset the amount of the Additional Contribution to be repaid to SamTrans as "full reimbursement" for its contribution towards the purchase of the ROW, with specified amounts to be paid by San Francisco ($2 million), VTA ($8 million), and MTC ($43.3 million), for a total payment of $53.3 million. The agreement, which provided that MTC "would facilitate reimbursement of the Additional Contribution," required VTA and San Francisco to use their 2008-09 revenue-based state transit funds to pay SamTrans and stated that in subsequent years, "MTC will allocate and pay to SAMTRANS the respective shares of VTA and CCSF revenue-based spillover funds" until VTA's and CCSF's commitments of $8 million and $2 million, respectively, are fully discharged. 2008 RPOA, §§ I-3, 3.3(C). Section 3.3 of the 2008 RPOA also provided that MTC, which was not a party to the agreement, would allocate "the regional population-based spillover funds directly to SAMTRANS," accounting for $43.3 million of the $53.3 million repayment amount established in the agreement. 2008 RPOA, I-3.3(C).

The new language required the parties to use their best efforts to effect full reimbursement ($53.3 million) within a period of two to four years and in no event later than ten years. 2008 RPOA, § 3.3(C). But it also contemplated the possibility that this could not be achieved and provided that if "circumstances arise that would preclude allocation of the funds in full within ten (10) years, MTC will be authorized to identify alternative sources of non-local funds to effect full reimbursement of the Additional Contribution to SAMTRANS at the earliest practicable date." 2008 RPOA, § I.

The language authorizing MTC to identify other funding is opaque, but Steve Heminger's 2011 memorandum indicates his understanding that because the spillover funding had disappeared, "the four-agency agreement seeks MTC's continued assistance in identifying an alternate source of funds for the remaining reimbursement to SamTrans for the acquisition of the Caltrain ROW two decades ago." March 9, 2011 MTC Memo at 2. In our view, if MTC were to identify alternative sources of non-local funds to repay SamTrans, its ability to condition release of those funds on the parties reaching a new agreement would depend on the nature of the funds and whether MTC had been given authority to place conditions on their release.

The parties agreed that VTA and San Francisco's obligations under section 3.3 of the 2008 RPOA and section 3.4 of the 1991 RPOA would be deemed fulfilled once SamTrans received all the funds provided for by section 3.3.

Although the 2008 RPOA amended section 3.3 of the 1991 RPOA "in its entirety," it did not amend the alternate method of repayment – the "full participation" provision in section 3.4 – of the 1991 RPOA. That raises a question of whether the parties intended to apply the reset Additional Contribution amount ($53.3 million) to the "full participation" provision in section 3.4. In other words, the 2008 RPOA could be construed to mean that in order to achieve full participation under section 3.4 of the 1991 RPOA, San Francisco and VTA would have to pay their share of the Additional Contribution, as defined in the 2008 RPOA Agreement, or that they would have to pay their portions of the original amount of the Additional Contribution, as set forth in the 1991 RPOA.

In addition, it is also unclear whether VTA and San Francisco would be required to pay interest if the 2008 RPOA were construed to reset the amount of the Additional Contribution for purposes of section 3.4 because that section incorporates the interest provision in section 3.3 of the 1991 RPOA, which was replaced in its entirety by the 2008 RPOA and which does not include interest. In any event, even if the agreement were construed to reset the total amount of the Additional Contribution in 2008 without interest, which is the most generous construction for San Francisco and VTA, the two member agencies would still have to pay SamTrans a total of close to $19.8 million.

The 2008 RPOA also amended section 4.1 of the 1991 agreement, which required SamTrans to reconvey title to the ROW in San Mateo County to the JPB upon full participation in the Additional Contribution pursuant to section 3.4, or full reimbursement of the Additional Contribution pursuant to section 3.3, to add that, upon full participation in, or full reimbursement of, the Additional Contribution, SamTrans' equity conversion right under section 7 of the 1991 RPOA would no longer be in effect and that section 6.5 of the 1991 RPOA, which provided for the use of net nonoperating revenues to repay SamTrans for the Additional Contribution, would be repealed. 2008 RPOA, § II.

Finally, the 2008 RPOA states that the "parties have agreed that SAMTRANS is designated as the managing agency of the JPB and will serve in that capacity unless and until it no longer chooses to do so." The parties also agreed to incorporate this agreement in a formal amendment of the JPA at a future date. 2008 RPOA, § III. As discussed below, this has not yet occurred.

The 2008 RPOA did not amend the other provisions of the 1991 RPOA or the 1996 JPA.

D. Repayment Under the 2008 RPOA

In the course of our review, the only record we have found that tracks all payments made by MTC, VTA, and San Francisco under the 2008 RPOA is a spreadsheet created by April Chan, Executive Officer, Planning and Development at SamTrans (the "ROW History Spreadsheet").[10] Other records are consistent with the spreadsheet, and none of the individuals we interviewed from the member agencies raised any questions about the history of payments after the 2008 RPOA. Put differently, we believe there is no dispute among the member agencies about the repayment history under the 2008 RPOA.

In 2008, MTC began making payments to SamTrans under the 2008 RPOA from the population-based spillover funds, paying a total of $4,442,174. But shortly thereafter, the financial recession occurred and the population-based spillover funds identified as a source of

[10] The 1991 RPOA requires SamTrans, as managing agency, to maintain records of the member agencies' contributions towards the Additional Contribution. 1991 RPOA, § 12.1.

payment essentially dried up. As result, MTC made no other payments from spillover funds after 2008.

In the 2011 memo discussed above, Mr. Heminger summarized this history and noted that "as it turned out, only one year of spillover funds was made available to MTC and the other local agencies. . . . Subsequently, state budget raids and the gas tax/sales tax swap eliminated spillover funds and eventually the spillover mechanism itself."[11] Mr. Heminger went on to state "that MTC has continued to make payments to SamTrans with a replacement source of funding from our flexible federal highway program, but SFMTA and VTA have not." Attached to the memo is a spreadsheet showing the payments to date and anticipated/programmed future payments from the federal grants identified by MTC. That spreadsheet is consistent with the ROW History Spreadsheet, namely that in the intervening years, SamTrans received $19.3 million in additional payments from federal grants identified and distributed by MTC.

As noted earlier, Mr. Heminger concluded his memo by saying that given the repeal of the statutory funding mechanism, "the four-agency agreement seeks MTC's continued assistance in identifying an alternate source of funds for the remaining reimbursement to SamTrans for the acquisition of the Caltrain ROW two decades ago." March 9, 2011 MTC Memo at 2.

Despite Mr. Heminger's suggestion, no additional sources of funds to pay the remaining amounts were identified. However, both VTA and San Francisco made payments to SamTrans after 2011; VTA fully satisfied its obligation to pay $8 million, and San Francisco paid all but $200,000 of its similar obligation to pay SamTrans $2 million.

In sum, the ROW History Spreadsheet shows the following:

- VTA fully paid the $8 million that the 2008 RPOA identified as its obligation to pay to SamTrans from revenue-based "spillover" funds. VTA made the following payments to SamTrans: (1) $822,730 on June 26, 2008; (2) $2,000,000 on November 17, 2011; and (3) $5,177,270 on January 9, 2013.

- San Francisco paid all but $200,000 of the $2,000,000 that the 2008 RPOA identified as its obligation to pay to SamTrans through revenue-based "spillover" funds. San Francisco paid SamTrans $1,800,000 on December 14, 2012.

- MTC paid $23,711,087 of the $43.3 million the 2008 RPOA identified it would pay directly to SamTrans from regional population-based "spillover" money. Of that amount, MTC paid $4,422,174 from the spillover funds in 2008, and $19,288,913 through federal grants. SamTrans received the federal grant money through the following payments: (1) $6,000,000 on June 30, 2013; and

[11] March 9, 2011 MTC Memo from Executive Director to Programming and Allocations Committee ("March 9, 2011 Memo").

(2) $13,288,913 on June 30, 2015.[12] *See* ROW History Spreadsheet. There have been no subsequent payments since that time. However, as discussed above, MTC was not a party to the 2008 RPOA and has no continuing obligation to make payments to SamTrans. It is, however, "authorized" by the parties to "identify alternate sources of non-local funds to effect full reimbursement of the Additional Contribution [$53.3 million] to SAMTRANS at the earliest practicable date." 2008 RPOA, § 1-3.3(C).

- Of the $53.3 million expected to be paid under the 2008 RPOA, $33,511,087 has been paid, and $19,788,913 has not. Of the amount that has not been paid, $200,000 was to come directly from San Francisco and $19,588,913 was to come from MTC. No funds have been paid since June 30, 2015.

The parties agree there have been no successful efforts to identify additional sources of funds to pay the balance under the 2008 RPOA or to reengage MTC in the reimbursement process. Several interviewees said that there were some nascent efforts to resolve the issue as part of the negotiations over the Caltrain electrification project, but according to those individuals, those efforts never resulted in a formal proposal.

III. Caltrain Management

A. SamTrans as Managing Agency

The 1991 Joint Powers Agreement appointed SamTrans as the managing agency of the Peninsula Commute Service, and the 1996 revision of that Agreement does the same. Both agreements, however, provided that SamTrans was subject to replacement "upon one (1) year's prior written notice given at the end of any fiscal year after SamTrans has been fully repaid monies advanced by it to cover the ROW (right of way) purchase price."

As noted above, the 2008 RPOA made a significant change to this arrangement by designating SamTrans as the managing agency of the JPB for as long as it chooses to do so. The operative language of the 2008 RPOA reads as follows:

> In consideration of the understandings reached pursuant to this Amendment to the RPOA, and in keeping with the shared commitment of the parties to continue their collaborative support of Caltrain, the parties have agreed that SAMTRANS is designated as the managing agency of the JPB and will serve in that capacity unless and until it no longer chooses to do so. The parties also agree to incorporate this agreement in a formal amendment of the JPA at a future date.

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12 Although SamTrans did not book the receipt of the federal grant money until June 30, 2013, those funds had already been identified and set aside for SamTrans in 2011, and were identified in Mr. Heminger's March 9, 2011 memorandum and attachment.

2008 RPOA, § III.

The term "in consideration of the understanding reached pursuant to this Amendment" has legal significance as a matter of contract law. In California, as in other states, in order for a contract to be valid, each party must give something of value to the other. The thing of value is known as "consideration," and it can be a promise or something tangible worth almost any amount. Cal. Civ. Code §§ 1550, 1605-1615.

In this case, the consideration for the promise that SamTrans will be the managing agency for as long as it wishes was SamTrans' agreement to forego most of 17 years' worth of compounded interest on its Additional Contribution towards the purchase of the Southern Pacific right of way. San Francisco and VTA had agreed to use their best efforts individually and collectively to try to obtain grants from non-local sources to reimburse SamTrans, with compound interest, under the original RPOA. 1991 RPOA, § 3.3. SamTrans' willingness to reset the amounts based on a renegotiated amount was sufficient legal consideration for the other agencies' promise that SamTrans could serve as managing agency for as long as it wished to do so. March 9, 2011 Memo at 1. That promise is binding on the parties to the 2008 RPOA, which are the same as the parties to the Joint Powers Agreement.

B. Failure to Amend the Joint Powers Agreement

The 2008 RPOA provides, in two separate places, that the parties would amend the Joint Powers Agreement to reflect their agreement that SamTrans will be the managing agency for as long as it wishes. Section III states: "The parties also agree to incorporate this agreement in a formal amendment of the JPA at a future date." 2008 RPOA, § III.[13]

The parties have not amended the 1996 JPA to reflect SamTrans' designation as managing agency for as long as it chooses. In our opinion, that does not affect the validity of the agreement because the fact that all parties have already agreed to the term designating SamTrans as managing agency in the 2008 RPOA effectively makes adding the term to the JPA unnecessary and duplicative.

The agreement to amend the JPA, however, still has effect. Section 1957 of the California Civil Code states: "If no time is specified for the performance of an act required to be performed, a reasonable time is allowed." What constitutes reasonable time for performance is usually a question of fact. *Pico Citizens Bank v. Tafco, Inc.*, 201 Cal. App. 2d 131, 137 (1962). The general rule is that time is not of essence in the performance of a contract term unless it has been made so by express terms of the contract or is necessarily so from the nature of the contract. *Leiter v. Handelsman*, 125 Cal. App. 2d 243, 270 (1959). In these circumstances, a strong argument can be made that it is reasonable that the term has yet to be acted upon, because the JPA has not been amended since 1996. Nothing in the contract indicates that time is of the

[13] Paragraph G of the Recitals provides: "In conjunction with the Amendment of the RPOA, the parties have agreed that SAMTRANS will be designated as the managing agency of the JPB unless and until it no longer chooses to do so, it being agreed and understood that a formal amendment to the JPA incorporating this commitment will be implemented at a future date."

essence, and the nature of the contract does not render it so, especially considering the term to be added is already contractually agreed upon in the 2008 agreement.

C. SamTrans' Responsibilities as Managing Agency

SamTrans' responsibilities as managing agency are spelled out in the 1996 JPA:

- Award the operating contract for the rail service, subject to concurrence of the JPB, and administer and modify the contract consistent with the JPB's operating budget;
- Maintain and manage the ROW and other system assets "unless the administration of particular station sites is delegated by the JPB to an individual Member Agency;"
- Implement capital programs in the approved rail service budget "unless the administration of particular capital projects is delegated by the JPB to an individual Member Agency;"
- Seek, obtain and administer grants;
- Develop and implement marketing programs;
- Prepare and submit financial reports;
- Recommend changes in fare structure, scheduling, and levels of service to the JPB and prepare and implement changes in scheduling other than those requiring the approval of the JPB;
- Prepare capital and operating budgets for presentation to the JPB;
- Keep staff of Member Agencies advised on rail service matters; and
- Report regularly to the JPB regarding rail service issues.

1996 JPA, § 6(C).

In addition, Section 10 of the JPA provides that the managing agency's General Manager shall be the Executive Director of the JPB and the Finance Director of the Managing Agency shall serve as treasurer and controller of the JPB. 1996 JPA, § 10(C)-(E).

Section 10 also provides that the JPB shall designate its legal counsel and independent auditors. 1996 JPA, § 10(B).

D. JPB Authority to Delegate Management Responsibility for Certain Assets to Another Member Agency

As noted above, the JPB retains the right to delegate responsibility for managing certain station sites or capital projects to a different member agency than SamTrans. In addition, under the 1991 RPOA, the JPB retains the right to delegate management of certain operational assets to another member agency:

> **6.1 <u>Management of Operational Assets.</u>** Pursuant to the JPA, the JPB will provide oversight, and SAMTRANS will manage the Operational Assets. Nothing herein shall preclude the delegation by the JPB of management responsibilities for certain Operational Assets to another Member Agency, with such rights and responsibilities as may be designated by the JPB.
>
> 1991 RPOA, § 6.1.

Section 6.3 contains the same language with respect to nonoperational assets.[14]

Neither section was changed by the 2008 RPOA, which designates SamTrans as managing agency for as long as it wishes. Thus, because the parties understood that the JPB could delegate management authority to certain operational and nonoperational assets under the 1991 RPOA, that authority remains with the JPB today.

The scope of that authority is by no means clear, however. The reference to "certain" assets indicates that the authority does not extend to delegating management of *all* of the operational or nonoperational assets, but the scope of the term is not defined. Presumably, it means that the JPB could decide to delegate management authority over particular assets that would have to be identified separately. There is nothing in the agreement, however, that describes how many of the assets could be delegated this way.

IV. Gilroy Service

When the JPB purchased the ROW from Southern Pacific in 1991, it also purchased, for $8 million, perpetual and exclusive track rights between Lick (milepost 51.4) and Gilroy (milepost 80.7) to provide commuter service. Under a separate agreement with Southern Pacific, the JPB could operate eight scheduled commuter service trains per day (four in each direction). In 2002, the JPB acquired the right to operate a fifth train per day in each direction.

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[14] Operational assets are "that portion of the ROW that will be used to operate and maintain the PCS as of the date of the acquisition of the ROW by the JPB and SAMTRANS," and nonoperational assets are "[a]ll of the areas and assets owned and operated by the JPB (alone or in conjunction with SAMTRANS) exclusive of Operational Assets." 1991 RPOA, §§ 1.13, 1.12.

