

**Peninsula Corridor Joint Powers Board
Finance Committee**

1250 San Carlos Avenue, San Carlos, CA 94070

Minutes of February 23, 2026

Members Present: Greg Wagner, David Cohen (Acting Chair)

Members Absent: David Canepa (Chair)

Staff Present: M. Bouchard, A. Feng, N. Fogarty, J. Harrison, J. Jiang, L. Lumina-Hsu, G. Rogers, K. Jordan Steiner, K. Yin, B. Zhang

1. Call to Order

Acting Chair Cohen called the meeting to order at 2:30 pm.

2. Roll Call

Loana Lumina-Hsu, JPB Deputy Secretary, called the roll and confirmed a quorum was present.

3. Pledge of Allegiance / Safety Briefing

Acting Chair Cohen led the Pledge of Allegiance and delivered the safety briefing.

4. Public Comment on Items not on the Agenda

Roland commented on supplemental reading materials and proposed contracts oversight.

5. Consent Calendar

5.a. Approval of Meeting Minutes for December 15, 2025

Motion/Second: Wagner/Cohen

Ayes: Wagner, Cohen

Noes: None

Absent: Canepa

6. Award Contracts to DB E.C.O. North America, Inc., Hatch Associates Consultants, Inc., and WSP USA Inc. for On-Call Railroad Business and Operations Support Services for an Aggregate Not-To-Exceed Amount of \$10 Million for a Five-Year Term*

Graham Rogers, Program Manager, Caltrain Operations and Maintenance, provided the presentation that included the following:

- On-call railroad business and operations support services
- \$10 million not-to-exceed over five years for as-needed work
- Request for Proposal (RFP) process and selection of qualified firms
- Contracts replace expiring agreements and provide specialized support

Staff provided further clarification in response to the Committee comments and questions, including contract budget, project-based work directives, and flexible vendor selection.

Motion/Second: Wagner/Cohen

Ayes: Wagner, Cohen

Noes: None

Absent: Canepa

Public Comment

Adrian Brandt commented DB E.C.O. North America Inc.'s rail experience, fare enforcement, and fare structure.

Roland commented on the scope of work and key performance indicators (KPIs).

7. Award a Contract to Wabtec Transportation Systems, LLC for Predictive Arrival and Departure Systems (PADS) and Rail Operations Control System (ROCS) Improvements for a Total Not-To-Exceed Amount of \$856,798 for a Sixteen-Month Term*

Kevin Yin, Director, Contracts and Procurement, provided the presentation that included the following:

- \$856,789 not-to-exceed amount is within \$6.6 million project budget
- Proprietary systems; only Wabtec Transportation Systems, LLC (Wabtec) can provide services
- Improves real-time passenger information and station messaging

Staff provided further clarification in response to the Committee comments and questions, which included the sole source process and required Board approval for contracts above the Executive Director's threshold.

Motion/Second: Wagner/Cohen

Ayes: Wagner, Cohen

Noes: None

Absent: Canepa

Public Comment

Roland spoke in support of the sole source contract.

Adrian Brandt commented on Gilroy Extension Positive Train Control (PTC) issues and a need for improved passenger communication.

8. Award Contracts to Burns Engineering, Inc., Hatch Associates Consultants, Inc., and RSE Corporation of San Mateo, California (RSE) for On-Call Rail Systems Engineering Business Operations Support Services for an Aggregate Total Not-to-Exceed Amount of \$23 Million for a Five-Year Term*

Mr. Yin provided the presentation that included the following:

- Category 3 on-call rail system engineering contracts
- Contract expiration timeline and need for seamless transition
- Competitive solicitation process; six proposals received
- As-needed work directives; multiple eligible funding sources

Motion/Second: Wagner/Cohen

Ayes: Wagner, Cohen

Noes: None

Absent: Canepa

9. Authorize Executive Director to Enter Lease Agreement with Chris Kummerer and Associates (CKA) Architects at Menlo Park Depot*

Nadine Fogarty, Director, Real Estate Development, provided the presentation that included the following:

- Lease for office use at Menlo Park Depot, historic 1867 building
- Additional tenant improvements of approximately \$163,400 funded by CKA
- Lease revenue: \$389,000 base term (\$359,000 after commissions); renewal at fair market value

Public Comment

Adrian Brandt spoke in support of the lease and faster occupancy of vacant depots.

Motion/Second: Wagner/Cohen

Ayes: Wagner, Cohen

Noes: None

Absent: Canepa

10. Receive Quarterly Financial Report: Fiscal Year 2026 Quarter 2 Results

Kate Jordan Steiner, Chief Financial Officer, provided the presentation that included the following:

- Quarter 2 net surplus; \$6 million favorable
- Revenue: 52 percent Measure RR, 27 percent fares, remainder from other sources
- Expenses: 77 percent direct rail, 19 percent administration, 4 percent debt service
- Mid-year variance \$11 million favorable
- Year-end forecast \$13 million surplus, \$30 million favorable

- Drivers ridership, State Rail Assistance (SRA) timing, sales tax, insurance, traction power adjustments
- Ten-year financial outlook workshop at April Board Meeting

Staff provided further clarification in response to the Committee comments and questions, which included the following:

- One-time and temporal savings versus ongoing trends
- Ridership levels increasing; sales tax stable with potential fluctuations
- Need for new long-term revenue sources to address \$75 million operating deficit
- Monitor insurance premiums and claims
- Operator service stable; discretionary expenses managed
- \$13 million projected surplus before \$15 million State of Good Repair contribution; Measure RR funds preserved
- Modest reserves below ten percent of operating budget
- Potential investment in long-term initiatives to be addressed in April workshop

Public Comment

Roland spoke in support of Caltrain's finances, Measure RR funding for a Gilroy train, and unbundling rail services.

Adrian Brandt commented on Bay Area Rapid Transit District's (BART) cost and safety benefits from right-sizing trains and suggested shorter trains for Caltrain.

11. Committee Member Requests - There were none.

12. Date/Time of Next Regular Finance Committee Meeting: Monday, March 23, 2026 at 2:30 pm.

13. Adjourn - The meeting adjourned 3:17 pm