The 1991 RPOA provides that the JPB would assign all of its rights, title, and obligations under the Trackage Rights Agreement to VTA upon request, but to date the assignment has not occurred. 1991 RPOA, § 4.4. VTA has not requested such an assignment.

As discussed in Section I of this report, the 1991 Purchase Agreement also provided the JPB an option to purchase the Lick-Gilroy line comprising one-half of the width of such Right-of-Way for $12 million ($20 million less a credit back for the $8 million trackage right purchase). 1991 Purchase Agreement, § 3.1(a)(vi). This right was not exercised, and it lapsed.[15]

Under the 1996 JPA, the Gilroy Service is considered part of the Peninsula Commute Service and therefore is overseen, managed and operated in the same manner as the Main Line Service. *See* 1996 JPA, § 1. The 1996 JPA states that VTA is responsible for the net operating costs of the Gilroy Service and is responsible for obtaining funding for all Gilroy Service capital projects. 1996 JPA, § 7(B). As discussed in more detail below, however, since 2001 the operating costs of the Gilroy Service have been included in the operating costs of the Main Line Service, which the member agencies share based on the all-day boarding formula. As a result, since at least 2001, the member agencies have shared the costs of the Gilroy Service.

V. <u>Operating and Capital Costs</u>

A. <u>Annual Operating Costs</u>

Under the 1996 JPA, the member agencies agree "to share in the operating costs associated with the PCS," or the Main Line Service, which is defined as the PCS service between San Francisco and Tamien Station in San Jose. 1996 JPA, §§ 7(A), 1. The 1996 JPA further states that VTA "shall be responsible for all net operating costs of the Gilroy Service based upon the fully allocated cost methodology." 1996 JPA, § 7(A).

In addition, the Member Agency "subsidies for the Main Line Service shall be based on the existing passenger boarding formula which is predicated upon county of origin a.m. peak hour boarding of passengers as adjusted annually prior to the JPB's adoption of the operating budget." 1996 JPA, § 7(A). The member agencies are required to pay the operational subsidies on a monthly basis. 1996 JPA, § 7(D).

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[15] Under the 1991 RPOA, which assigns other local option properties to member agencies, the Lick-Gilroy option was defined as a "system option property" to be exercised by the JPB. Although the Lick-Gilroy option was included in the Purchase Agreement at VTA's request, the parties agreed that the JPB would retain the option to ensure that VTA would have to obtain the JPB's assent in order for the option to be exercised. However, it appears the parties may have had an understanding that VTA would be responsible for funding the exercise of that option. Under the 1991 RPOA, VTA is responsible for funding capital costs associated with the Lick-Gilroy line, which could be understood to imply that VTA was responsible for paying the costs of exercising that option. 1996 JPA, § 7(B). Although the records of the parties' negotiations on this point are not entirely clear, they appear to suggest that this was the understanding at the time that the parties agreed to the 1991 RPOA.

The 1996 JPA separately addresses how the administrative expenses of the managing agency are shared: "expenses for personnel and resources of the Managing Agency to administer the affairs of the JPB, including the administration of the operating contract, shall be shared by the Member Agencies based on the a.m. boarding formula as provided." 1996 JPA, § 7(C). In other words, JPB administrative costs are shared in the same way as the operating costs and therefore are considered as part of the annual operating costs.

Over time, the parties have departed from this agreement in three main respects. First, in June 2000, the member agencies agreed that for the 2001 Caltrain budget, the net operating costs of the Gilroy Service would be included in the Main Line operating costs shared by the three member agencies rather than paid solely by VTA. JPB Resolution 200-21 (June 1, 2000). At the same time, apparently at the request of San Francisco, the JPB modified the a.m. boarding formula on which operating costs were shared to one based on a five-year historical statistical average, rather than the current boarding survey. The resolution, however, stated that agreement "creates no precedent for subsequent calculations of operating or capital costs." *Id.* In practice, however, the member agencies have continued to include the costs of the Gilroy Service in Caltrain's operational costs shared by the three members. As a result, SamTrans, as managing agency, does not run the Gilroy Service as an independent cost center and does not separately track the costs associated with that service.

Second, in 2013, the member agencies agreed, as part of the 2014 budget process, to change the allocation formula again. Instead of basing the allocation on a five-year historical average of a.m. peak boarding, the members agreed to apportion net operating costs among them based on an "Average Weekday (All Day) Passenger Count in February FY 2013, by County, including stations from Capitol to Gilroy."[16] This was meant to apply only to fiscal year 2014 but the parties continued to allocate costs in this manner until 2018, when the allocation was tweaked again to be based on mid-week boarding. Thus, currently costs are allocated on an average mid-week (all day) boarding formula, adjusted annually. The 1996 JPA, however, has not been amended to reflect these changes. This agreement changed the percentages such that San Francisco assumed more of the overall costs of operations. Based on the 2019 Annual Passenger Count, the member agencies' percentage obligations for net operating cost are: VTA - 42.4%; SamTrans - 30.6%, and SFMTA,[17] - 27.0%. 2019 Annual Passenger Count, dated July 11, 2019.[18]

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[16] This was memorialized in a memorandum dated April 19, 2013 from Michael Scanlon to Michael Burns (VTA) and Ed Reiskin (SFMTA).

[17] The San Francisco Municipal Transportation Agency is the San Francisco entity responsible for paying San Francisco's share of the operational budget.

[18] The Caltrain 2020 budget provided that "[c]ontributions from the member agencies are calculated in accordance with an allocation methodology based on the average mid-weekday boarding data including Gilroy and adjusted for FY20 to reflect passenger data collected in FY19. The FY20 Proposed budget shows an increase of $4.5 million over the FY19 Forecast." Peninsula Corridor JPB Staff Report, 6 (June 6, 2019).

Third, since the parties have treated the payment of the JPB's administrative costs in the same manner as operating costs for the Main Line Service, the change to allocating the Main Line Service operating costs based on the all-day boarding formula meant that administrative costs are now shared in the same manner.

The 2020 budget anticipated member subsidies totaling $29,921,971, which would have resulted in the following member subsidies under the 2019 passenger survey: VTA - $12,686,915; SamTrans - $9,156,123; SFMTA - $8,078,932.

Under the 1996 JPA, the JPB approves the annual operational budget by March 31 of each year, and the budget is also "subject to the approval of the governing board of each member agency." 1996 JPA, § 5.B. In practice, the member agencies do not approve the Caltrain annual budget. In addition, we understand that the annual budgeting process involves SamTrans holding initial discussions with the member agencies to determine their ability to pay operational subsidies in a given year, and those discussions in large part drive the overall budget process, including the decision about whether Caltrain must use reserve funds to meet operational needs. The budgeting process is further complicated by the fact that VTA and SFMTA are subject to two-year budget planning, but SamTrans and Caltrain use an annual budget, and further that VTA and SFMTA are on different two-year budget cycles.

B. Capital Costs

The provision establishing how the member agencies must share capital costs also appears in the 1996 JPA and states that member agencies "will use their best efforts to fully fund from state, federal and JPB Proposition 116 resources, capital projects contained in the approved capital budget." 1996 JPA, § 7(B). To the extent the parties agree to fund capital projects that require member subsidies, the projects are funded as follows: (1) for capital replacement and enhancement projects, the member agencies share those costs equally; (2) for "expansion projects," which include the downtown terminal relocation and the Gilroy Service, member contributions are decided on a case-by-case basis. The Agreement further states that VTA "shall assume full responsibility for obtaining funding for all Gilroy Service capital projects." 1996 JPA, § 7(B). In addition, each member is responsible for contributing an equal share to a capital contingency fund to "cover unanticipated, necessary capital improvements." 1996 JPA, § 7(B).

VI. Parties' Rights to Revise, Amend or Terminate the JPA

A. Revision and Amendment

Section 17 of the 1996 JPA says only that the agreement "may be amended at any time by agreement of all of the parties." 1996 JPA, § 17. Thus, any changes to the JPA must have the unanimous consent of all three member agencies.

B. Withdrawal and Termination of the JPA

Under Section 12 of both the 1991 and 1996 Joint Powers Agreements, if one member withdraws from the JPB, the JPB continues to exist, and withdrawal by a single party does not entitle that party to reimbursement for past capital contributions or to distribution of any assets or funds of the JPB. 1996 JPA, § 12. If two or more parties withdraw, then the Joint Powers Agreement "shall terminate at the end of the fiscal year following expiration of the one-year's notice given by the second party to withdraw" from the JPA. 1996 JPA, § 12.

Section 9 of the 1991 RPOA, however, provides that it "supersedes and amends Section 12 of the JPA," and it says something different. 1991 RPOA, § 9. First, it says that any party "may cease to support operations of the PCS" at the end of any fiscal year upon one year's written notice. It then says that "[t]he decision of one or more Member Agencies to cease their support for operations shall not cause the termination of the JPB" and "withdrawal of operational subsidies by any Member Agency shall not constitute a withdrawal from the JPB" and it will not entitle the Member Agency "to reimbursement for past capital contributions, a distribution of any assets, or to participation in any future net revenues derived from operating activities, from either JPB or SAMTRANS." Once a member agency withdraws operational subsidies, it is no longer entitled to vote on any matter involving operational issues. It is also no longer obligated to subsidize the PCS or participate in capital projects. It remains entitled to its share of Net Nonoperating Revenues as that relates to reimbursement of the member agency's share of the Additional Contribution "until the ROW and all system assets are finally disposed of." Section 9 concludes with "[u]pon effectuation of the sale of the ROW and PCS assets, the JPB shall be deemed dissolved."

The difficulty with Section 9 of the 1991 RPOA is that the parties amended and restated the entire Joint Powers Agreement five years later without changing the withdrawal or termination provisions of section 12 to conform to the 1991 RPOA. Instead, as noted above, section 12 remains essentially as it did in October, 1991, with the addition of a mediation requirement added in a 1994 amendment to the Joint Powers Agreement.

We believe that the two provisions can and should be harmonized. Section 12 of the JPA deals with total withdrawal by one or more member agencies. If one agency withdraws, the JPB goes on; if two members withdraw, it terminates.

By contrast, Section 9 of the 1991 RPOA deals only with what happens when one or more member agencies withdraw *operational support* for the rail service, but do not withdraw from the JPB altogether. The consequences of that decision are limited to the agencies' right to vote upon operational issues and their financial rights and obligations regarding capital projects and nonoperating deficits. If two or more agencies withdraw their operational support, presumably the remaining agency would have the right to continue rail service if it could identify a source of funding to replace the agencies' support.[19]

The one difficulty with this analysis is the final sentence of Section 9 of the 1991 RPOA: "Upon the effectuation of the sale of the ROW and PCS assets, the JPB shall be deemed dissolved." 1991 RPOA, § 9. We do not read this to mean that the *only* way the JPB is

[19] Because Section 9 deals with a hypothetical situation that could occur in a variety of ways depending on which member agency were to withdraw operating support, we have not attempted to determine how any Net Nonoperating Revenues might be divided.

dissolved is by sale of the assets; instead, we believe that sale of the assets is only one way in which the JPB can be dissolved.

C. <u>Disposition of Property and Funds</u>

The provisions for disposition of assets upon termination of the JPA appear in Section 13 of the JPA, which reads as follows:

> At such time as this Agreement is terminated, any property interest remaining in the JPB, following discharge of all obligations due by the Board, shall be disposed of and the proceeds or property shall be allocated in accordance with a separate agreement to be entered into between the parties.
>
> 1996 JPA, § 13.

The same language appeared as Section 13 of the October 1991 version of the JPA.

Again, however, there is separate language in the 1991 RPOA that must be taken into account. Section 5 of the 1991 RPOA provides that the RPOA "shall continue in full force and effect until disposition of the ROW pursuant to Section 10 below is effected. *This Agreement shall govern the disposition of the ROW and represents the 'separate agreement' referenced in Section 13 of the JPA*." 1991 RPOA, § 5 (emphasis added). Thus, approximately two months after the parties entered into the 1991 JPA, they provided for disposition of the ROW, which the agreement defines as "[a]ll real property and other assets to be acquired by the JPB and SAMTRANS pursuant to the Purchase Agreement other than the Local Option Properties." 1991 RPOA, § 1.15.

Section 10 of the 1991 RPOA is titled Mandatory Disposition of Assets, but it appears to apply only "in the event the ROW is not used by any Member Agency to provide a minimum level of PCS equal to 44 trains per day for a period of seven consecutive years," in which case "the JPB or SAMTRANS shall sell the ROW System Option Properties at the earliest practicable opportunity." 1991 RPOA, § 10. This section follows directly after the section that allows any member agency to withdraw operational support without terminating the JPA. Presumably the language means that if a member or members choose to continue operational support but they run fewer than 44 trains per day for a period of seven years, then the JPB or SamTrans must sell the properties used to run the system.[20]

Section 10 goes on to say that proceeds from the sale will be used to satisfy any contractual obligations, then to pay any amounts still unpaid on the Additional Contribution provided by SamTrans, including compound interest equal to the amount SamTrans earned each

[20] The requirement applies only to "system option properties," which are defined as the parking lot and grade separation parcels acquired from Southern Pacific. These are discussed in Section I, above.

year on its investments. 1991 RPOA, § 10.[21] Any remaining proceeds would be shared among the member agencies in accordance with the mileage formula set in Section 2 of the RPOA, which established the respective percentages of the ROW in each of the member agencies.

VII. Possible Areas for Amendment of the Governing Documents

As a possible next phase of its work, the JPB could consider whether to amend the governance provisions of the JPA. Our review of the documents as well as our interviews with the member agencies make clear that the issue of fully reimbursing SamTrans for its 1991 contribution to the purchase of the ROW will have to be part of that discussion. In addition to those two issues, we suggest that if the parties decide to amend the JPA or the RPOA, they should consider addressing the following issues at that time:

1. Whether to amend the JPA to include operational and capital costs for the Gilroy service in the costs shared by all three members;

2. Whether to amend the JPA to reflect the parties' current practice of sharing operating and JPB administrative costs based on the mid-week, all-day boarding formula, adjusted annually;

3. Whether to amend the JPA to remove the requirement that the annual operational budget is subject to the approval of the governing board of each member agency. 1996 JPA, § 5(B).

SUMMARY OF CONCLUSIONS

The following summarizes our conclusions regarding the current governing documents of the JPB:

I. Property Ownership and Rights

The JPB member agencies' real property ownership interests can be summarized as follows:

- The JPB owns the right of way, trackage, and structures between 4th and Townsend in San Francisco to Lick (excluding one track between Santa Clara Junction and Lick that is owned by Union Pacific). The JPB owns certain trackage rights between Lick and Gilroy, but is required to assign those rights to VTA upon request. SamTrans is a tenant in common with the JPB with respect to that portion of the ROW in San Mateo County.

- Caltrans transferred ownership of 26 stations from 22nd Street in San Francisco to Tamien in San Jose to the JPB. The property transfer included parking lots at the

[21] Once again, the documents are unclear as to whether the 2008 RPOA amendment affected the compound interest component of this section.

Burlingame, Hayward Park, and Diridon stations. The JPB has a railroad easement to the station at 4th and Townsend, but Prologis, a developer, owns the real property.

- In addition to the parking lots transferred by Caltrans, the JPB acquired a number of other parking lots at the following stations: South San Francisco Station, San Carlos Station (with SamTrans), Hillsdale Station, Palo Alto Station, and Mountain View Station.

- SamTrans owns the Dumbarton and San Bruno branches, and VTA owns the Moffett Drill Track, and the Vasona I and II branches.

- The JPB holds title to the ROW, with SamTrans as a tenant in common to the ROW in San Mateo County until such time as SamTrans is fully reimbursed for its Additional Contribution towards the purchase of the ROW, or the other member agencies contribute towards the Additional Contribution to the extent of their percentage of the mileage formula. Because neither of these conditions has occurred, SamTrans continues to hold title as a tenant in common with the JPB to the ROW in San Mateo County.

- The JPB holds title to the assets transferred by Caltrans, including stations, facilities, equipment, and inventory.

- SamTrans has the right to convert its Additional Contribution into an ownership interest by taking title to all or part of the ROW until such time as full reimbursement of SamTrans' Additional Contribution occurs or the member agencies pay their share of the Additional Contribution to the extent of their percentages under the mileage formula. Because neither of these conditions has occurred, SamTrans continues to enjoy the right to convert its Additional Contribution into an ownership interest.

- The agreement also provides that in the event of an equity conversion, the other member agencies may participate in management and development decisions through voting rights equal to the percentage of their participation in the Additional Contribution. In addition, the agreement requires that if SamTrans exercises its equity conversion right and takes title to part or all of the ROW, it must license that portion of the ROW that is used to operate and maintain the PCS to the JPB at no cost.

II. ROW Purchase and Reimbursements to SamTrans

A. Legal Rights and Obligations

In the 1991 RPOA, the parties agreed that:

- The member agencies would use their best efforts to identify non-local sources of funds to fully reimburse SamTrans for the Additional Contribution, plus interest. The agreement refers to this as "full reimbursement."

- Although they had no legal obligation to do so, San Francisco and VTA could elect to pay SamTrans for the Additional Contribution, plus interest, in an amount equal to their percentage of the mileage formula. The agreement refers to this as "full participation."

- Until full reimbursement or full participation occurred, SamTrans would retain title as tenant in common with the JPB to the ROW in San Mateo County, would continue to receive net nonoperating revenue from the system option properties as reimbursement towards the Additional Contribution, and would have the right to convert the Additional Contribution into an ownership interest in all or part of the ROW.

In 2008, the member agencies agreed to amend the 1991 Real Property Ownership Agreement (the "2008 RPOA"). In key part, the parties agreed that:

- The amounts to be repaid by VTA and San Francisco to SamTrans in "full reimbursement" of the Additional Contribution would be fixed at $53.3 million, with VTA and San Francisco to pay $8 million and $2 million, respectively, and with the remainder to be allocated by MTC to SamTrans from population-based state transit funds over which it had control.

- If these amounts were not repaid within 10 years, MTC would be "authorized" to identify additional sources of non-local funds to effect "full reimbursement" of SamTrans. The agreement does not address the parties' obligations if MTC were to identify additional funds nor does it address whether they are obligated to ask MTC to identify such funds.

- Once "full reimbursement" of, or "full participation" in, the Additional Contribution occurred, SamTrans would reconvey title to the ROW in San Mateo County to the JPB and would no longer have the right to convert the Additional Contribution into an ownership interest in all or part of the ROW or be entitled to receive net nonoperating revenues from the system option properties.

- SamTrans may serve as managing agency "unless and until it no longer chooses to do so." This right continues in existence regardless of whether VTA and San Francisco satisfy the requirements for full reimbursement or full participation.

B. <u>History of Repayment</u>

- No cash payments were made to SamTrans for the Additional Contribution before 2008. Since 2008, VTA has paid SamTrans $8 million, as required by the 2008 RPOA; San Francisco has paid all but $200,000 of the $2 million to

SamTrans as required by the 2008 RPOA; and MTC has paid $23.7 million of the $43.3 million it was to pay SamTrans through population-based "spillover" funds. That leaves a total amount of $19,788,913 that has not been paid under the 2008 RPOA, $19,588,913 of which was to come from MTC and $200,000 of which was to come from San Francisco. As a result, "full reimbursement" of the Additional Contribution has not occurred.

C. <u>Current Status</u>

- Because SamTrans has not received the funds that were to come from MTC under the 2008 RPOA, section 3.4 of the 1991 RPOA remains in effect. Under section 3.4, VTA and San Francisco have no legal obligation to participate in the Additional Contribution, but they may, "at their election," undertake good faith efforts to pay an amount to SamTrans sufficient to achieve full participation. To date, this has not occurred.

- SamTrans continues to hold title as tenant in common with the JPB to the right of way in San Mateo County, and SamTrans maintains the right to convert its Additional Contribution into an ownership interest in all or part of the right of way and to receive net non-operating revenues from the system option properties.

III. <u>SamTrans as Managing Agency</u>

- SamTrans has an enforceable legal right to serve as managing agency of the JPB for as long as it wishes to do so while the JPB remains in existence, regardless of whether full reimbursement or full participation occurs.

- Under the 1996 JPA, the managing agency's General Manager shall be the Executive Director of the JPB, and the Finance Director of the Managing Agency shall serve as treasurer and controller of the JPB. 1996 JPA, § 10 (C)-(E). As is true with the other governing documents, the JPA could be amended to change these provisions by unanimous agreement of the member agencies.

- SamTrans is responsible for managing the operational and nonoperational assets, provided that the JPB may delegate responsibility for the management of certain operational and nonoperational assets to another member agency.

IV. <u>Gilroy Service</u>

Although the 1996 JPA requires VTA to be responsible for the operating costs of the Gilroy Service, the member agencies have, since 2001, shared those costs in the same manner as they share operating costs for the service between San Francisco and San Jose. The practice could be affirmed by amending Section 7(A) of the 1996 JPA, which currently states that VTA shall be responsible for those costs. Under the 1996 JPA, VTA is responsible for obtaining funding for all Gilroy Service capital projects.

V. Allocation of Operating and Capital Costs

Under the 1996 JPA, member agencies must subsidize operating costs in an amount equal to the a.m. boarding formula, and must share most capital costs equally. Although the 1996 JPA provisions remain in effect, the parties have, over the years, informally departed from those provisions with respect to sharing operating costs. Currently, the parties contribute subsidies for operations based on a mid-week, all-day boarding formula, adjusted annually.

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<u>QUESTIONS FOR SPECIAL COUNSEL FROM JPB PARTNERS</u>

The following are a partial list of the questions submitted by the member agencies that appear to be within the scope of both the Ad Hoc Committee's charge and this initial report, which is intended to provide the JPB with a common understanding of the members' rights and responsibilities under the governing documents as they exist today.

A. Finances, Debt and ROW Repayment

1. Caltrain Debts or Repayment to SamTrans (and Partners to Either)

a. Are there any legacy/remaining IOUs for historic ROW purchase by San Mateo?

In 2008, the parties entered into the 2008 RPOA and agreed that MTC would "facilitate reimbursement" of the $82 million SamTrans had advanced towards the purchase of the ROW known as the Additional Contribution. The agreement reset the amounts of the Additional Contribution attributable to (1) VTA to $43 million, of which $8 million would be paid by VTA from revenue-based spillover funds (which were additional funds allocated for local transit purposes from State gasoline taxes and $35 million would be paid by MTC from population-based spillover funds; and (2) San Francisco to $10.3 million, of which $2 million would be paid by San Francisco from revenue-based spillover funds, and $8.3 million would be paid by MTC from population-based spillover funds. VTA has fulfilled its obligation to pay $8 million to SamTrans. San Francisco fulfilled most of its obligation by paying $1.8 million of the $2 million to SamTrans. Of the $43.3 million MTC was to allocate and pay to SamTrans, $19,588,913 remains unpaid. Under the Agreement, the parties "acknowledge and agree" that MTC continues to be "authorized to identify alternative sources of non-local funds to effect full reimbursement" of the remaining balance "at the earliest practicable date." 2008 RPOA, § I-3.3(C).

b. As background: Are there any special financial agreements or arrangements (not just debt) between Caltrain and SamTrans?

No. We are unaware of any special financial agreement or arrangements between Caltrain and SamTrans other than those set forth in the main operating agreements among the parties, namely in the 1996 JPA, the 1991 RPOA, and the 2008 RPOA. As described in the accompanying Preliminary Report, those agreements give SamTrans certain property rights in Caltrain's real property and certain rights to net operating revenues from nonoperational assets (such as parking lot and grade separation parcels) and state transferred properties until SamTrans is fully reimbursed under the 2008 RPOA, or until VTA and San Francisco pay their portions of the Additional Contribution under section 3.4 of the 1991 RPOA.

2. Under the JPA, what are the financial obligations each member agency has to the JPB for operating and annual capital contributions?

Under the 1996 JPA, which remains in effect, the member agencies must subsidize the operating costs of the Main Line Service in an amount based on the a.m. boarding formula. JPB administrative costs are also shared by the member agencies based on the a.m. boarding formula.

Capital costs related to the replacement or enhancement of PCS assets are shared equally by the member agencies, while capital cost allocations for expansion projects are to be determined on a case-by-case basis. The member agencies also must contribute equally to a capital contingency fund.

Under the 1996 JPA, VTA is responsible for the net operating costs of the Gilroy Service, and for obtaining funding for all Gilroy Service capital projects.

However, over the years, the parties have departed from these provisions in the following ways: (1) for operating costs, the members no longer share costs based on the a.m. boarding formula but instead base the allocation on an annual survey of all-day, midweek passenger boarding; (2) JPB administrative costs are folded into operating costs, and therefore also are shared based on the all-day boarding formula; and (3) the operating costs for the Gilroy Service are included in the overall operating costs of the Main Line Service and also are shared by the three member agencies based on the all-day boarding formula..

3. What claims may the San Mateo County Transit District have against the JPB and Member Agencies for repayment of the advance made by the District for purchase of the right of way?

We do not believe SamTrans has any formal contractual right to require VTA to reimburse it for the remaining $19.8 million that SamTrans has not received to date under the 2008 RPOA. Whether San Francisco has any remaining obligation to pay the remaining $200,000 of the $2 million it was to pay turns on whether it received sufficient revenue-based spillover funds before the financial recession occurred to repay SamTrans the full amount of its $2 million obligation. However, either on its own or as a party to the 2008 RPOA, SamTrans could seek to have MTC identify non-local funds that could be used to reimburse SamTrans for the $19.8 million. Moreover, until it is fully reimbursed under the 2008 RPOA, SamTrans continues to hold title as a tenant in common with the JPB to the ROW in San Mateo County and has a right to net nonoperating revenues from nonoperational assets, such as the system option properties, and from state transferred properties.

SamTrans also has a right to take title to part or all of the ROW until it has been fully repaid. If it were to exercise that right, SamTrans would have to license the operating assets to the JPB at no cost so the JPB could continue running the PCS service uninterrupted, but it could use and develop the nonoperational assets (such as parking lot parcels) without JPB approval and presumably retain the net proceeds of that use or development for its own use. However, the JPB retains the right to delegate administration or management of certain nonoperational assets to a different member agency, even if SamTrans has exercised its conversion right. Finally, SamTrans would be required to retransfer title in the ROW to the JPB if it were fully paid back.

4. In the Real Property Agreement, what role does the Metropolitan Transportation Commission play in ensuring the San Mateo County Transit District receives funding for the advance purchase of the Right of

Way from the member agencies? What authority, if any, does the MTC have to ensure this repayment?

As discussed above, in 2008, the parties entered into the 2008 RPOA and agreed that MTC would "facilitate reimbursement" of the Additional Contribution provided by SamTrans. There remains an outstanding balance of $19,788,913 under the 2008 RPOA, with all but $200,000 attributable to MTC. Under the Agreement, the parties "acknowledge and agree" that MTC continues to be "authorized to identify alternative sources of non-local funds to effect full reimbursement" of the remaining balance "at the earliest practicable date." 2008 RPOA, § I-3.3(C). If MTC were to identify alternative sources of non-local funds to repay SamTrans, its ability to condition release of those funds would depend on the nature of the funds and MTC's authority to place conditions on their release.

B. Change of Managing Agency

1. What does the JPA and Real Property Agreement state about the rights of the San Mateo County Transit District to be the Managing Agency of the JPB? Is there any ambiguity to the agreements?

Under the 2008 RPOA, the parties "agreed that SAMTRANS is designated as the managing agency of the JPB and will serve in that capacity unless and until it no longer chooses to do so." 2008 RPOA, § III. The Agreement further states that the parties "agree to incorporate this agreement in a formal amendment of the JPA at a future date." Although the JPA has not been amended to reflect that change, we do not believe the parties' failure to do so in any way calls into question the validity of the agreement. We believe the provision is unambiguous and controlling.

2. What claims might the San Mateo County Transit District have against the JPB and the Member Agencies should the District no longer be the Managing Agency?

Under the 2008 RPOA, SamTrans has a legally enforceable right to remain the managing agency for as long as it chooses. It would therefore have to agree voluntarily to relinquish its managing agency role. However, if it chose to do so without imposing other conditions, it would not have any claims against the JPB or the member agencies.

3. What is the basis for the requirement from the prior right of way agreement that SamTrans must concur if JPB wishes to become a fully independent entity, and what would it take to revisit that provision if true?

Under the 1991 RPOA, neither the JPB nor Samtrans can "sell, transfer, convey, alienate, encumber, hypothecate, pledge, or otherwise dispose of its interest in the ROW, System Option Properties and State Transferred Properties" without "the written approval of the other." 1991 RPOA, § 8. That provision remains in effect and applies regardless of whether the $19.8 million that remains to be reimbursed under the RPOA is repaid. Thus, SamTrans would have to agree if the JPB decided to transfer title in the ROW to a new agency.

C. Gilroy Service Provisions

1. If the provisions in the JPA were not adhered to, such as Santa Clara County being responsible for the funding of Gilroy Service, what claims may be available to the member agencies impacted by the failure to follow the JPA?

The 1996 JPA states that VTA "shall be responsible for all net operating costs of the Gilroy Service based upon the fully allocated cost methodology" and shall "assume full responsibility for obtaining funding for all Gilroy Service capital projects." 1996 JPA, § 7(A), (B). Under the 1991 RPOA, upon the request of VTA, the JPB shall transfer all rights title and obligations under the Trackage Rights Agreement – Lick/Gilroy Line to VTA. 1991 RPOA, § 4.4.

However, in June 2000, the member agencies agreed that for the 2001 Caltrain budget, the net operating costs of the Gilroy Service would be included in the Main Line operating costs shared by the three member agencies based on the a.m. boarding formula rather than paid solely by VTA. JPB Resolution 200-21 (June 1, 2000). The resolution stated that the agreement "creates no precedent for subsequent calculations of operating or capital costs." In practice, however, the member agencies have continued to include the costs of the Gilroy Service in Caltrain's operational costs shared by the three members. Given that the JPB, and the representatives of the member agencies, approve each annual budget resolution that contains that adjustment, we do not believe the other member agencies would have viable claims against VTA for the parties' decision to depart from the 1996 JPA provisions with respect to operating costs.

2. Under the JPA, what are the member agency financial obligations for other contributions including additional capital contributions and Gilroy Service?

The 1996 JPA states that member agencies "will use their best efforts to fully fund from state, federal and JPB Proposition 116 resources, capital projects contained in the approved capital budget." 1996 JPA, § 7(B). To the extent the parties agree to fund capital projects that require member subsidies, the projects are funded as follows: (1) for capital replacement and enhancement projects, the member agencies share those costs equally; (2) for "expansion projects," which include the downtown terminal relocation and the Gilroy Service, member contributions are decided on a case-by-case basis. The Agreement further states that VTA "shall assume full responsibility for obtaining funding for all Gilroy Service capital projects." 1996 JPA, § 7(B). In addition, each member is responsible for contributing an equal share to a capital contingency fund to "cover unanticipated, necessary capital improvements." 1996 JPA, § 7(B).

3. What steps can be taken to affirm the long standing Caltrain practice of incorporating Gilroy Service into the Caltrain operating costs?

As discussed above, the member agencies have shared the operating costs of the Gilroy Service since 2001, even though that practice deviates from the plain language of the 1996 JPA. In order to affirm and make permanent that long-standing practice, the member agencies could amend section 7(A) of the 1996 JPA to reflect that change. Any amendment to the 1996 JPA requires the approval of all of the member agencies.

ATTACHMENT B:
1996 JOINT POWERS AGREEMENT

JOINT POWERS AGREEMENT

PENINSULA CORRIDOR PROJECT

This Agreement is made and entered into this 3rd day of October, 1996, by and between the Santa Clara County Transit District, dba Santa Clara Valley Transportation Authority ("SCCTD" or "SCVTA"), the City and County of San Francisco ("CCSF"), and the San Mateo County Transit District ("SamTrans") (collectively referred to herein as "Member Agencies").

RECITALS

WHEREAS, in 1988, SCCTD, CCSF and SamTrans entered into a Joint Powers Agreement (the "1988 Agreement") creating the Peninsula Corridor Study Joint Powers Board ("JPB") pursuant to Title 1, Division 7, Chapter 5, Article I (§6500 et seq.) of the California Government Code, for the purpose of conducting planning studies related to the Peninsula Commute Service ("PCS"); and

WHEREAS, based upon the planning studies and other activities conducted by the JPB, including, among other things, the negotiation of an agreement to acquire the full corridor right-of-way owned by Southern Pacific Transportation needed for operation and future expansion of the PCS, the parties determined that it would be beneficial to residents of their respective counties that the purposes and powers of the JPB be expanded to enable the JPB to plan, oversee and operate the PCS following transfer of the system assets from the State of California to local control; and

WHEREAS, such planning, oversight, and operation of the PCS required the maintenance and improvement of the Southern Pacific Right of Way and related system assets, as well as the application for and obtainment of State and federal funding; and

WHEREAS, in 1991 SCCTD, CCSF and SamTrans amended and restated in its entirety the 1988 Joint Powers Agreement to reflect their expanded objectives and executed a Joint Powers Agreement dated August 18, 1991 ("1991 Agreement"); and

WHEREAS, the 1991 Agreement provided for the allocation among the parties of the administrative, capital and operating expenses attendant to ownership of the Peninsula Corridor right-of-way ("ROW") and operation of the PCS; and

WHEREAS, pursuant to an Amendment adopted on November 3, 1994, the JPB amended the 1991 Agreement to modify the basis for allocation of administrative and capital costs among the parties and to effect certain other related changes to the 1991 Agreement ("1994 Amendment"); and

WHEREAS, SCTVA has proposed further revisions to the 1991 Agreement pertaining to SCTVA's powers to appoint representatives to the JPB; and

WHEREAS, the parties now desire to restate the 1991 Agreement as amended by the 1994 Amendment to include SCTVA's proposed revisions.

NOW, THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

<u>Section 1</u>. DEFINITIONS

The terms defined in this section shall for all purposes of this Agreement have the meanings specified herein.

"Agreement" means this Joint Powers Agreement as it now exists or as it may hereafter be amended.

"Gilroy Service" means the PCS Service between the Tamien Station in San Jose and Gilroy.

"Local Funds" means funds generated by a Member Agency or allocated to a Member Agency by another agency on a non-discretionary basis.

"Main Line Service" means the PCS service between the City and County of San Francisco and the Tamien Station in San Jose.

"Project" means (a) the maintenance and improvement of the ROW, (b) the planning, administration, operation and expansion of the PCS, including the Gilroy Service that will be run on the ROW, and (c) the application for and obtainment of State and federal funding to achieve the aforesaid Project objectives.

<u>Section 2</u>. PURPOSE

The purpose of the Agreement is to establish an organization that shall be responsible for implementing the objectives of the Project and related actions pertaining to the PCS.

Section 3. TERM

This Agreement shall be effective upon execution of this Agreement by all parties.

Upon becoming effective, this Agreement shall continue in full force and effect for ten (10) years from the October 18, 1991 execution of the Joint Powers Agreement, subject, however, to each party's right to withdraw upon one (1) year's prior written notice given to the other parties at the end of any fiscal year in the manner prescribed in Section 19 below. At the end of ten (10) years, this Agreement shall continue in full force and effect on a year-to-year basis until such time as two or more parties withdraw pursuant to the terms of Section 12 below.

Section 4. JOINT POWERS BOARD

There is hereby created the JPB as a public entity separate and apart from CCSF, SCVTA and SamTrans, or any current combination thereof. This new entity shall be known as the Peninsula Corridor Joint Powers Board. The Board shall consist of nine (9) members representing their respective Member Agencies as follows:

A. Representing SamTrans

1. Member of SamTrans Board designated by Board;

2. Member of SamTrans Board appointed by San Mateo County Board of Supervisors; and

3. Member of SamTrans Board appointed by the Cities Selection Committee of the Council of Mayors of San Mateo County.

B. Representing the Santa Clara Valley Transportation Authority

1. Member of SCVTA Board of Directors representing the City of San Jose or the County of Santa Clara, as appointed by the SCVTA Board;

2. Member of SCVTA Board of Directors representing the County of Santa Clara or a city in Santa Clara County other than the City of San Jose, as appointed by the SCVTA Board; and

3. The County of Santa Clara's representative to the Metropolitan Transportation Commission ("MTC"), or if this person declines to serve, then the MTC appointee of the Cities Selection Committee, or if this person also declines to serve, then a member of the SCVTA Board of Directors as appointed by the SCVTA Board.

No more than two members of the County of Santa Clara Board of Supervisors may serve on the JPB Board at the same time.

C. Representing the City and County of San Francisco

1. An appointment of the Mayor;

2. An appointment of the Board of Supervisors; and

3. An appointment of the San Francisco Public Transportation Commission.

Each of the nine (9) members shall serve in his or her individual capacity, but at the pleasure of the party appointing him or her.

Section 5. **POWERS OF THE JPB**

The JPB shall be the policy-making body for the Project and shall have all such powers to implement the Project as may be exercised under applicable laws by joint powers agencies. The JPB hereby is authorized, in its own name, to do all acts deemed necessary or convenient for the exercise of said power, including, but not limited to, any or all of the following: to make and enter into contracts; to acquire, own, and maintain real and personal property; to employ agents and employees; to incur debts, liabilities or obligations which do not constitute a debt, liability or obligation of the State, CCSF, SamTrans, or SCVTA; to sue and be sued in its own name; and to apply for, receive, and utilize State, local, and Federal funding and funds from all other sources given to it for the purpose of accomplishing the Project. Without limiting the generality of the foregoing, the JPB shall:

A. Approve short-range plans for PCS.

B. Approve by March 31 of each year the annual PCS operating budget, subject to the approval of the governing board of each Member Agency.

C. Approve the annual capital budget by March 31 of each year, and approve other proposed actions pertaining to the level of service, changes in service schedules that add or delete service to or from a station, fares, and capital improvement programs.

D. Commit Proposition 116 Funds earmarked for the JPB to specific capital projects approved in the capital budget without the approval of the Member Agency governing boards. Approve all other specific capital projects requiring use of Local Funds, subject to the approval of the Member Agency governing boards.

E. Concur in the award by the Managing Agency of the operating contract for the PCS.

F. Advise, review and make recommendations to the Managing Agency regarding the following:

1. marketing programs;
2. financial reports;
3. other reports for public distribution;
4. interagency cooperation; and
5. management plan.

G. Award a contract to perform an independent audit of the financial condition of the JPB.

Pursuant to Government Code Section 6509, the power of the JPB is subject to the restrictions upon the manner of exercising the power of SamTrans.

<u>Section 6</u>. **MANAGING AGENCY; DELEGATION OF AUTHORITY**

A. The JPB shall appoint a managing agency ("Managing Agency") to implement the objectives of the Project.

B. SamTrans hereby is appointed as Managing Agency for the duration of the term, provided, however, that the JPB may replace SamTrans as the Managing Agency upon one (1) year's prior written notice given at the end of any fiscal year after SamTrans has been fully repaid monies advanced by it to cover the ROW purchase price.

C. The Managing Agency shall be delegated the following authority and required to perform the following responsibilities:

(i) Award the operating contract for the PCS, subject to the concurrence of the JPB as provided in Section 5 above, and administer and modify said contract consistent with the JPB's operating budget;

(ii) Maintain and manage the ROW and other system assets unless the administration of particular station sites is delegated by the JPB to an individual Member Agency.

(iii) Implement capital programs contained in the approved PCS capital budget unless the administration of particular capital projects is delegated by the JPB to an individual Member Agency;

(iv) Seek, obtain and administer grants;

(v) Develop and implement marketing programs;

(vi) Prepare and submit financial reports;

(vii) Recommend changes in fare structure to the JPB;

(viii) Recommend changes in scheduling and levels of service to the JPB;

(ix) Prepare and implement changes in scheduling other than those requiring the approval of the JPB as provided in Section 5(C) above.

(x) Prepare capital and operating budgets for presentation to the JPB;

(xi) Keep staff of Member Agencies advised on PCS matters; and

(xii) Report regularly to the JPB regarding PCS issues.

<u>Section 7</u>. **FINANCIAL COMMITMENTS**

A. <u>Operations</u>

Each Member Agency agrees to share in the operating costs associated with the PCS. Member Agency subsidies for the Main Line Service shall be based on the existing passenger boarding formula which is predicated upon county of origin a.m. peak hour boardings of passengers as adjusted annually prior to the JPB's adoption of the operating budget. SCVTA shall be responsible for all net operating costs of the Gilroy Service based upon the fully allocated cost methodology.

B. <u>Capital Projects</u>

The JPB and the Member Agencies shall use their best efforts to fully fund from state, Federal and JPB Proposition 116 resources, capital projects contained in the approved capital budget. If approved by Member Agencies pursuant to Section 5(D), Member Agencies shall share in the remaining costs of capital projects according to the following guidelines: Proposed capital projects shall be categorized in the capital-program process as being designed to replace, enhance or expand PCS assets. Costs of capital replacement and enhancement projects that are not covered by outside funding sources shall be shared equally by the Member Agencies. Furthermore, Member Agencies shall support the equal sharing of Federal funding for replacement and enhancement projects with the understanding that the method for allocating the Federal funds will be reviewed by the Metropolitan Transportation Commission Regional Transit Coordinating Council Finance Committee. Cost allocation among the JPB members for expansion projects such as the downtown terminal relocation, the Gilroy Service and the Bayshore Corridor Service shall be determined on a case-by-case basis. SCVTA shall assume full responsibility for obtaining funding for all Gilroy Service capital projects.

In addition to the costs for capital projects to be shared by the Member Agencies as provided in this Section 7.B, on an annual basis the JPB shall determine an amount to be contributed by the Member Agencies into a capital contingency fund to cover unanticipated, necessary capital improvements. Each Member Agency shall contribute an equal share of this capital contingency fund.

C. JPB Administrative Costs

Expenses for personnel and resources of the Managing Agency to administer the affairs of the JPB, including the administration of the operating contract, shall be shared by the Member Agencies based on the a.m. boarding formula as provided in Section 7.A above.

D. Procedures for Making Monthly Contributions.

(i) Operational Subsidies. Operational subsidies shall be paid monthly in advance by each Member Agency to the Managing Agency in accordance with procedures to be enacted by the JPB.

(ii) Capital Contributions. Commitments by Member Agency governing boards to provide Local Funds for a particular capital project shall be obtained prior to the filing of grant applications for each said project. Actual contributions shall be paid as and when they are due and owing. All contributions to the capital contingency fund provided in Section 7.B above shall be delivered to the Managing Agency within sixty (60) days of the JPB's determination of the amount to be funded.

(iii) JPB Administrative Costs. Administrative costs of the JPB shall be billed by the Managing Agency and paid by the Member Agencies on a monthly basis.

(iv) Late Payments. Member Agencies who fail to pay or who are delinquent in any financial commitment hereunder shall be assessed interest charges based on the Managing Agency's average rate of return on its investment portfolio.

E. <u>Duration</u>.

All allocations of expenses and costs established in this Section 7 shall be subject to re-evaluation during the JPB's 1998-1999 fiscal year. Any changes made as a result of this re-evaluation shall become effective during the fiscal year 1999-2000. In the event any allocation method is hereafter revised, any capital projects in progress at the time of the revision shall be carried to completion using the allocation methods in place at the time of the award of the construction/procurement contract for the capital project.

F. <u>Covenant</u>.

Each Member Agency hereby affirmatively covenants to the other Member Agencies henceforth to pay any and all financial obligations to the JPB promptly as and when such obligations become due and owing to the JPB as provided in Section 7 or otherwise in this Agreement.

G. <u>Obligations of the City and County of San Francisco</u>.

CCSF shall pay to the Managing Agency CCSF's portion of the JPB start-up costs in the amount of $557,485.00, plus interest at the rate of seven percent (7%) per annum in accordance with the schedule of payments contained in Exhibit "A" attached hereto and incorporated herein by this reference. CCSF shall have the right to prepay its outstanding obligation, including accrued interest, at any time. In consideration for the foregoing, and provided that CCSF makes the payments provided for in Schedule A on a timely basis, the JPB shall waive its right to receive from CCSF interest on late payments made by CCSF for fiscal year 1993-94 financial obligations, The CCSF Board of Supervisors' representative on the JPB shall introduce legislation to approve CCSF's payment of the amounts referenced in this Paragraph 4, as well as to approve all other revisions of the 1991 Agreement contained in this Agreement, within sixty (60) days following JPB's action approving the 1994 Amendment to the 1991 Agreement. This Agreement is subject to the budget and fiscal provisions of the Charter of CCSF. Charges will accrue only after appropriation of funds by CCSF's Board of Supervisors and after prior written authorization certified by CCSF's Controller, and the amount of CCSF's obligation hereunder shall not at any time exceed the amount appropriated and certified for the purpose and period stated in such advance authorization.

Section 8. MEETINGS OF THE JPB

A. Regular and Special Meetings.

The JPB shall hold at least one (1) regular meeting each month. The date, hour and place of said regular meetings shall be fixed by resolution of the JPB. The Managing Agency may call a special meeting of the JPB by providing written or telephone notice to each member of the JPB at least 72 hours prior to the date of said special meeting, which said notice shall specify the purpose for said meeting.

B. <u>Conduct of Meetings</u>

All meetings of the JPB shall be held subject to the provisions of Section 54950 *et seq.* of the Government Code of the State of California.

C. <u>Minutes</u>

The Secretary shall cause minutes of all meetings of the JPB to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Member of the JPB.

D. <u>Quorum</u>

A majority of the members of the JPB shall constitute a quorum for the transaction of business. No action may be taken by the JPB except upon the affirmative vote of five or more of its members.

Section 9. BYLAWS

The JPB shall have the power to adopt such bylaws that it, in its sole discretion, may deem necessary or desirable for the conduct of its business.

Section 10. OFFICERS AND EMPLOYEES

A. The JPB shall elect annually a chairperson and a vice-chairperson from among its members. The JPB also shall appoint a secretary who may, but need not be, a member of the JPB.

B. The JPB shall designate its legal counsel.

C. The Managing Agency's General Manager shall be the Executive Director of the JPB.

D. The Finance Director of the Managing Agency shall be the treasurer of the JPB and shall have custody of all the moneys of the JPB from whatever source and shall perform the function of treasurer and have all the powers, duties, and responsibilities of said office as set forth in Government Code Section 6505.5.

E. The Finance Director of the Managing Agency shall act as controller of the JPB and shall perform the functions and have the powers, duties, and responsibilities of said office set forth in Government Code Section 6505.5. The controller shall draw warrants to pay demands against the Managing Agency or the JPB pursuant to authorization of the JPB.

F. The JPB shall designate such independent auditors as it deems appropriate for the purpose of reporting on the JPB's operations and its financial condition.

Section 12. WITHDRAWAL FROM AGENCY

Any party may withdraw from this Agreement upon one (1) year's prior written notice to the other parties given at the end of any fiscal year. Upon delivery of such a notice, the Member Agencies shall jointly request the Metropolitan Transportation Commission ("MTC") to mediate the issues giving rise to the withdrawal notice, and shall participate in such mediation if undertaken by the MTC. In addition, should a withdrawal result despite such mediation efforts, each Member Agency, including the withdrawing party, shall participate with MTC in a further mediated negotiation relative to disbursement of regional funds to assure the remaining Member Agencies are not subject to undue financial hardship. In the event of such a withdrawal by a single party, the JPB shall continue to exist, with the membership adjusted to reflect the withdrawal. Withdrawal by a single party shall not entitle that party to reimbursement for past capital contributions or to distribution of any assets or funds of the JPB. If two or more of the parties to this Agreement withdraw, then this Agreement shall terminate at the end of the fiscal year following expiration of the one-year's notice given by the second party to withdraw from the Agreement, at which time the property and funds of the JPB shall be distributed to the Member Agencies pursuant to the terms of Section 13.

<u>Section 13</u>. DISPOSITION OF PROPERTY AND FUNDS

At such time as this Agreement is terminated, any property interest remaining in the JPB, following discharge of all obligations due by the Board, shall be disposed of and the proceeds or property shall be allocated in accordance with a separate agreement to be entered into between the parties.

<u>Section 14</u>. ACCOUNTS AND REPORTS

The JPB shall establish and maintain such funds and accounts as may be required by good accounting practice. The books and records of the JPB shall be open to inspection at all reasonable times to the parties to this Agreement and their representatives. The JPB, within one hundred twenty (120) days after the close of each fiscal year (which shall be the period from July 1 of each year to and including the following June 30), shall give a complete written report of all financial activities for such fiscal year to the parties. The Controller shall prepare and maintain such accounts and reports.

Section 15. **OBLIGATIONS OF THE JPB**

The debts, liabilities and obligations of the JPB shall not be debts, liabilities and obligations of any of the parties to this Agreement unless and to the extent specifically provided by agreement in writing with any of such parties.

Section 16. **INDEMNIFICATION**

The JPB shall acquire such insurance protection as it deems necessary to protect the interests of the JPB, the parties to this Agreement and the public. The JPB shall assume the defense of and indemnify and save harmless each party to this Agreement and its respective officers, agents and employees, from all claims, losses, damages, costs, injury and liability of every kind, nature and description directly or indirectly arising from the performance of any of the activities of the JPB not delegated to the Managing Agency or the activities of the JPB undertaken pursuant to this Agreement.

Section 17. **AMENDMENTS**

This Agreement may be amended at any time by agreement of all of the parties.

Section 18. **ENTIRE AGREEMENT**

This Agreement constitutes the entire Joint Powers Agreement among the parties, and supersedes any prior oral or written understandings between them pertaining to the same subject matter, including, but not limited to, the 1988 Agreement, the 1991 Agreement and all amendments to these agreements.

Section 19. NOTICES

All notices, payments, requests, demands and other communications to be made or given under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally, or on the second day after mailing if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid, and properly addressed as follows:

CCSF: Public Transportation Commission
949 Presidio Avenue
San Francisco, CA 94115
Attn: Director of Public Transportation

SamTrans: San Mateo County Transit District
1245 San Carlos Drive
San Carlos, California
Attn: General Manager

SCCTD: Santa Clara Valley Transportation Authority
3331 North First Street
Bldg. C, 2nd Floor
San Jose, California 95134-1906
Attn: Assistant Executive Officer

Any party may change its address for purposes of this Section by giving the other parties written notice thereof in the manner set forth above.

Section 20. **COUNTERPARTS**

This Agreement may be entered into in counterparts each of which shall be deemed an original, but all of which together shall be deemed an entire Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

CITY AND COUNTY OF SAN FRANCISCO

By ______________________
MAYOR

APPROVED
PUBLIC TRANSPORTATION
COMMISSION
Resolution No. 96-136
Dated: Nov. 26, 1996

Approved as to Form and Legality
Louise H. Renne, City Attorney

By ______________________
Deputy City Attorney

ATTEST:

R. Boomer
____
Secretary, PUBLIC
TRANSPORTATION COMMISSION

CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS
Ordinance No. 22-97

ATTEST:

John L. Taylor
____
John Taylor, Clerk

SANTA CLARA COUNTY TRANSIT DISTRICT

By ______________________________

Approved as to Form and Legality

By ______________________________ 2-25-97

SAN MATEO COUNTY TRANSIT DISTRICT

By ______________________________

Approved as to Form and Legality

By ______________________________

ATTACHMENT C:
1991 REAL PROPERTY OWNERSHIP AGREEMENT

REAL PROPERTY OWNERSHIP AGREEMENT

This Real Property Ownership Agreement (the "Agreement") is entered into by and among the Peninsula Corridor Joint Powers Board ("JPB"), San Mateo County Transit District ("SAMTRANS"), the City and County of San Francisco ("CCSF") and the Santa Clara County Transit District ("SCCTD") this 24th day of December, 1991.

RECITALS

A. SAMTRANS, CCSF, and SCCTD, as the Member Agencies of the JPB, have entered into the JPA, which reconstructs the JPB and its authority and responsibilities in light of the impending acquisition of the ROW from Southern Pacific Transportation Company ("SPTC").

B. Pursuant to the JPA, the purposes and powers of the JPB will be expanded to allow the JPB to maintain and improve the ROW, and to operate the Peninsula Commute Service ("PCS").

C. Under the JPA, SAMTRANS has been appointed the Managing Agency that will be responsible for the management and operation of the PCS.

D. Due to current unavailability of adequate funds from other sources, SAMTRANS is willing to facilitate acquisition of the ROW by contributing toward the total purchase price for it, other than Proposition 116 funds, from certain of its funds and certain funds of the San Mateo County Transportation Authority, subject to the terms and conditions established in this Agreement.

E. In light of the impending acquisition of the ROW, and of SAMTRANS' agreement to contribute additional funds necessary to purchase it, the parties desire to provide for an orderly system of management, development and eventual disposition of the ROW, and for appropriate rights and protections relative to the Additional Contribution.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

1. **DEFINITIONS.**

1.1 **Additional Operating Grants.** Operating grants for the PCS received from state or federal sources that exceed the amount or level of such grants as of the date of this Agreement.

1.2 **Additional Contribution.** That portion of the purchase price of the ROW that will not be funded by Proposition 116 funds upon closing of the ROW transaction, plus any additions thereto as provided in Section 3.2 below.

1.3 **Closing Date.** The date of transfer of the ROW as specified in the Notice of Exercise of Option provided for in Section 7.1 below.

1.4 **JPA.** The Agreement dated October 18, 1991 by and between CCSF, SCCTD and SAMTRANS, which Agreement expands the powers and purposes of the JPB so as to enable the JPB to plan, oversee operation, maintain and improve the PCS.

1.5 **Local Option Properties.** Those properties to be acquired pursuant to the options known as the Moffett, San Bruno, Vasona I and Vasona II options in the Purchase Agreement.

1.6 **Member Agencies.** The signatories of the JPA being CCSF, SCCTD and SAMTRANS.

1.7 **Mileage Formula**. With respect to the three Member Agencies, a percentage equal to the number of miles of the main line ROW, from mile post 0.147 in San Francisco to Mile post 51.4 in San Jose, located in each of their jurisdictions, respectively.

1.8 **Net Nonoperating Deficit**. Any deficit between Nonoperating Revenues and Nonoperating Expenses for each fiscal year this Agreement is in effect.

1.9 **Net Nonoperating Revenues**. Any excess between Nonoperating Revenues and Nonoperating Expenses for each fiscal year this Agreement is in effect.

1.10 **Nonoperating Expenses**. All ownership and maintenance expenses of the Nonoperational Assets.

1.11 **Nonoperating Revenues**. All revenues generated from ownership and management of the Nonoperational Assets other than fares and other revenues used to support the operating budget for the PCS as of the date of this Agreement.

1.12 **Nonoperational Assets**. All of the areas and assets owned and operated by the JPB (alone or in conjunction with SAMTRANS) exclusive of Operational Assets.

1.13 **Operational Assets**. That portion of the ROW that will be used to operate and maintain the PCS as of the date of the acquisition of the ROW by the JPB and SAMTRANS, as fully described in Exhibit A which is attached to this Agreement and incorporated into it by this reference. When System Option Properties are subsequently acquired, the parties will determine what portions of said properties, if any, are Operational Assets and expand Exhibit A accordingly.

1.14 **Purchase Agreement**. The purchase agreement by and among the JPB, SAMTRANS and SPTC pursuant to which the JPB will acquire the ROW.

1.15 **ROW**. All real property and other assets to be acquired by the JPB and SAMTRANS pursuant to the Purchase Agreement other than the Local Option Properties.

1.16 **State Transferred Properties**. All real property and other assets to be transferred from the State of California, Department of Transportation to the JPB following the closing of the transaction contemplated in the Purchase Agreement.

1.17 **System Option Properties**. Those properties to be acquired pursuant to the options established in the Purchase Agreement other than the Local Option Properties.

2. **PURPOSE; MILEAGE FORMULA.**

The purpose of this Agreement is to allocate the respective rights and obligations of the parties relative to the ownership, maintenance, management and eventual disposition of the ROW. For the purposes set forth hereinafter, the parties agree to allocate such rights and responsibilities based on the Mileage Formula. The parties stipulate that their respective percentages under the Mileage Formula are CCSF (10.1%), SAMTRANS (47.7%) and SCCTD (42.2%).

3. **ADDITIONAL CONTRIBUTION.**

3.1 **Initial Additional Contribution**. To facilitate completion of the acquisition of the ROW and in recognition of the fact that CCSF and SCCTD do not have funds currently available for this purpose, SAMTRANS will provide the Additional Contribution upon closing of the ROW transaction.

3.2 Further Additional Contribution. Pursuant to the Purchase Agreement, the JPB will acquire options to purchase the System Option Properties. As and when the options to purchase such System Option Properties are exercised, should SAMTRANS elect, without obligation, to pay the exercise price for any or all of them from its own funds, such payments made by SAMTRANS shall be included within the total amount of the Additional Contribution for all purposes.

3.3 Reimbursement of Additional Contribution. The parties to this Agreement will use their best efforts individually and collectively to advocate for and obtain from non-local sources grants to be used for reimbursement of the Additional Contribution. Subject to the provisions of Section 7 below, the parties further agree to dedicate all Net Nonoperating Revenues from System Option Properties to reduce the Additional Contribution by reimbursing SAMTRANS and any other Member Agency that has provided the Additional Contribution pursuant to Section 3.4 below.

It is understood and agreed that full reimbursement of the Additional Contribution will include an amount equal to interest on the Additional Contribution from the dates of closing the ROW transaction and each System Option Property purchase transaction at a rate equal to the average rate of return that SAMTRANS earns on its investment portfolio, determined and compounded annually and verified in written investment reports prepared on a regular basis and presented to the SAMTRANS Board of Directors. As the foregoing sources of revenue are obtained to reimburse the Additional Contribution or any other source is obtained for that purpose, the amounts so received shall be applied first to pay off accrued interest at the rate specified above and then to reduce the principal balance of the Additional Contribution. Any amounts received in reimbursement of the Additional Contribution or any accrued interest thereon shall be shared among those Member Agencies who have fully participated in the Additional Contribution as provided in Section 3.4 in proportion to each such Member Agency's percentage participation toward the Additional Contribution.

3.4 **Additional Contribution Participation**. It is understood and agreed by all the parties hereto that neither CCSF nor SCCTD have any legal obligation to participate in the Additional Contribution. With the understanding and acknowledgment that **(a)** in making the Additional Contribution, SAMTRANS is incurring a substantial financial burden that will benefit all of the parties to this Agreement, and **(b)** the efforts of the parties to reimburse SAMTRANS for the Additional Contribution from non-local sources as described in Section 3.3 may be unavailing, CCSF and SCCTD may at their election undertake good faith efforts to contribute a lump sum or equivalent assets or to establish a schedule of payments to SAMTRANS by which they will share in the burden of the Additional Contribution to the extent of their percentages under the Mileage Formula, plus interest to be applied in the manner and at the rate set forth in Section 3.3 above.

In particular, CCSF commits to take the necessary steps that may make it possible, subject to preparation of appraisals and performance of other due diligence investigations, to transfer to SAMTRANS certain land owned by CCSF that will be of special benefit to SAMTRANS in connection with non-PCS services of interest to SAMTRANS, as a means of sharing in the burden of the Additional Contribution. This transfer, if feasible, will be documented by separate contract to be negotiated between CCSF and SAMTRANS. In the event that the value of the land to be transferred exceeds or is less than CCSF's percentage under the Mileage Formula, said contract will address the manner in which such excess or shortfall in value will be treated.

Any party which contributes to SAMTRANS funds or other assets that are applied to the principal of the Additional Contribution shall share, pro rata, based on the percentage such contribution to principal bears to the total Additional Contribution, in SAMTRANS' right to be reimbursed as set forth in Section 3.3 from **(a)** all Net Nonoperating Revenues generated from System Option Properties, and **(b)** all other non-system, non-Member sources of revenue that may be made available for reimbursement of the Additional Contribution.

SCCTD will consider the creation of a source of funds to be applied in a manner that contributes toward the Additional Contribution from potential new transit revenue sources.

3.5 **Additional Operating Grants**. Any Member Agency which has not voluntarily provided the full percentage under the Mileage Formula toward the Additional Contribution and which has not withdrawn its operating subsidy pursuant to Section 9 below, shall maintain its level of operational subsidy of the PCS as determined under the JPA, notwithstanding the receipt by the JPB or any other party of Additional Operating Grants which might otherwise reduce its local operational subsidy. Any and all such

Additional Operating Grants shall be used for their specified operational purposes. As among the Member Agencies, **(a)** each fully participating Member Agency may reduce its level of operational subsidies by an amount of the Additional Operating Grant equal to its percentage participation in the Additional Contribution, and **(b)** the Additional Contribution shall be deemed to be reimbursed as set forth in Section 3.3 in the amount by which the local operational subsidy of the non-contributing Member Agency would have been reduced by the Additional Operating Grant based on the Mileage Formula.

4. OWNERSHIP OF ROW.

4.1 **ROW**. Title to the ROW shall vest initially in the JPB; provided, however, that title shall vest in the JPB and SAMTRANS as tenants in common (not as partners) as to all ROW property located in San Mateo County. Upon full participation in the Additional Contribution by all Member Agencies, or full reimbursement of the Additional Contribution to SAMTRANS as provided in Section 3.3 above, SAMTRANS shall reconvey to the JPB all of its interests in title to the ROW. Title to State Transferred Properties shall vest in the JPB.

4.2 **ROW System Options**. Provided SAMTRANS has not withdrawn its operational subsidy pursuant to Section 9 below, at any time prior to full reimbursement of the Additional Contribution as provided in Section 3.3 or full participation in the Additional Contribution as provided in Section 3.4, SAMTRANS may require the JPB to assign any or all of the option rights to System Option Properties to SAMTRANS.

4.3 **Local Options**. The JPB assigns the options to purchase the Local Option Properties as follows:

To SAMTRANS - San Bruno

To SCCTD - Moffett, Vasona I, Vasona II.

Neither the exercise of such an option by any party hereto nor the assignment by the JPB of such an option shall affect each Member Agency's percentage under the Mileage Formula as stipulated herein. Upon the exercise of an option to purchase a Local Option Property by a Member Agency which has received an assignment from the JPB, title to the property covered by such option shall vest in the Member Agency, which shall pay the option price.

4.4 **Gilroy Trackage Rights**. At the request of SCCTD, the JPB shall assign all of its rights, title and obligations under the Trackage Rights Agreement - Lick/Gilroy Line to SCCTD and upon such assignment SCCTD shall succeed JPB as the owner thereof.

5. TERM.

This Agreement shall become effective upon the acquisition of the ROW by the JPB and SAMTRANS, and shall continue in full force and effect until disposition of the ROW pursuant to Section 10 below is effected. This Agreement shall govern the disposition of the ROW and represents the "separate agreement" referenced in Section 13 of the JPA.

6. MANAGEMENT OF THE ROW; DIVISION OF EXPENSES AND NET REVENUES.

6.1 **Management of Operational Assets**. Pursuant to the JPA, the JPB will provide oversight, and SAMTRANS will manage the Operational Assets. Nothing herein shall preclude the delegation by the JPB of management responsibilities for certain Operational Assets to another Member Agency, with such rights and responsibilities as may be designated by the JPB.

6.2 **Operating Expenses and Revenues**. Expenses incurred in operating the PCS and the cost of all ROW capital projects shall be shared among the Member Agencies or borne by an individual Member Agency as provided in the JPA. Similarly, revenues earned by the JPB and used to support the operating budget of the PCS at the time of execution of this Agreement shall continue to be used to reduce operating expenses as provided in the JPA.

6.3 **Management of Nonoperational Assets**. SAMTRANS will manage the Nonoperational Assets, and in this regard hereby is authorized to **(a)** manage and oversee existing leases, licenses, franchises and development projects, and **(b)** pay applicable taxes and take all other actions as may be necessary to manage effectively the Nonoperational Assets. Renewals of existing leases, licenses, and franchises, as well as proposed new lease, license, franchise and development arrangements and projects must first be approved by the JPB. Any lease, license, franchise and/or development project so approved shall be managed by SAMTRANS as provided above. Nothing herein will preclude the delegation by the JPB of the administration or management of certain Nonoperational Assets to another Member Agency, with such rights and responsibilities as may be designated by the JPB.

6.4 **Nonoperating Expenses and Revenues - ROW**. With respect to all Nonoperational Assets comprising the ROW, exclusive of System Option Properties, for each fiscal year this Agreement is in effect, the responsibility to pay for all Nonoperating Expenses shall be shared by the Member Agencies in accordance with the Mileage Formula. The JPB will determine the use of all Nonoperating Revenues generated by said assets in accordance with the terms and conditions of CTC Resolution #PA-91-01. To the extent such revenues are applied to operations, to the extent possible they will be used and accounted for within the provisions of Section 3.5 above.

6.5 Nonoperating Expenses and Revenues - System Option Properties and State Transferred Properties. With respect to all Nonoperational Assets included in System Option Properties and State Transferred Properties, for each fiscal year this Agreement is in effect, all Nonoperating Expenses shall be paid first from all Nonoperating Revenues. Any Net Nonoperating Deficit shall be borne by each Member Agency, pro rata, in accordance with the Mileage Formula. Any Net Nonoperating Revenues shall be paid to SAMTRANS and any other Member Agencies entitled thereto pursuant to Section 3.3 above. Upon full reimbursement of the Additional Contribution, or full participation by all Member Agencies as set forth in Section 3.4, any such Net Nonoperating Revenues will be distributed annually among the Member Agencies in accordance with the Mileage Formula. Any such distributions may be used by each Member Agency which receives them for any purpose.

7. SAMTRANS' OPTION TO CONVERT ADDITIONAL CONTRIBUTION TO EQUITY INTEREST.

7.1 Conversion to Equity. Notwithstanding any other provision of this Agreement, and provided that SAMTRANS has not withdrawn its operational subsidy pursuant to Section 9 below at any time prior to full reimbursement of the Additional Contribution as provided in Section 3.3 or full participation in the Additional Contribution by all Member Agencies as set forth in Section 3.4, SAMTRANS may elect to treat the Additional Contribution as an equity contribution towards the ROW purchase by exercising an option to take title to part or all of the ROW. The JPB hereby grants such option to SAMTRANS. The option may be exercised by SAMTRANS upon a minimum of ninety (90) days' written notice to the JPB, CCSF and SCCTD, which notice will designate the Closing Date.

Upon the Closing Date, the JPB will transfer to SAMTRANS all of its right, title and interest in the ROW selected by SAMTRANS for transfer, with SAMTRANS assuming responsibility for closing costs. Title to State Transferred Properties shall remain in the JPB. Station properties shall be treated as Nonoperational Assets for all purposes as contemplated in this Section 7 to the extent that these properties can be used for nonoperational purposes without detriment to the transportation operations.

7.2 **Management of Operational Assets**. SAMTRANS shall license the Operational Assets to the JPB at no cost, which will continue to operate the PCS in a manner consistent with the JPA as set forth in Sections 6.1 and 6.2.

7.3 **Management of Nonoperational Assets**. Upon the Closing Date, SAMTRANS will assume control over and responsibility for management, use and development of all Nonoperational Assets, subject to the participation rights established in Sections 7.6 and 7.7 and the management of Operational Assets as set forth in Section 7.2. Section 6.3 of this Agreement, except for the last sentence thereof, shall be deemed suspended during the period of time that SAMTRANS owns the ROW pursuant to this Section 7.

7.4 **Nonoperating Expenses and Revenues - ROW Other Than System Option Properties**. With respect to all Nonoperational Assets comprising the ROW exclusive of Nonoperational Assets of System Option Properties, for each fiscal year that SAMTRANS owns the ROW, the responsibility to pay for all Nonoperating Expenses and the use and treatment of all Nonoperating Revenues shall be as provided in Section 6.4 above.

7.5 **Nonoperating Expenses Revenues - System Option Properties and State Transferred Properties**. With respect to all Nonoperational Assets of the System Option Properties and the State Transferred Properties, for each fiscal year that SAMTRANS owns the ROW, all Nonoperating Expenses shall be paid first from all Nonoperating Revenues. Any Net Nonoperating Deficit shall be borne by the Member Agencies in accordance with their respective percentage participation in the Additional Contribution. Any Net Nonoperating Revenue shall be paid to SAMTRANS and any other Member Agencies entitled thereto pursuant to Section 3.4 above. Any such distributions may be used by each Member Agency which receives them for any purpose.

7.6 **Fully Contributing Member Agency**. Upon the transfer contemplated in Section 7.1, any Member Agency which has provided its total percentage under the Mileage Formula toward the Additional Contribution as set forth in Section 3.4 above will be granted participatory rights and responsibilities, as follows: **(a)** voting rights on management and development decisions as specified in Section 6.3 above equal to its percentage share under the Mileage Formula, and **(b)** a right to veto any proposed development that lies within its jurisdiction.

7.7 __Partially Contributing Member Agencies__. Upon the transfer contemplated in Section 7.1 above, any Member Agency which has participated in the Additional Contribution less than the Member Agency's total percentage under the Mileage Formula as provided in Section 3.4 will be granted participatory rights and responsibilities only to the extent of voting rights on management and development decisions as specified in Section 7.3 equal to the percentage said Member Agency's participation in the principal of the Additional Contribution bears to the total Additional Contribution.

7.8 __Restoration of Title in JPB__. When each Member Agency has fully participated in the Additional Contribution under the Mileage Formula, or when the Additional Contribution has been fully reimbursed as provided in this Agreement, or at such time as SAMTRANS withdraws its operating subsidy pursuant to Section 9, SAMTRANS shall reconvey all of its right, title and interest in the ROW to the JPB, and the provisions of Section 6 shall be deemed restored in all respects.

8. RESTRICTIONS ON TRANSFER AND ENCUMBRANCES.

Neither the JPB nor SAMTRANS shall be permitted to sell, transfer, convey, alienate, encumber, hypothecate, pledge, or otherwise dispose of its interest in the ROW, System Option Properties and State Transferred Properties voluntarily or involuntarily, by operation of law or otherwise, without the written approval of the other, except as otherwise expressly provided herein. Any attempt to transfer in violation of this

Section 8 shall be void and confer no rights on the transferee.

Notwithstanding the foregoing, in the event SAMTRANS exercises its option and receives title to the ROW pursuant to Section 7 and until such time as SAMTRANS withdraws its operating subsidy pursuant to Section 9, SAMTRANS, without the prior approval of the JPB, shall, with respect to any ROW property to which it holds title, be entitled: (a) to lease, encumber, pledge and take any other action necessary or desirable to manage or develop the Nonoperational Assets (in counties outside San Mateo County these actions shall be limited to the Nonoperational Assets at the locations described in Exhibit B which is attached to this Agreement and incorporated into it by this reference); (b) to transfer, sell, convey or otherwise dispose of any of the Nonoperational Assets (in counties outside San Mateo County these actions shall be limited to the Nonoperational Assets at the locations described in Exhibit B) in the event that any Member Agency withdraws its operational support pursuant to Section 9 below, provided, however, that a fully participating Member Agency will be granted voting rights on any such decision to transfer, sell, convey or otherwise dispose of a Nonoperational Asset equal to its percentage under the Mileage Formula; and (c) to transfer, sell, convey or otherwise dispose of any Operational Asset in the event that CCSF and SCCTD have both withdrawn their operational support pursuant to Section 9, below. In the event of any such transfer, sale, conveyance or disposition of Nonoperational or Operational Assets, the proceeds shall be dispersed in the manner set forth in Section 10.

9. **AMENDMENT OF THE JPA.**

This Section supersedes and amends Section 12 of the JPA. Any party may cease to support operations of the PCS at the end of any fiscal year upon one (1) year's prior written notice to the other parties. The decision of one or more Member Agencies to cease their support for operations shall not cause the termination of the JPB. The withdrawal of operational subsidies by any Member Agency shall not constitute a withdrawal from the JPB by said Member Agency, nor shall it entitle said Member Agency to reimbursement for past capital contributions, a distribution of any assets, or to participation in any future net revenues derived from operating activities, from either JPB or SAMTRANS. Upon the effective date of a Member Agency's withdrawal of operational subsidies, it shall **(a)** no longer be entitled to vote on any matter involving operational issues, **(b)** no longer be obligated to subsidize the PCS as provided herein or to participate in capital projects, **(c)** remain entitled to its share of Net Nonoperating Revenues in accordance with Section 3.4, 6.5 or 7.5, as the case may be, up to such time as its participation in the Additional Contribution has been repaid in full, and **(d)** remain obligated to contribute its share of any Net Nonoperating Deficit in accordance with Section 6.5 or 7.5, as the case may be, until the ROW and all system assets are finally disposed of. Upon the effectuation of the sale of the ROW and PCS assets, the JPB shall be deemed dissolved.

10. **MANDATORY DISPOSITION OF ASSETS.**

Unless otherwise agreed by the parties or otherwise required by laws, regulations, or contractual obligations, and notwithstanding the transfer of title of the ROW to SAMTRANS pursuant to Section 7 above, in the event the ROW is not used by any Member Agency to provide a minimum level of PCS equal to 44 trains per day for a period of seven consecutive years, the JPB or SAMTRANS shall sell the ROW System Option Properties at the earliest practicable opportunity. Upon disposition, the proceeds of the sale will be used first to satisfy any contractual obligations, second, to pay to any Member Agency any amount it has contributed to the principal of the Additional Contribution which has not been reimbursed previously, with interest on said amount from the date of said principal contribution at the rate provided in Section 3.3 above. The remainder of the sales proceeds, if any, shall be shared among CCSF, SAMTRANS and SCCTD in accordance with the Mileage Formula.

11. WAIVER OF PARTITION.

As long as this Agreement is in full force and effect, each party hereto hereby waives the right it would otherwise have to institute an action or otherwise require partition of the ROW or any part thereof, or any similar remedy, and each party also waives the same on behalf of its successors and assigns.

12. REPORTS AND RECORDS.

12.1 **Records**. SAMTRANS, in its capacity as Managing Agency under the JPA, shall maintain proper and complete books as may be required by this Agreement, including records of contributions, to the Additional Contribution, Nonoperating Revenues and Nonoperating Expenses. Such records shall be available to all Member Agencies upon request.

12.2 **Annual Report**. The annual report of JPB financial activities that shall be prepared pursuant to Section 14 of the JPA shall include a report on the Net Nonoperating Revenues or Net Nonoperating Deficit during the prior year.

13. LIMITATION OF LIABILITY.

13.1 **Limitation of Liability**. SAMTRANS, its directors, officers, employees and agents will not be liable to the JPB or any one of its Member Agencies for any action taken or omission to act on behalf of the JPB, whether negligent or not, unless such act or omission is fraudulent, in bad faith, or constitutes gross negligence.

13.2 **Indemnity**. The JPB shall defend, indemnify, and hold harmless SAMTRANS, CCSF and SCCTD and their directors, officers, employees and agents from and against any loss, expense, damage or injury suffered or sustained by reason of any of their acts or omissions or alleged acts or omissions, whether negligent or not, in performing the obligations undertaken by any of them hereunder, including but not limited to any judgment, award, settlement, reasonable attorney's fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim; provided, however, that no Member Agency or its directors, officers, employees or agents shall be indemnified by the JPB in connection with any liabilities incurred arising out of acts or omissions which are fraudulent, in bad faith, or grossly negligent.

14. RECORDATION OF MEMORANDUM OF AGREEMENT.

The parties agree to sign and record in the counties of Santa Clara, San Mateo and San Francisco a Memorandum of Agreement that summarizes all salient provisions of this Agreement, including specifically SAMTRANS' option to convert the Additional Contribution to an equity interest in the ROW and the restrictions on transfer and encumbrances set forth herein.

15. MISCELLANEOUS.

15.1 <u>Capitalized Terms</u>. Capitalized terms not otherwise defined herein shall have the meaning given to them in the JPA.

15.2 <u>Further Acts</u>. Each party to this Agreement agrees to execute and deliver all documents and to perform all additional acts which may be reasonably necessary to carry out the provisions of this Agreement.

15.3 <u>Notices</u>. All notices, payments, requests, demands and other communications to be made or given under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally or on the second day after mailing if mailed to the party to whom notice is to be given by first class mail, registered or certified, postage prepaid and properly addressed as follows:

SAMTRANS:	San Mateo County Transit District 1250 San Carlos Avenue San Carlos, CA 94070 Attn: General Manager
JPB:	Peninsula Corridor Joint Powers Board 1250 San Carlos Avenue San Carlos, CA 94070 Attn: Executive Director
SCCTD:	Santa Clara County Transit District 1555 Berger Drive San Jose, CA 95112 Attn: Assistant Executive Officer

CCSF: Public Utilities Commission
425 Mason Street
San Francisco, CA 94102
Attn: Director of Finance

15.4 **Governing Law**. This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the State of California.

15.5 **Successors**. This Agreement shall be binding upon and shall inure to the benefit of the respective successors and assigns.

15.6 **Amendments**. This Agreement may be amended at any time and from time to time, provided such amendments are in writing and executed by all parties.

15.7 **Representation**. SCCTD, SAMTRANS and CCSF have each been represented by independent counsel with respect to the negotiation and approval of this Agreement. The JPB has not been represented by independent counsel, it being understood that this Agreement has been approved by the three member agencies which constitute the JPB, which in turn have authorized the JPB to enter into this Agreement and to perform its obligations hereunder.

15.8 **Entire Agreement**. This Agreement constitutes the entire agreement of the parties with respect to its subject matter and supersedes any prior oral or written understandings on the same subject.

15.9 **Counterparts**. This Agreement may be executed in counterparts, each of which shall be deemed an original, but both of which together shall be deemed an entire Agreement.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the date first written above with the intent to be legally bound.

SAN MATEO COUNTY TRANSIT DISTRICT

John R. [signature]

Approved as to Form and Legality:

By: [signature]

PENINSULA CORRIDOR JOINT POWERS BOARD

Tom Nolan

Approved as to Form and Legality:

By: [signature]

CITY AND COUNTY OF SAN FRANCISCO

[signature]
MAYOR

Approved as to Form and Legality:

By: [signature]
Deputy City Attorney

Approved
SAN FRANCISCO PUBLIC
UTILITIES RESOLUTION NO. 91-0388
Dated: November 26, 1991

ATTEST:

Romaine A. Boldridge
Secretary, PUBLIC UTILITIES
COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 1075-91

ATTEST:

John Taylor
JOHN TAYLOR, Clerk

SANTA CLARA COUNTY TRANSIT DISTRICT

ROD DIRIDON, Chairperson
Santa Clara County Transit District
Board of Supervisors

Approved as to Form and Legality:

By: Robert A. Weers

ROBERT A. WEERS
Deputy County Counsel

ATTEST: Donald M. Rains

DONALD M. RAINS, Clerk
Santa Clara County Board of Supervisors

RAW:smw/TL3/297

EXHIBIT A

OPERATIONAL ASSETS

The term "Operational Assets" as defined in Section 1.13 of the Real Property Ownership Agreement will include that portion of the property and assets of the ROW consisting of an 80-foot wide strip (said strip to be measured 40 feet on each side of the median of the ROW) in those areas where the width of the ROW is in excess of 80 feet and the entire right of way in those areas where the width of the ROW is less than 80 feet, as more particularly shown on Exhibit A attached to and incorporated in the Purchase, Sale and Option Agreement, dated November 22, 1991, CE Drawing 43820 Sheets 1 through 40, approved August 12, 1991, September 9, 1991 and November 1, 1991.

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EXHIBIT B

LOCATIONS IN SANTA CLARA COUNTY AND IN CITY AND COUNTY OF SAN FRANCISCO WHERE THE PCS CORRIDOR IS OVER 80 FEET WIDE AND HAS POTENTIAL FOR DEVELOPMENT OR SALE

CITY AND COUNTY OF SAN FRANCISCO

NONE

COUNTY OF SANTA CLARA

	Val. Map	SH	W	L	AC	Location	Limits
1.	V-74/12	(26)	100-125	2000'	1.5	Mt. View	San Antonio to Calderon
2.	V-74/16	(30)	140'	2400'	3.3	Sunnyvale	Uranium Rd. to Saratoga Cr.
3.	V-74/17	(31)	100-125	7000'	5.0	Santa Clara	San Tomas Cr. to Lafayette

.W:smw
.L3/297-24

ATTACHMENT D:
2008 REAL PROPERTY OWNERSHIP AGREEMENT

AMENDMENT TO REAL PROPERTY OWNERSHIP AGREEMENT

This First Amendment to Real Property Ownership Agreement (the "Agreement") is entered into by and among the Peninsula Corridor Joint Powers Board ("JPB"), San Mateo County Transit District ("SAMTRANS"), the City and County of San Francisco ("CCSF"), and the Santa Clara Valley Transportation Authority ("VTA"), formerly known as the Santa Clara County Transit District, this 31st day of October, 2008.

RECITALS

A. SAMTRANS, CCSF and VTA are member agencies of the JPB, which is governed by an amended and restated joint exercise of powers agreement ("JPA") dated October 3, 1996. Among the enumerated purposes of the JPB are the planning, administration, operation and expansion of the commuter rail system commonly known as Caltrain, and the maintenance, improvement and management of the rail corridor on which the Caltrain system is operated, together with other real estate assets necessary for the operation of Caltrain.

B. Under the JPA, SAMTRANS serves as the Managing Agency responsible for the management and operation of the Caltrain rail service and all of the assets of the JPB.

C. SAMTRANS, CCSF, VTA and JPB also are parties to a Real Property Ownership Agreement ("RPOA") dated December 24, 1991.

D. Among other things, the RPOA sets forth the understandings of SAMTRANS, CCSF and VTA associated with financing the acquisition by the JPB of the former Southern Pacific Transportation Company ("SP") right-of-way extending from 4th and Townsend Streets in San Francisco 51.4 miles to Lick Junction (the "ROW"), together with various other property rights all as memorialized in a Purchase, Sale and Option Agreement dated November 22, 1991 between SP, JPB and SAMTRANS. More specifically, pursuant to the RPOA, SAMTRANS agreed to facilitate acquisition of the ROW by advancing certain of its funds, and arranging for the contribution of certain funds of the San Mateo County Transportation Authority, which were necessary to complete the purchase of the ROW (the "Additional Contribution"). In consideration of SAMTRANS' willingness to facilitate acquisition of the ROW in said fashion, CCSF and VTA agreed to enter into the RPOA to acknowledge, safeguard and protect the Additional Contribution, made by SAMTRANS as defined in Section 1.2 of the RPOA. Among the provisions contained in the RPOA to protect SAMTRANS' advance of funds were the following:

(1) Title to the ROW located in San Mateo County was vested in both the JPB and SAMTRANS, as tenants in common;

(2) SAMTRANS was granted an equity conversion option pursuant to which SAMTRANS was granted the right to take sole title to part or all of the ROW at any time prior to reimbursement of the Additional Contribution; and

(3) CCSF and VTA agreed to use their best efforts individually and collectively to advocate for and obtain grants from non-local sources to reimburse SAMTRANS for the Additional Contribution .

E. In recognition of the voluntary advance of funds to acquire the ROW made by SAMTRANS and the commitment of the parties to the RPOA to use best efforts to effect reimbursement of that advance, the Metropolitan Transportation Commission ("MTC") has assumed a leadership role in identifying grant funds from non-local sources to be used to reimburse SAMTRANS for its Additional Contribution. Specifically, as stated in a report to the MTC dated June 25, 2007, MTC's Executive Director has identified "spillover" state transit funds projected to flow to the San Francisco Bay Area region over a period of several years as a viable repayment source for the SAMTRANS Additional Contribution. More specifically, $43.3 million in population-based spillover funds that fall under MTC's control and jurisdiction and $10 million in revenue-based spillover funds ($8 million from VTA and $2 million from CCSF), have been identified as proposed sources of funds to be allocated to SAMTRANS in full reimbursement of the Additional Contribution.

F. By this Amendment to the RPOA, the JPB, SAMTRANS, CCSF and VTA desire to memorialize their understandings pertaining to the proposed reimbursement of the SAMTRANS Additional Contribution and to fully resolve all outstanding financial issues related to the acquisition of the ROW.

G. In conjunction with the Amendment of the RPOA, the parties have agreed that SAMTRANS will be designated as the managing agency of the JPB unless and until it no longer

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chooses to do so, it being agreed and understood that a formal amendment to the JPA incorporating this commitment will be implemented at a future date.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

I. Section 3.3 of the Agreement (Reimbursement Of Additional Contribution) is amended in its entirety to read as follows:

3.3 Reimbursement of Additional Contribution. The parties agree that the Metropolitan Transportation Commission ("MTC") will facilitate reimbursement of the Additional Contribution provided by SAMTRANS for the purchase of the ROW in the following manner:

A. **VTA Contribution**. The amount of the Additional Contribution attributable to VTA, $43 million, will be paid to SAMTRANS through future gasoline sales tax "spillover" money: $35 million in regional population-based "spillover" money to be allocated directly by MTC to SAMTRANS; and $8 million in revenue-based "spillover" money from VTA to SAMTRANS.

B. **CCSF Contribution**. The amount of the Additional Contribution attributable to CCSF, $10.3 million, will be paid to SAMTRANS through future gasoline sales tax "spillover" money: $8.3 million in regional population-based "spillover" money to be allocated directly by MTC; and $2 million in revenue-based "spillover" money from CCSF, through the San Francisco Municipal Transportation Agency.

C. **Timing and Method of Allocation of Funds**. The parties recognize that the precise time frame for allocation of the funds described in subsections A and B above is uncertain. The parties agree that they will use best efforts to effect allocation in full within a period of two (2) to four (4) years and in no event later than ten (10) years from the date of execution of this Amendment to the Agreement; provided that if and when MTC determines that the schedule of payments can be accelerated based upon greater availability of spillover funds made available from time to time by the State of

California, incremental revenue-based spillover funds otherwise allocable to VTA and CCSF will be paid to SAMTRANS in a ratio that equals or exceeds the incremental MTC allocation of regional population-based spillover funds.

If circumstances arise that would preclude allocation of the funds in full within ten (10) years, the parties acknowledge and agree that MTC will be authorized to identify alternative sources of non-local funds to effect full reimbursement of the Additional Contribution to SAMTRANS at the earliest practicable date.

MTC will allocate the regional population-based spillover funds directly to SAMTRANS. For Fiscal Year 2008-09, VTA and CCSF will pay the revenue-based spillover funds referred to in subparagraphs A and B to SAMTRANS. In subsequent years, if required, and until VTA's and CCSF's commitments are fully discharged, MTC will allocate and pay to SAMTRANS the respective shares of VTA and CCSF revenue-based spillover funds.

Upon receipt by SAMTRANS of all funds in satisfaction of the Additional Contribution, the commitments of CCSF and VTA under Sections 3.3 and 3.4 of the Agreement will be deemed fulfilled.

II. Section 4.1 of the Agreement (ROW) is amended in its entirety to read as follows:

Title to the ROW shall vest initially in the JPB; provided, however, that title shall vest in the JPB and SAMTRANS as tenants in common (not as partners) as to all ROW property located in San Mateo County. Upon full participation in the Additional Contribution by all Member Agencies, or full reimbursement of the Additional Contribution to SAMTRANS as provided in Section 3.3 above, SAMTRANS shall reconvey to the JPB all of its interests in title to the ROW. At such time, Section 7 of the RPOA granting SAMTRANS an option to convert its Additional Contribution to an equity interest in the ROW shall no longer be in effect and Section 6.5 of the RPOA shall be repealed. Title to State Transferred Properties shall vest in the JPB.

III. AGREEMENT TO AMEND JOINT POWERS AGREEMENT.

In consideration of the understandings reached pursuant to this Amendment to the RPOA, and in keeping with the shared commitment of the parties to continue their collaborative support of Caltrain, the parties have agreed that SAMTRANS is designated as the managing agency of the JPB and will serve in that capacity unless and until it no longer chooses to do so. The parties also agree to incorporate this agreement in a formal amendment of the JPA at a future date.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the date first written above, with the intent to be legally bound.

SAN MATEO COUNTY TRANSIT DISTRICT

By: M J Scanlon

Michael J. Scanlon
General Manager/CEO

Approval as to form:

David J. Miller
Attorney

CITY AND COUNTY OF SAN FRANCISCO

By: Nathaniel P. Ford Jr.

Nathaniel P. Ford, Sr.
Executive Director/CEO
Municipal Transportation Agency

Approved as to form:

Dennis J. Herrera, City Attorney

Robin M. Reitzes
Deputy City Attorney

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Municipal Transportation Agency
Board of Directors
Resolution No. 08-099
Dated: June 17, 2008

Attest:

R. Boomer
Secretary

Board of Supervisors
Resolution No. 389-08
Dated: September 16, 2008

Attest:

Clerk of the Board

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

By: Michael T. Burns
Michael T. Burns, General Manager

Approved as to form:

Kevin D. Allmand
Acting General Counsel

PENINSULA CORRIDOR JOINT POWERS BOARD

By: M J Scanlon
Michael J. Scanlon
Executive Director

Approved as to form:

David J. Miller
Attorney

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ATTACHMENT E:
LIST OF INTERVIEWEES

LIST OF INTERVIEWEES

- **Alix Bockelman** – MTC, Deputy Executive Director, Policy
- **Michael Burns** – Former JPB Board Member; SFMTA, former GM; and VTA, former GM
- **April Chan** – SamTrans, Chief Officer, Planning, Grants, and Transportation Authority
- **Cindy Chavez** – JPB Board Member; Santa Clara Board of Supervisors; VTA Board Chair; and Governance Ad Hoc Committee Member
- **Rod Diridon** – Former JPB Board Member and Santa Clara County Supervisor
- **Sean Elsbernd** – Former JPB Board Member; CCSF, Chief of Staff to Mayor London Breed
- **Nuria Fernandez** – VTA, General Manager, and Governance Ad Hoc Committee Member
- **Brian Fitzpatrick** – SamTrans, Director of Real Estate and Development
- **Derek Hansel** – Caltrain and SamTrans Chief Financial Officer
- **Jim Hartnett** – Peninsula Corridor Joint Powers Board, Executive Director; SamTrans, General Manager/Chief Executive Officer; and San Mateo County Transportation Authority, Executive Director; Governance Ad Hoc Committee Member; and Former JPB Board Member
- **Steve Heminger** – JPB Board Member; SFMTA Board Member; and MTC, former Executive Director
- **Jim Lawson** – VTA, Chief of External Affairs, and former JPB Board Member
- **Zoe Lofgren** – Member of Congress; former member of Santa Clara County Board of Supervisors
- **Carter Mau** – San Mateo County Transportation District, Deputy GM, and JPB Governance Ad Hoc Committee Member
- **David Miller** – Hanson Bridgett, LLP; Former General Counsel for JPB and San Mateo County Transportation District
- **Seamus Murphy** – San Mateo County Transportation District, Chief Communications Officer
- **Tom Nolan** – former JPB Board Member; SFMTA, former Board Chair
- **Howard Permut** – author of CalTrain Organizational Assessment Report

- **Dave Pine** – JPB Board Chair; San Mateo Board of Supervisors; and Governance Ad Hoc Committee Member
- **Mike Scanlon** – SamTrans, former General Manager/Chief Executive Officer of SamTrans; Peninsula Corridor Joint Powers Board, former Executive Director; and San Mateo County Transportation Authority, former Executive Director
- **Jeff Tumlin** – SFMTA, General Manager, and Governance Ad Hoc Committee Member
- **Shamann Walton** – JPB Board Member; San Francisco Board of Supervisors; and Governance Ad Hoc Committee Member
- **Monique Webster** – SFMTA, Regional Government Affairs Manager

ATTACHMENT F:
CHART OF SYSTEM OPERATION

Location	City	Type	Purchaser	Closing Date	Recording Information	Title Report	Val Map Reference	Price	Comments	
Parking Lot Option Parcels										
22nd Street	San Francisco	Parking				SF-15-2	V-2/2 pp. 11, 13, 14,		Never Purchased?	
Bayshore	San Francisco	Parking				SF-82-2	V-2/6 pp. 1 & 2		Never Purchased?	
S. San Francisco Station	South San Francisco	Parking	Transportation Authority	6/28/1996 12/18/1997	96-078893 97-167437	SM-22-2	V-2/10 p. 1		2nd deed corrects description	
Hillsdale Station	San Mateo	G/S II Parking	Transportation Authority	6/28/1996	96-078893	SM-136-2-B SM-130	← V-74/5 P. 24 ← V-74/5 p.18 &		Not in deed SM-134, 135 (see below)	
San Carlos Station	San Carlos	Parking	JPB and SamTrans/TA	3/29/1996	96-037465 96-037472	SM-179-2 SM-XXX Street Q.C. SM-180 SM-181	V-74/7 p. 5 v-74/7 p. 52 V-74/7 p. 12 V-74/7 p. 6		Samtrans and JPB own NE 20' only, TA owns remainder	
Palo Alto Station	Palo Alto	Parking	Transportation Authority	3/29/1996	P397 Page 0644 Doc. No. 13349805	SC-01-2	V-74/10 p. 6		Quitclaimed to JPB 12/18/97 via 13982032 Portion of initial option parcel	Purchased by Tenth Amendment 2/6/97
	Palo Alto	Parking				SC-04-2	V-74/10 p. 8 (portion)			
Mt. View Station	Mountain View	Parking	Transportation Authority	6/28/1996	P397 Page 0644 Doc. No. 13349805	SC-36	V-74/13 p. 9		Quitclaimed to JPB 12/18/97 via 13982032 Portion of initial option parcel	
						???	V-74/15 p. 1 (Letter "C") Q.C. Street			
Sunnyvale Station	Sunnyvale	Parking				SC-40-2	V-74/15 p. 1			
Lawrence Station	Sunnyvale	Parking				SC-65	V-74/16 p. 17		Sold to 3rd party	
Grade Separation Option Parcels										
Center Street	Millbrae	G/S II G/S II G/S II				SM-44 SM-45 SM-46 SM-47 SM-48 SM-49 SM-50 SM-51 SM-52 SM-57 SM-61 SM-62 SM-93-2	V-74/1 p. 7 V-74/1 p. 8 V-74/1 p. 9 V-74/1 p. 10 V-74/1 p. 11 V-74/1 V-74/1 p. 13 V-74/1 p. 14 V-74/1 p. 15 V-74/1 p. 20 V-74/1 p. 24 V-74/1 p. 25 V-74/4 P. 25		Purchased by SamTrans for BART SFO Extension Project	
Broadway Station	Burlingame	G/S I	TA	6/28/1996	96-078893	SM-70-2	V-74/3 p.2			
Howard Avenue	Burlingame	G/S I				SM-75A	V-74/3 p. 13			
Peninsula Avenue	Burlingame	G/S I				SM-80A	V-74/3 p. 23			
Fifth Avenue	San Mateo	G/S II				SM-96	V-74/4 p. 26			

Ninth Avenue	San Mateo	G/S II G/S III				SM-101 SM-262 SM-134 SM-135	V-74/4 p. 52 NWP V-B/19 p. 1 V-74/5 p. 24 V-74/5 p. 24			
Twenty-Fifth Avenue	San Mateo			6/28/1996	96-078893	SM-136-2A	V-74/5 p. 24 (por)		Quitclaimed to JPB on 12/18/97 via 97-167438	
Ralston Avenue	Belmont	G/S I G/S I G/S I	JPB/SamTrans	3/2/1994	94038074	SM-155-2 SM-157-2 SM-158	V-74/6 p. 5 V-74/6 p. 10 (portion) V-74/6 p. 22		Portion of SM-158	
Harbor Boulevard	Belmont	G/S II G/S II G/S II G/S II G/S II G/S II	JPB/SamTrans	3/2/1994	94038074	SM-159 SM-160 SM-161 SM-162 SM-163 SM-164	V-74/6 p. 24 V-74/6 p. 34 V-74/6 p. 14 V-74/6 p. 11 V-74/6 p. 15 V-74/6 p. 12		Not in deal 161-2, 162, 163, 164	
Holly Street	San Carlos	G/S II G/S II G/S II	TA TA JPB/SamTrans JPB/SamTrans	3/24/1996 3/29/1996 12/15/1995	96037465 96037472 95136493	SM-173 ? SM-175 SM-176	V-74/6 p. 19 + Portion P. 2&3 V-74/6 p. 34 (portion) V-74/6 p. 27 V-74/6 p. 10		TA owns to SW of line 75' from RR ROW line Portion of O'Neill Avenue	
Whipple Avenue	Redwood City	G/S I G/S I G/S I G/S I G/S I G/S I G/S I G/S I G/S I	Transportation Authority	6/28/1996	96-078893	SM-194 SM-195 SM-196 SM-197 SM-198 SM-205 SM-206 SM-207 SM-208 SM-209 ?	V-74/7 p. 36 (portion) V-74/7 par. 23 V-74/7 par. 25 V-74/7 par. 26 V-74/7 par. 36 V-74/7 par. 30 V-74/7 par. 31 V-74/7 par. 48 V-74/7 par. 37 V-74/7 par. 32 V-74/7 p. 57 (Whipple Street Q.C.)			Partial Reconveyance: SM-198 #50651
Brewster Avenue	Redwood City	G/S I G/S I G/S I G/S I	Transportation Authority	6/28/1996	96-078893	SM-211-2 SM-212 SM-213-2 SM-215	V-74/8 p. 2 V-74/8 p. 42 V-74/8 p. 3 V-74/8 p. 42		Quitclaimed to JPB on 12/18/97 via 97-167438	Purchased by Tenth Amendment 2/6/97
Maple Street	Redwood City	G/S I G/S I				SM-225 SM-226	V-74/8 p. 18 V-74/8 p. 19			
Whipple Add'l	Redwood City	G/S I				SM-201 SM-218-2	V-74/7 p. 28 V-74/7 pp. 26, 47, 58			
Evans/Jerrold	San Francisco	N/A	TA	?	?	?			Sold to JPB via Quitclaim 12/18/97 Service 97-6274/03-00	
	Brisbane	N/A				?			Never purchased	
Station	Palo Alto	N/A								
	Redwood City	N/A								
	San Mateo	N/A				No record	V-74/5 p.5, 10, 27			
			JPB/SamTrans	6/28/1996	96-078891	SM-97-2	V-74/5 p.1 (portion)	No recording info	10th Avenue	

		G/S II G/S II	TA	9/11/1997	97-114692	SM-134 SM-135	V-74/5 p. 24 V-74/5 p. 24			
			JPB and SamTrans	6/28/1996	96-078891	SM-211	V-74/8 p. 2			
			JPB and SamTrans	6/28/1996	96-078896	SM-211-1	V-74/8 p. 2			
Miscellaneous:						SM – 173b SM-175b SM 176b SM-70-2 SM-75A SM-80A SM-93-2 SM-96 SM-101 SM-262 SM-134 SM-135 SM-136-2A SM-211-2 SM-213-2 SM-225 SM-226 SM-215 SM-212	V-74/4 Pp. 25			Partial Reconveyance #50643
						SM-203	V-74/7 p. 58			
Total										

ATTACHMENT G:
STATION INVENTORY

PENINSULA COMMUTE SERVICE (CALTRAIN)
STATION INVENTORY

Station	Parcel No.	Purchase Date	Purchase Price	Federal Grant No.	% Federal Share	LOCATION	STRUCTURE TYPE
1. San Francisco (e)	N/A	N/A	N/A	N/A	N/A	4th & Townsend San Francisco	Reinforced Concrete Building
2. 22nd Street (a)	47209-1-2	12/29/89	$0	None	0%	22nd St. & Pennsylvania Ave. San Francisco	None
3. Paul Avenue (a)	47210-1	12/29/89	$0	None	0%	Paul Ave & Gould St. San Francisco	Sheet Metal Shelter
4. Bayshore (b)	47211-1	6/13/85	$168,500	None	0%	Tunnel Avenue San Francisco	Wood Frame Shelter
5. So. San Francisco (a)	47213-1	12/29/89	$598,600	CA-90-X105	80%	Dubuque & Grand Ave San Mateo County	Brick Building
6. San Bruno (a)	47214-1-3	12/29/89	$297,000	CA-90-X105	80%	Huntington & Sylvan Aves. San Mateo County	Stone & Glass Shelters (2)
7. Millbrae (b)	47215-1	12/14/84	$1,200,000	None	0%	21 E. Millbrae & California Dr. San Mateo County	Wood Frame Building
8. Broadway (a)	47216-1	12/29/89	$640,000	CA-90-X105	80%	Broadway & California Dr. Burlingame	Stucco Building
9. Burlingame						Burlingame Ave & Calif. Dr. San Mateo County	Stucco Building
Station (b)	47217-1	12/18/84	$850,000	None	0%		
Parking (a)	47234-1	12/29/89	$535,000	CA-90-X105	80%		
10. San Mateo (b)	47218-1-2	5/22/85	$1,450,000	None	0%	2nd & So. Railroad Ave San Mateo County	Tile & Concrete Building
11. Hayward Park						16th Ave. & So. B St. City of San Mateo	Lexan Shelter
Station (a)	47219-1	12/29/89	$0	None	0%		
Parking	47241-1	4/27/90	$1,721,000	CA-03-0315	75%		

AGREEMENT NO. 04A0294
ATTACHMENT IIa
SHEET 6 OF 9

Station	Parcel No.	Purchase Date	Purchase Price	Federal Grant No.	% Federal Share	LOCATION	STRUCTURE TYPE
12. Hillsdale (a)	47220-1-2	12/29/89	$2,510,000	CA-90-X105	80%	E.Hillsdale Ave/El Camino Real - San Mateo County	Stucco Bldg 2 Wood Shelters
13. Belmont (b)	4722-1	6/24/83	$546,000	None	0%	El Camino Real/Ralston Ave San Mateo County	1-Glass/Stone Shelter 2-Glass/Steel Shelters
14. San Carlos (b)	472222-1	10/21/82	$914,400	None	0%	El Cámino Real/San Carlos Ave. - San Mateo County	Stone Masonry Bldg.
15. Redwood City (a)	47235-1	12/29/89	$4,415,000	CA-90-X105	80%	James & Franklin Avenues San Mateo County	Large Wood Frame Shelter
16. Atherton (a)	47224-1	12/29/89	$0	None	0%	Fair Oaks/Dinkelspiel Lane San Mateo County	Wood/Glass Shelter
17. Menlo Park (b)	47225-1	11/7/83	$1,353,400	None	0%	Santa Cruz & Merrill Streets San Mateo County	Wood Frame Building & Shelter
18. Palo Alto	47226-2 47226-3 47226-8	6/12/91	$3,500,000	CA-90-X544 (JPB)	75%	University Ave/Alma Street Santa Clara County	Stucco Shelter
19. California Ave (a)	47227-1	12/29/89	$1,130,000	CA-90-X182	80%	Park Blvd/California Ave Palo Alto, Santa Clara Co.	Stucco Building
20. Castro (a)	47228-1	12/29/89	$6,000	CA-90-X182	80%	So. Rengstorff/Crisanto Ave Mtn View, Santa Clara County	Wood Frame Shelter
21. Mountain View (b)	47229-1	6/24/83	$1,521,100	None	0%	View St./West Evelyn Ave. Santa Clara County	Concrete Block Shelter
22. Sunnyvale (b)	47230-1	6/24/83	$690,500	None	0%	Evelyn Ave./So. Frances St. Santa Clara County	Concrete Block Building

GREEMENT NO. 04A0294
ATTACHMENT IIa
SHEET 7 OF 9

ATTACHMENT C

Station	Parcel No.	Purchase Date	Purchase Price	Federal Grant No.	% Federal Share	LOCATION	STRUCTURE TYPE
23. Lawrence (b)	47236-1	6/18/84	$870,000	None	0%	Lawrence Exp./Lawr.Sta. Rd. Sunnyvale/Santa Clara Co.	Lexan Shelters
24. Santa Clara (b)	47231-1	6/24/83	$317,400	None	0%	Railroad Ave./Franklin St.	Wood Frame Building
	47237-1	6/18/84	$186,700	None	0%	Santa Clara County	
25. College Park (a)(c)	N/A	12/29/89	$0	None	0%	Stockton Ave/Emory St. San Jose, Santa Clara Co.	Wood Frame Shelter
26. San Jose Diridon	47232-1 (first)	12/28/90	$2,962,300	CA-90-X182	80%	65 Cahill St.	2 Story Brick Building
	47232-2			CA-90-X370	80%	Santa Clara County	Including Roofing
San Jose Parking	47232-1 (2nd)	6/15/92	$3,432,374	CA-03-0411 (JPB)	75%		System Guarantee on accompanying pages
S.J. Extended Park.	Various	1990-96	$5,000,000*	CA-03-0328	75%		4 & 5 of the attachment.
27. Tamien (d)	N/A	7/1/92	$14,733,000	CA-03-0328	75%	Alma and Lick Avenues San Jose, Santa Clara Co.	Reinforced Concrete Structure
Totals			$46,548,274				
28. All completed and pending federal and state grant capital improvements made to the Peninsula Commute Service operating right of way and station properties by the California Department of Transportation between July 1, 1980 and the date of transfer of these improvements to the Peninsula Corridor Joint Powers Board.							

(a) 'Gang of 13' station purchase. Purchase price is less lease option credits.
(b) First purchase of 11 stations. Purchase price is not less lease option credits totalling $398,300.
(c) Improvements only.
(d) Improvements only. Date shown is when construction completed.
(e) State owns no fee title and is transferring whatever rights it holds.

* This amount is approximate. Purchase of last parcel still being finalized.

GREEMENT NO. 04A0294
ATTACHMENT IIa
SHEET 8 OF 9

4/22/96

AGENDA ITEM #12a
JULY 9, 2020

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: Board of Directors

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel, Chief Financial Officer; Michelle Bouchard, Chief Operating Officer, Rail

SUBJECT: **AWARD OF CONTRACT FOR MARIN AND NAPOLEON STREET BRIDGE REPLACEMENT PROJECT FOR $8,907,901**

ACTION

Staff Coordinating Council recommends the Board:

1. Award a contract to the lowest, responsive and responsible bidder, Proven Management, Inc., of Oakland, California (Proven), for a total amount of $8,907,901 for the Marin and Napoleon Street Bridge Replacement Project (Project).

2. Authorize the Executive Director, or his designee, to execute a contract with Proven in full conformity with the terms and conditions set forth in the solicitation documents, and in a form approved by legal counsel.

SIGNIFICANCE

The Marin Street and Napoleon Street bridges (Bridges) are located in the City and County of San Francisco and were built in 1963 and 1947, respectively. Inspection of the Bridges rates them in fair and poor conditions, respectively. The Bridges suffer from deterioration and corrosion, as well as poor workmanship during the original construction.

The Project's scope of work consists of furnishing all labor, equipment, and materials required for:

- Marin Street Bridge: reconstruction of the walkways on both sides of the structure and repair of existing cracks and spalls within the superstructure.

- Napoleon Street Bridge: removal of the two outer structure spans of the bridge and replacement with elevated ~~soil~~cellular concrete backfill berms. The middle span will be reconstructed using new girders with new micropiles next to existing pile foundations.

- Caltrain tracks: reconstruction of the track infrastructure within the Project limits.

The Project is anticipated to be completed by the summer of 2021.

BUDGET IMPACT

The total Project cost is estimated at $16.4 million. The Board of Directors (Board) initially approved $600,000 for the Project in Fiscal Year (FY) 2015, and added to this amount as follows: in FY 2016 by $764,000, in FY 2017 by $1.0 million, in FY 2018 by $1.1 million, in FY 2019 by $540,000 and in FY 2020 by $2.7 million.

The remaining $9.7 million needed to complete the Project budget was approved in the FY 2021 Capital Budget and will be funded by project savings of $3.0 million from the Los Gatos Bridge and San Mateo Bridge projects and $6.7 million in Federal Transit Administration formula funds, regional bridge toll funds provided through the Metropolitan Transportation Commission, and available Proposition K funds from the San Francisco County Transportation Authority.

BACKGROUND

An Invitation for Bids (IFB) was advertised in a newspaper of general circulation and on the Peninsula Corridor Joint Powers Board's (JPB) procurement website. A 15 percent Disadvantaged Business Enterprise (DBE) goal was assigned to this Project. Prior to releasing the IFB, outreach for DBEs was conducted using the State of California's DBE database. Eight potential bidders attended the pre-bid meeting and four bids were received as follows:

Company	Base Contract A	Alternative B	Alternative C	Low Bidder Determination (A + B)	Contract Award (A + C)
Engineer's Estimate	***$5,327,033***	***$276,036***	***$1,442,647***	***$5,603,069***	***$6,769,680***
1. Proven Management, Oakland	$7,531,071	$487,208	$1,376,830	$8,018,279	$8,907,901
2. DMZ Builders, Concord	$7,742,250	$905,605	$2,913,510	$8,647,855	$10,655,760
3. Thompson Builders, Novato	$7,946,352	$922,673	$1,888,758	$8,869,025	$9,835,110
4. Disney Construction, Burlingame (Found to be Non-Responsive)	$5,621,685	$472,248	$1,837,725	$6,093,933	$7,459,410

The IFB included the base contract (A) and two alternative track infrastructure bid items as follows:

- Alternative B is the minimum required track work from north of Marin Street to Evans Avenue.

- Alternative C is expanded track work from Cesar Chavez to Jerrold Avenue. This is outside of the project limits and will be funded through the State of Good Repair funds.

After the bid opening and evaluation of the bids, staff determined to award the contract based on the base contract plus the Alternative C track work.

The JPB's Office of Civil Rights (OCR) reviewed Disney Construction, Inc.'s (Disney) bid, which achieved 0.18 percent DBE utilization. As Disney did not meet the DBE goal, OCR reviewed its good faith outreach documentation and determined Disney failed to make an adequate good faith effort to meet the DBE goal. Subsequently, Disney's bid was deemed non-responsive. After a reconsideration hearing, the hearing officer confirmed that Disney did not meet good faith outreach requirements.

The OCR reviewed the bid from Proven, which included a 19.8 percent DBE commitment, and determined that it met and exceeded the DBE goal.

Proven submitted all required bid documentation. Staff has determined, and legal counsel has concurred, that the bid submitted by Proven is responsive. The bid from Proven was approximately 32% percent higher than the engineer's estimate. Staff believes this is due to the complexity of the Project, with higher risks and challenges with subcontracting work during the onset of the Covid-19 pandemic.

Proven is an established regional contractor with more than 25 years of construction experience. Proven currently has contracts for the following JPB projects: Tunnel Modifications and Track Rehabilitation, CEMOF Modifications, and South San Francisco Station Improvement Projects. Staff concludes that Proven is appropriately qualified and capable of meeting the requirements of the contract and is, therefore, the lowest, responsive, and responsible bidder.

Procurement Administrator III:	Quoc Truong	650.508.7732
Senior Project Manager:	Joy Sharma	650.508.6410

RESOLUTION NO. 2020 – 31

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

* * *

AWARDING A CONTRACT TO PROVEN MANAGEMENT, INC. FOR THE MARIN AND NAPOLEON STREET BRIDGE REPLACEMENT PROJECT FOR A TOTAL AMOUNT OF $8,907,901

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB) issued an Invitation for Bids (IFB) for the Marin and Napoleon Street Bridge Replacement Project (Project); and

WHEREAS, in response to the IFB, the JPB received four bids; and

WHEREAS, staff and legal counsel have reviewed the bids and determined that Proven Management, Inc. of Oakland, California (Proven) is the lowest, responsive and responsible bidder; and

WHEREAS, Staff Coordinating Council recommends, and the Executive Director concurs, that a contract be awarded to Proven, whose bid meets the requirements of the solicitation documents.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract to Proven Management, Inc. for the Marin and Napoleon Street Bridge Replacement Project for a total amount of $8,907,901; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is authorized to execute a contract on behalf of the JPB with Proven, in full conformity with all the terms and conditions of the solicitation documents and in a form approved by legal counsel.

Regularly passed and adopted this 9th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

____

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

____

JPB Secretary